

Company Information Sheet

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Company Name (stock code): KE Holdings Inc. (2423)

Stock Short Name: BEKE-W

This information sheet is provided for the purpose of giving information to the public about KE Holdings Inc. (the “**Company**”) as at the dates specified. The information does not purport to be a complete summary of information about the Company and/or its securities.

Unless otherwise defined herein, capitalized terms in this Company Information Sheet shall have the same meanings as those defined in the listing document of the Company dated May 5, 2022.

Responsibility Statement

The directors of the Company as at the date hereof hereby collectively and individually accept full responsibility for the accuracy of the information contained in this information sheet and confirm, having made all reasonable inquiries, that to the best of their knowledge and belief the information is accurate and complete in all material respects and not misleading or deceptive and that there are no other matters the omission of which would make any information inaccurate or misleading.

The directors also collectively and individually undertake to publish a revised Company Information Sheet when there are changes to the information since the last publication.

Summary Content

Document Type	Date
A. Waivers	Latest version as at September 1, 2022
B. Foreign Laws and Regulations	Latest version as at August 12, 2022
C. Constitutional Documents	Latest version as at August 12, 2022

Date of this information sheet: September 1, 2022

SECTION A

WAIVERS

The Company has sought the following waiver from strict compliance with the relevant provisions of the Listing Rules since its listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on May 11, 2022:

WAIVER IN RELATION TO JOINT COMPANY SECRETARY

Rule 8.17 of the Listing Rules requires that an issuer must appoint a company secretary who satisfies Rule 3.28.

Rule 3.28 of the Listing Rules provides that the issuer must appoint as its 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 the company secretary.

In addition, Note 2 to Rule 3.28 of the Listing Rules provides that 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 played;
- (ii) familiarity with the Listing Rules and other relevant law and regulations including the Securities and Futures Ordinance, 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.

The Company has appointed Ms. Siting Li (“**Ms. Li**”) and Ms. Lau Yee Wa (“**Ms. Lau**”), as the joint company secretaries of the Company to jointly discharge the duties and responsibilities of the company secretary of the Company with reference to their work experience and qualifications. Ms. Li is currently a senior manager of the investor relationship department of the Company. For further biographical details of Ms. Li, please see the announcement of the Company dated September 1, 2022.

The principal business activities of the Company are mainly conducted in mainland China. The Company considers it is important that its company secretary not only possesses sufficient knowledge and experience in relation to the Listing Rules and other relevant laws and regulations, but also is familiar with the internal operations of the Company, and has nexus to the Board and close working relationship with the management of the Company in order to perform the function of a company secretary and to take the necessary actions in the most effective and efficient manner. However, Ms. Li does not possess the relevant qualification as required under the Rule 3.28 of the Listing Rules.

Therefore, with respect to the appointment of Ms. Li as a joint company secretary, the Company has made application to the Stock Exchange for and the Stock Exchange has granted a waiver (“**Waiver**”) from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules, based on the followings: (i) Ms. Li’s participation in various capital activities of the Group and her knowledge of and familiarity with the Listing Rules and other relevant laws and regulations; (ii) Ms. Li’s above-mentioned background and experience; (iii) Ms. Li’s professional training experience; (iv) the strong support and assistance from Ms. Lau, the other joint company

secretary, during the Waiver Period (as defined below), who is a Chartered Secretary, a Chartered Governance Professional and an associate of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom and is therefore qualified under Rule 3.28 of the Listing Rules to act as a joint company secretary of the Company, with over 20 years of experience in the corporate secretarial field for providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies; and (v) the continuing relevant training and support from the Company's comprehensive internal measures and systems and professional advisors.

The Waiver is valid for a period of three years from September 1, 2022 (the "**Waiver Period**"), being the date of appointment of Ms. Li as a joint company secretary, on the following conditions:

- (i) Ms. Li will be assisted by Ms. Lau during the Waiver Period; and
- (ii) this Waiver could be revoked if there are material breaches of the Listing Rules by the Company.

Before the end of the Waiver Period, the Company must demonstrate and seek the Stock Exchange's confirmation that Ms. Li, having had the benefit of Ms. Lau's assistance during the Waiver Period, has attained the relevant experience and is capable of discharging the functions of company secretary under Rule 3.28 of the Listing Rules such that a further waiver will not be necessary.

In preparation of the Listing, the Company has sought the following waivers from strict compliance with the relevant provisions of the Listing Rules:

No.	Rules	Subject matter
1.	Rule 8.12 of the Listing Rules	Management Presence
2.	Rules 3.28 and 8.17 of the Listing Rules	Joint Company Secretaries
3.	Chapter 14A of the Listing Rules	Continuing Connected Transactions
4.	Rules 4.10 and 4.11 of, and Note 2.1 to paragraph 2 of the Appendix 16 to, the Listing Rules	Use of U.S. GAAP
5.	Paragraph 26 of Part A of Appendix 1 to the Listing Rules	Disclosure of Change in the Share Capital
6.	Rule 17.02(1)(b) of, and paragraph 27 of Appendix 1A to, the Listing Rules	Disclosure Requirements of the 2018 Share Option Plan
7.	Note (1) to Rule 17.03(9) of the Listing Rules	Exercise Price of Options to be Granted after the Listing
8.	Rule 9.09(b) of the Hong Kong Listing Rules	Dealing in Shares prior to Listing
9.	Rule 8A.44 of, and Appendix 3 to, the Listing Rules	Articles of Association
10.	Rules 4.04(2) and 4.04(4)(a) of the Listing Rules	Acquisitions after the Track Record Period
11.	Rule 8A.12 of the Listing Rules	Minimum Economic Interest at Listing
12.	Rule 10.08 of the Listing Rules	No Share Issuance within Six Months from the Listing Date
13.	Rule 13.46(2)(b) of the Listing Rules	Laying 2021 Annual Financial Statements before Members at an Annual General Meeting Within Six Months after the End of Financial Year

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, except as otherwise permitted by the Stock Exchange at its discretion, all applicants applying for a primary listing on the Stock Exchange must have sufficient management presence in Hong Kong. This would normally mean that at least two of an applicant's executive directors must be ordinarily resident in Hong Kong.

The Company's business operations are conducted and managed in the PRC. The headquarters, senior management and most of the Company's assets are located in the PRC. The Company's executive Directors are based in the PRC as the Board believes it would be more effective and efficient for its executive Directors to be based in a location where the Company's operations are located. Therefore, no executive Directors will, in the foreseeable future, be ordinarily resident in Hong Kong.

Accordingly, the Company has applied for, and the Stock Exchange has granted the Company, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules, provided that the Company will implement the following arrangements:

- (i) the Company has appointed Mr. Tao Xu, an executive Director and the chief financial officer of the Company and Ms. Lau Yee Wa ("**Ms. Lau**"), one of the joint company secretaries of the Company, as the authorized representatives of the Company (the "**Authorized Representatives**") for the purpose of Rule 3.05 of the Listing Rules. The Authorized Representatives will serve as the Company's principal channel of communication with the Stock Exchange. They can be readily contactable by phone, fax and email to deal promptly with enquiries from the Stock Exchange and will also be available to meet with the Stock Exchange to discuss any matters on short notice. The contact details of the Authorized Representatives have been provided to the Stock Exchange;
- (ii) all the Directors who are not ordinarily resident 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. In addition, each Director has provided his/her contact details, including mobile phone numbers, office phone numbers, residential home numbers (if any), email addresses and fax numbers (if any), to the Authorized Representatives and to the Stock Exchange. The Directors have also provided the contact information of their emergency contacts to the Authorized Representatives, so that each of the Authorized Representatives would be able to contact all the Directors (including the independent non-executive Directors) promptly at all times if and when the Stock Exchange wishes to contact the Directors; and
- (iii) the Company has appointed Maxa Capital Limited as its compliance adviser pursuant to Rules 3A.19 and 8A.33 of the Listing Rules. The Company's compliance adviser will act as the Company's additional and alternative channel of communication with the Stock Exchange, and its representatives will be readily available to answer enquiries from the Stock Exchange.

WAIVER IN RELATION TO JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the Company must appoint a company secretary who possesses the necessary academic or professional qualifications or relevant experience and is therefore capable to discharge the functions of the company secretary.

Note 1 to Rule 3.28 of the Listing Rules provides that 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 addition, Note 2 to Rule 3.28 of the Listing Rules provides that 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 played;
- (ii) familiarity with the Listing Rules and other relevant law and regulations including the Securities and Futures Ordinance, 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.

The Company has appointed Mr. Matthew Huaxia Zhao (“**Mr. Zhao**”) and Ms. Lau, as the joint company secretaries of the Company to jointly discharge the duties and responsibilities of the company secretary of the Company with reference to their work experience and qualifications. Mr. Zhao is currently the senior director of the investor relationship department of the Company. For further biographical details of Mr. Zhao, see the section headed “Directors and Senior Management – Joint Company Secretaries” in this document. Although Mr. Zhao does not possess the qualifications set out in Rule 3.28 of the Listing Rules, the Company has appointed him as one of the joint company secretaries of the Company due to his extensive experience in corporate governance matters, information disclosure, investor relationship and corporate secretarial affairs. Ms. Lau has been appointed as the other joint company secretary of the Company taking effect upon the Listing to assist Mr. Zhao in discharging the duties of the company secretary of the Company. Ms. Lau is a Chartered Secretary, a Chartered Governance Professional and an associate of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute in the United Kingdom and is therefore qualified under Rule 3.28 of the Listing Rules to act as a joint company secretary of the Company. For further biographical details of Ms. Lau, see the section headed “Directors and Senior Management – Joint Company Secretaries” in this document.

The following arrangements have been, or will be, put in place to assist Mr. Zhao in acquiring the qualifications and experience required under Rule 3.28 of the Listing Rules:

- (i) In preparation of the application of the Listing, Mr. Zhao has attended training on the respective obligations of the Directors, senior managements and the Company under the relevant Hong Kong laws and the Listing Rules organised by the Hong Kong legal adviser to the Company.
- (ii) Ms. Lau will work closely with Mr. Zhao to jointly discharge the duties and responsibilities as the joint company secretaries of the Company and to assist Mr. Zhao to acquire the relevant experience as required under the Listing Rules for an initial period of three years from the Listing Date, a period which should be sufficient for Mr. Zhao to acquire the relevant experience as required under the Listing Rules.
- (iii) The Company will ensure that Mr. Zhao continues to have access to the relevant training and support in relation to the Listing Rules and the duties required for a company secretary of an issuer listed on the Stock Exchange. Furthermore, both Mr. Zhao and Ms. Lau will seek advice from the Company's Hong Kong legal and other professional advisers as and when required. Mr. Zhao and Ms. Lau also undertake to take no less than 15 hours of relevant professional training in each financial year of the Company.
- (iv) Prior the end of the three-year period, the qualifications and experience of Mr. Zhao and the need for on-going assistance of Ms. Lau will be further evaluated by the Company. The Company will then endeavour to demonstrate to the Stock Exchange that Mr. Zhao, having had the benefit of the assistance of Ms. Lau for the immediately preceding three years, has acquired the relevant experience (within the meaning of Note 2 to Rule 3.28 of the Listing Rules) such that a further waiver from Rules 3.28 and 8.17 of the Listing Rules will not be necessary. The Company understands that the Stock Exchange may revoke the waiver if Ms. Lau ceases to provide assistance to Mr. Zhao during the three-year period.

The Company has applied for, and the Stock Exchange has granted the Company, a waiver from strict compliance with the requirements of Rules 3.28 and 8.17 of the Listing Rules on the following conditions: (i) Mr. Zhao 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 of the Company throughout the three-year period; and (ii) the waiver can be revoked if there are material breaches of the Listing Rules by the Company. Upon the expiry of the initial three-year period, the qualifications of Mr. Zhao will be re-evaluated to determine whether the requirements as stipulated in Note 2 to Rule 3.28 of the Listing Rules can be satisfied.

WAIVER IN RELATION TO CONTINUING CONNECTED TRANSACTIONS

The Company has conducted, and is expected to continue to conduct after the Listing Date, certain transactions with certain connected persons and/or its associates, which will constitute continuing connected transactions of the Company under the Listing Rules upon the Listing.

Accordingly, the Company has applied for, and the Stock Exchange has granted the Company, a waiver from strict compliance with (i) the announcement, circular and independent Shareholders' approval requirements pursuant to Rule 14A.105 of the Listing Rules; (ii) the requirement of setting an annual cap under Rule 14A.53 of the Listing Rules for certain continuing connected transactions; and (iii) the requirement of limiting the term of certain continuing connected transactions to three years or less under Rule 14A.52 of the Listing Rules. For further details, please see the section headed "Connected Transactions" in this document.

WAIVER IN RELATION TO USE OF U.S. GAAP

Rules 4.10 and 4.11 of, and Note 2.1 to paragraph 2 of Appendix 16 to, the Listing Rules require the Company to prepare its financial statements in the listing document and the subsequent financial reports issued after listing to be in conformity with: (a) Hong Kong Financial Reporting Standards (the "HKFRS"); (b) International Financial Reporting Standards (the "IFRS"); or (c) China Accounting Standards for Business Enterprises in the case of companies incorporated in China.

Rules 4.04(2) and 4.04(4)(a) of the Listing Rules require that, among other things, a new listing applicant to include in its accountant's report the results and the statement of financial position of any subsidiary or business acquired, agreed to be acquired or proposed to be acquired since the date to which its latest audited accounts have been made up in respect of each of the three financial years immediately preceding the issue of the listing document, or since the incorporation of such subsidiary or the commencement of such business if this occurred less than three years prior to such issue, or such shorter period as may be acceptable to Hong Kong Stock Exchange for Main Board applicants.

As a company listed on the NYSE, the Company uses U.S. GAAP and the corresponding auditing standards for the filing of its financial statements with the U.S. Securities and Exchange Commission as determined by the United States Public Company Accounting Oversight Board. U.S. GAAP is well recognized and accepted by the international investment community, and significant progress has been made in the convergence between U.S. GAAP and IFRS. Since the Company is listed on the NYSE, its exposure to foreign investors are much greater compared to issuers which are listed on the Stock Exchange only. Additionally, we note that it might lead to confusion among the Company's potential investors and Shareholders if the Company was required to adopt different accounting standards for its disclosures in Hong Kong from those in the U.S. and aligning the accountings standards used for disclosures in both markets will alleviate any such potential confusion. Adoption of U.S. GAAP for the preparation of financial statements of the Group will also allow potential investors and Shareholders of the Company to compare the results of the Group against other U.S. listed companies more easily using the same basis.

In addition, on July 4, 2021, the Company entered into a definitive agreement with, among other parties, Shengdu and its existing shareholders, pursuant to which the Company agreed to acquire 100% beneficial interests in Shengdu and its subsidiaries. As the highest applicable percentage ratio exceeds 5%, the Company is required to disclose the financial information of Shengdu in the document pursuant to Rules 4.04(2) and 4.04(4)(a) of the Listing Rules. For further details, see the section headed “History, Development and Corporate Structure – Shengdu Acquisition” in this document. It would be logical for the financial statements of Shengdu to be prepared based on U.S. GAAP given that the financial statements of the Group disclosed in this document have been prepared based on U.S. GAAP and it would also facilitate potential investors and Shareholders’ evaluation and assessment of the financial position of Shengdu if the Group and Shengdu’s financial statements are prepared in the same accounting standard.

The Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements of Rules 4.10 and 4.11 of, and Note 2.1 to paragraph 2 of the Appendix 16 to, the Listing Rules subject to the following conditions:

- (i) the Company will include adequate disclosure, including (a) a description of the relevant key differences between U.S. GAAP and IFRS; and (b) the reconciliation statement (the “**Reconciliation Statement**”) in the Company’s accountant’s report of this document, which will be audited by its external accountants;
- (ii) after the Listing, the Company will include a similar Reconciliation Statement in its interim and annual reports; such Reconciliation Statement in its annual reports will be audited by external accountants and the Reconciliation Statements in its interim reports will be reviewed by its external accountant in accordance with a standard that is at least equivalent to International Standard on Assurance Engagements 3000 or Hong Kong Standard on Assurance Engagements 3000;
- (iii) if the Company is no longer listed in the U.S. or is not obliged to make financial disclosure in the U.S., the Company will adopt either HKFRS or IFRS in the preparation of the Company’s financial statements as prescribed under the Listing Rules;
- (iv) a confirmation that “the effects of differences between the historical financial information of Shengdu prepared under U.S. GAAP and IFRS are not material” will be disclosed in this document; and
- (v) the Company will comply with Rules 4.08, 19.12, 19.14 of, and Note 2.6 to paragraph 2 of Appendix 16 to, the Listing Rules.

WAIVER IN RELATION TO THE DISCLOSURE REQUIREMENTS WITH RESPECT TO CHANGE IN THE SHARE CAPITAL

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements of paragraph 26 of Part A of Appendix 1 to the Listing Rules in respect of disclosing the particulars of any alterations in the capital of any member of the Group within the two years immediately preceding the issue of this document.

The Company has identified 34 entities that the Company considers are major subsidiaries and Consolidated Affiliated Entities primarily responsible for the track record results of the Group (the “**Principal Entities**”, and each a “**Principal Entity**”). For further details, please see the section headed “History, Development and Corporate Structure – Major Subsidiaries and Operating Entities” in this document. As of December 31, 2021, the Company has over 600 subsidiaries and Consolidated Affiliated Entities. It would be unduly burdensome for the Company to disclose the information required under paragraph 26 of Part A of Appendix 1 to the Listing Rules, which would not be material or meaningful to investors. The Principal Entities include, among others, all significant members of the Group under the financial threshold of Regulation S-X in the U.S. (i.e., contributing more than 10% of the Group’s total assets or income before income taxes). By way of illustration, after intercompany eliminations, the aggregate revenue and total assets of the Principal Entities in respect of which the relevant information is disclosed represent over 50.6% and 91.3% of the Group’s total revenue and total assets for the year ended December 31, 2021, respectively. Principal Entities and the Company hold all material assets, material intellectual property rights and other material proprietary technologies of the Group. The remaining entities in the Group are insignificant to the overall results of the Group and the revenue contribution of each of the non-Principal Entities is individually insignificant to the Group.

As such, particulars of the changes in the share capital of the Company and the Principal Entities are disclosed in the sections headed “History, Development and Corporate Structure”, “Statutory and General Information – Further Information about Our Group – Changes in the Share Capital of the Company” and “Statutory and General Information – Further Information about Our Group – Changes in the Share Capital of Our Major Subsidiaries and Operating Entities” in Appendix IV to this document.

WAIVER IN RELATION TO THE 2018 SHARE OPTION PLAN

Under Rule 17.02(1)(b) of, and paragraph 27 of Appendix 1A to, the Listing Rules, this document is required to include, 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 certain particulars of each option, namely the period during which it is exercisable, the price to be paid for shares or 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 (the “**Share Incentive Disclosure Requirements**”). According to the Guidance Letter HKEX-GL11-09 issued in July 2009 and updated in March 2014 by the Stock Exchange, 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.

As of the Latest Practicable Date, the Company has granted outstanding options under the 2018 Share Option Plan to 4,863 grantees (including Directors and senior management of the Company and other employees of the Group), to subscribe for an aggregate of 65,377,353 Class A ordinary shares. As of the Latest Practicable Date, among the outstanding options, 22,215 were held by connected persons and 65,355,138 were held by employees of the Group (who are not Directors, members of senior management or connected persons of the Company). The Class A ordinary shares underlying the outstanding options represent approximately 1.7% of the total issued share capital following the completion of the Listing. For further details, please see the section headed “Statutory and General Information – The Share Incentive Plans – Details of the Outstanding Options Granted under the 2018 Share Option Plan” in Appendix IV to this document.

The Company has applied to the Stock Exchange for a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix 1A to, the Listing Rules for the following grounds:

- (i) The Company considers that it would be unduly burdensome to disclose in this document full details of all the options granted by it to each of the grantees, which would significantly increase the cost and time required for information compilation and listing document preparation for strict compliance with such disclosure requirements. For example, the Company would need to collect and verify the addresses of around 5,000 grantees whose share options are still outstanding to meet the disclosure requirement. Further, the disclosure of the personal details of each grantee, including their names, addresses and the number of options granted, may require obtaining consent from 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.
- (ii) The Company will disclose all the material information on the options granted under the 2018 Share Option Plan in this document to provide prospective investors with sufficient information to make an informed assessment of the potential dilutive effect and impact on earnings per share of the options in making their investment decision, and such information includes:
 - (a) a summary of the major terms of the 2018 Share Option Plan;
 - (b) the aggregate number of Class A ordinary shares subject to the options and the percentage of our total issued share capital of which such number represents;
 - (c) the dilutive effect and the impact on earnings per share upon full exercise of the options immediately following completion of the Introduction;

- (d) full details of the options granted to Directors and members of the senior management and connected persons (if any) of the Company, on an individual basis, will be disclosed in this document, and such details include all the particulars required under Rule 17.02(1)(b) of the Listing Rules, paragraph 27 of Appendix 1A to the Listing Rules;
- (e) with respect to the options granted to other grantees (other than those referred to in (d) above), the following details will be disclosed on an aggregate basis in this document, including the aggregate number of such grantees and the number of Class A ordinary shares subject to the options, the consideration paid for the grant of the options and the exercise period and the exercise price for the options; and
- (f) the particulars of the waiver granted by the Stock Exchange;

the above disclosure is considered to be consistent with the conditions ordinarily expected by the Stock Exchange in similar circumstances as set out in Guidance Letter HKEX-GL11-09.

- (iii) The grantees who are not Directors, members of the senior management or connected persons of the Company, have been granted options that are still outstanding under the 2018 Share Option Plan to acquire an aggregate of 65,355,138 Class A ordinary shares, representing approximately 1.7% of the total number of issued Shares of the Company following the completion of the Listing, which is not material in the circumstances of the Company, and the exercise in full of such options will not cause any material adverse change in the financial position of the Company.
- (iv) The Company considers that non-compliance with the above disclosure requirements would not prevent the Company from providing potential investors with sufficient information for an informed assessment of the activities, assets, liabilities, financial position, management and prospects of the Group. Strict adherence to the disclosure requirements, including to disclose the names, addresses, and entitlements on an individual basis of around 5,000 grantees without reflecting the materiality of the information does not provide any additional meaningful information to the investing public.
- (v) A full list of all the grantees containing all details as required under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix 1A to the Listing Rules will be made available for inspection at the office of Freshfields Bruckhaus Deringer, the Company's Hong Kong legal adviser, at 55th Floor, One Island East, Taikoo Place, Quarry Bay, Hong Kong, during normal business hours up to and including the date which is 14 days from the date of this document.

The Stock Exchange has granted us a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix 1A to, the Listing Rules on the conditions that:

- (i) on an individual basis, full details of the options granted under the 2018 Share Option Plan to each of the Directors and the senior management and connected persons (if any) of the Company, will be disclosed in this document as required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix 1A to, the Listing Rules;
- (ii) in respect of the options granted under the 2018 Share Option Plan to other grantees (other than those set out in (i) above), disclosure will be made on an aggregate basis, including (a) the aggregate number of the grantees other than those set out in (i) above and the number of Shares subject to the options granted to them under the 2018 Share Option Plan, (b) the consideration paid for the grant of the options under the 2018 Share Option Plan, and (c) the exercise period and the exercise price for the options granted under the 2018 Share Option Plan;
- (iii) the aggregate number of Class A ordinary shares underlying the outstanding options granted under the 2018 Share Option Plan and the percentage of the Company's total issued share capital represented by such number of Shares as of the Latest Practicable Date will be disclosed in this document;
- (iv) the dilutive effect and impact on earnings per Share upon the full exercise of the options under the 2018 Share Option Plan will be disclosed in this document;
- (v) a summary of the major terms of the 2018 Share Option Plan will be disclosed in this document;
- (vi) the particulars of this waiver will be disclosed in this document; and
- (vii) a full list of all the grantees (including those persons whose details have already been disclosed) containing all the particulars as required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix 1A to, the Listing Rules will be made available for public inspection at the office of Freshfields Bruckhaus Deringer, the Company's Hong Kong legal adviser, at 55th Floor, One Island East, Taikoo Place, Quarry Bay, Hong Kong, during normal business hours up to and including the date which is 14 days from the date of this document.

WAIVER IN RELATION TO EXERCISE PRICE OF OPTIONS TO BE GRANTED AFTER THE LISTING

Note (1) to Rule 17.03(9) of the Listing Rules states that the exercise price of an option must be at least the higher of: (i) the closing price of the securities as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; and (ii) the average closing price of the securities as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant.

Since the listing of the Company's ADSs on the NYSE in August 2020, it has been the Company's practice to issue options exercisable into ADSs (each of which represents three underlying Class A ordinary shares) under the Share Incentive Plans and the Company will continue to issue options exercisable into ADSs after the Listing. By definition, ADSs are denominated in U.S. dollars, and the exercise price for options with respect to ADSs will necessarily be presented in U.S. dollars. Pursuant to the waiver from strict compliance with Rules 4.10 and 4.11 of, and Note 2.1 to Paragraph 2 of Appendix 16 to, the Listing Rules described above, the Company will continue to prepare its accounts based on U.S. GAAP after the Listing in line with its established practice of granting options with exercise prices and RSUs with grant values denominated in U.S. dollars and tied to the market price of its NYSE-traded ADSs.

On the basis that (a) the method for determining the exercise price of the options based on the market price of ADSs substantially replicates the requirement in Note (1) to Rule 17.03(9) of the Listing Rules, and (b) it has been the Company's practice to issue options exercisable into ADSs with exercise prices denominated in U.S. dollars, and the Company will grant options under the 2020 Share Incentive Plan with exercise prices based on the market price of its ADSs which are denominated in U.S. dollars after the Listing, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Note (1) to Rule 17.03(9) of the Listing Rules such that the Company be able to determine the exercise price for grants under its share option schemes based on the higher of: (i) the per-share closing price of the Company's ADSs on the NYSE on the date of grant, which must be a NYSE trading day; and (ii) the average per-share closing price of the Company's ADSs on the NYSE for the five NYSE trading days immediately preceding the date of grant, subject to the condition that the Company shall not issue any share options with an exercise price denominated in Hong Kong dollars unless such exercise price complies with Note (1) to Rule 17.03(9) of the Listing Rules.

DEALING IN SHARES PRIOR TO LISTING

According to Rule 9.09(b) of the Hong Kong Listing Rules, there must be no dealing in the securities of a new applicant for which listing is sought by any core connected person of the issuer from four clear business days before the expected hearing date until listing is granted (the “**Relevant Period**”).

The Company had over 600 subsidiaries and Consolidated Affiliated Entities as of the Latest Practicable Date, and its ADSs are widely held, publicly traded and listed on the NYSE. The Company considers that it and its management are therefore not in a position to control the investment decisions of its shareholders or the investing public in the U.S.

Solely based on public filings with the SEC as of the Latest Practicable Date,

- (i) each of Z&Z Trust, Cantrust, Grain Bud, Propitious Global, Mrs. Zuo and Baihui Partnership were interested or deemed to be interested in 24.1% of the issued share capital and Baihui Partnership was interested in 63.9% of the voting rights of the Company;
- (ii) Mr. Peng (through Ever Orient International Limited and Baihui Partnership) was interested or deemed to be interested in 27.1% of the issued share capital and 73.3% of the voting rights of the Company;
- (iii) Mr. Shan (through Clover Rich Limited and Baihui Partnership) was interested or deemed to be interested in 25.4% of the issued share capital and 68.0% of the voting rights of the Company; and
- (iv) Tencent Affiliated Entities were interested or deemed to be interested in 11.2% of the issued share capital and 3.5% of the voting rights of the Company.

Save as above, there were no shareholders that are entitled to exercise, or control the exercise of, 10% or more of the issued share capital and/or voting power at any general meeting of the Company.

On the basis of the above, the Company considers that the following categories of persons (collectively, the “**Permitted Persons**”) should not be subject to the dealing restrictions set out in Rule 9.09(b) of the Hong Kong Listing Rules:

- (a) the Company’s Directors other than Mr. Peng and Mr. Shan, the directors and chief executives and substantial shareholders of its significant subsidiaries and Consolidated Affiliated Entities (that are, subsidiaries and Consolidated Affiliated Entities that are not “insignificant subsidiaries” as defined under the Listing Rules, “**Significant Subsidiaries**”) and their close associates, in respect of their respective use of the Shares as security (including, for the avoidance of doubt, using their respective shares as security in connection with entering into financing transactions during the Relevant Period as well as satisfying any requirements to top-up security under the terms of financing transactions entered into prior to the Relevant Period), provided that there will be no change in the beneficial ownership of the Shares at the time of entering into any such transactions during the Relevant Period (“**Category 1**”);

- (b) directors, chief executives and substantial shareholders of the Company's non – Significant Subsidiaries and their close associates (“**Category 2**”); and
- (c) any other person (whether or not an existing Shareholder) who may, as a result of dealings, become the Company's substantial shareholder and who is not the Company's director or chief executive, or a director or chief executive of the Company's subsidiaries and Consolidated Affiliated Entities, or their close associates (“**Category 3**”).

For the avoidance of doubt:

- (a) as the foreclosure, enforcement or exercise of other rights by the lenders in respect of a security interest over the Shares (including, for the avoidance of doubt, any security interest created pursuant to any top-up of security) will be subject to the terms of the financing transaction underlying such security and not within the control of the pledgor, any change in the beneficial owner of the Shares during the Relevant Period resulting from the foreclosure, enforcement or exercise of other rights by the lenders in respect of such security interest will not be subject to Rule 9.09(b) of the Hong Kong Listing Rules; and
- (b) persons in Category 1 who use their respective Shares other than as described in this subsection headed “Dealings in Shares Prior to Listing” are subject to the restrictions under Rule 9.09(b) of the Hong Kong Listing Rules.

We have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Rule 9.09(b) of the Hong Kong Listing Rules to be granted on the following conditions:

- (a) Where Category 1 of the Permitted Persons use the Shares as security, other than those set out in the waiver above, there will be no change in the beneficial ownership of the Shares at the time of entering into the relevant transactions during the Relevant Period;
- (b) Categories 2 and 3 of the Permitted Persons do not have any influence over the Introduction and do not possess any non-public inside information of the Company given that such persons are not in a position with access to information that is considered material to the Company taken as a whole. Given the large number of the Company's subsidiaries and Consolidated Affiliated Entities and its vast ADS holder base, the Company and its management do not have effective control over the investment decisions of Categories 2 and 3 of the Permitted Persons in its ADSs;
- (c) Categories 2 and 3 of the Permitted Persons are effectively in the same position as other public investors given their limited access to information and lack of influence over the Listing;

- (d) although Category 2 individuals fall within the strict definition of a core connected person under the Listing Rules, there is no actual or perceived preferential treatment given that (i) each of these non-Significant Subsidiaries are not individually material to the Group in terms of their contribution to total net income or total assets or total revenues or profits, and do not hold any major assets and intellectual property rights; (ii) the Company is not required to have specific disclosure in relation to non-Significant Subsidiaries pursuant to U.S. laws and regulations; (iii) non – Significant Subsidiaries do not individually contribute more than 10% of the Group’s total assets and income comparable to the definition of an “insignificant subsidiary” under Rule 14A.09(1); and (iv) Categories 2 of the Permitted Persons have no influence over the Introduction and are not, and will not be, in possession of any inside information in relation to the Listing and are effectively in the same positions as other public investors;
- (e) the Company will promptly release any inside information to the public in the U.S. and Hong Kong in accordance with the relevant laws and regulations of the U.S. and Hong Kong. Accordingly, the Permitted Persons (other than Category 1 person) are not in possession of any non-public inside information of which the Company is aware and will not have any influence over the Introduction;
- (f) the Company will notify the Hong Kong Stock Exchange of any breaches of the dealing restrictions by any of its core connected persons during the Relevant Period when it becomes aware of the same other than dealings by the core connected persons who are Permitted Persons within the permitted scopes set out above; and
- (g) prior to the Listing Date, other than within the permitted scopes set out above, the Company’s directors and chief executive and substantial shareholders and the directors and chief executives and substantial shareholders of its Significant Subsidiaries and their close associates will not deal in the Shares or the ADSs during the Relevant Period provided that such prohibited dealing in the Shares shall not include the granting, vesting, payment or exercise (as applicable) of incentive and non-statutory options, restricted shares, dividend equivalents, and share payments under the Group’s share incentive plans.

The Company believes that the circumstances relating to this waiver align with those set out in the Hong Kong Stock Exchange’s Guidance Letter HKEX-GL42-12 and the grant of this waiver will not prejudice the interests of potential investors.

WAIVER IN RELATION TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

The Appendix 3 to the Listing Rules sets out the core shareholder protection standards that the articles of association or equivalent document of the issuer must conform with the provisions set out in such appendix.

Rule 8A.44 requires issuers with WVR structures such as the Company to give force to the requirements of Rules 8A.07, 8A.09, 8A.10, 8A.13, 8A.14, 8A.15, 8A.16, 8A.17, 8A.18, 8A.19, 8A.21, 8A.22, 8A.23, 8A.24, 8A.26, 8A.27, 8A.28, 8A.29, 8A.30, 8A.31, 8A.32, 8A.33, 8A.34, 8A.35, 8A.37, 8A.38, 8A.39, 8A.40 and 8A.41 by incorporating them into their articles of association or equivalent document (together with the requirements under Appendix 3 to the Listing Rules, the “**Listing Rules Articles Requirements**”).

As the Company is listed on the NYSE, the Company has adopted its Memorandum and Articles of Association which are in line with the form of memorandum and articles of association commonly adopted by similarly-placed foreign issuers listed on the NYSE. Therefore, the Company’s Memorandum and Articles of Association do not comply with some of the Listing Rules Articles Requirements, namely (i) paragraphs 4(2), 14(1), 14(2), 14(3), 14(4), 14(5), 15, 16, 17, 19, 20 and 21 of Appendix 3 to the Hong Kong Listing Rules effective on January 1, 2022, and (ii) Rules 8A.07, 8A.09, 8A.10, 8A.13, 8A.14, 8A.15, 8A.16, 8A.17, 8A.18, 8A.19, 8A.22, 8A.23, 8A.24, 8A.26, 8A.27, 8A.28, 8A.29, 8A.30, 8A.31, 8A.32, 8A.33, 8A.34, 8A.35, 8A.37, 8A.38, 8A.39, 8A.40 and 8A.41 of the Listing Rules (together, the “**Unmet Listing Rules Articles Requirements**”).

The Company will amend its Memorandum and Articles of Association to incorporate the following Unmet Listing Rules Articles Requirements:

Class-based resolutions

- (1) The articles of association shall stipulate that a super-majority vote (at least three-fourths of the voting rights of the members holding shares in that class present and voting in person or by proxy at a separate general meeting of members of the class where the quorum for such meeting shall be holders of at least one third of the issued shares of the class) of the issuer’s members of the class to which the rights are attached shall be required to approve a change to those rights. (paragraph 15 of Appendix 3);
- (2) Non-WVR shareholders must be entitled to cast at least 10% of the votes that are eligible to be cast on resolutions at the listed issuer’s general meetings (Rule 8A.09 of the Listing Rules) and a listed issuer must not increase the proportion of shares that carry weighted voting rights above the proportion in issue at the time of listing (Rule 8A.13 of the Listing Rules);

- (3) A listed issuer with a WVR structure may only allot, issue or grant shares carrying weighted voting rights with the prior approval of the Stock Exchange and pursuant to (1) an offer made to all the issuer's shareholders pro rata (apart from fractional entitlements) to their existing holdings; (2) a pro rata issue of securities to all the issuer's shareholders by way of scrip dividends; or (3) pursuant to a stock split or other capital reorganization provided that the Stock Exchange is satisfied that the proposed allotment or issuance will not result in an increase in the proportion of shares carrying weighted voting rights (Rule 8A.14 of the Listing Rules):
- (i) if, under a pro rata offer, beneficiaries of weighted voting rights do not take up any part of the shares carrying weighted voting rights (or rights to those shares) offered to them, those shares (or rights) not taken up could only be transferred to another person on the basis that such transferred rights will only entitle the transferee to an equivalent number of ordinary shares (Note 1 to Rule 8A.14 of the Listing Rules);
 - (ii) to the extent that rights in a listed issuer's shares not carrying weighted voting rights in a pro rata offer are not taken up in their entirety (e.g. in the case where the pro rata offering is not fully underwritten), the number of the listed issuer's shares carrying weighted voting rights that can be allotted, issued or granted must be reduced proportionately (Note 2 to Rule 8A.14 of the Listing Rules); and
 - (iii) where necessary, beneficiaries of weighted voting rights must use their best endeavors to enable the issuer to comply with Rule 8A.14 (Note 3 to Rule 8A.14 of the Listing Rules);
- (4) If a listed issuer with a WVR structure reduces the number of its shares in issue (e.g. through a purchase of its own shares) the beneficiaries of weighted voting rights must reduce their weighted voting rights in the issuer proportionately (for example through conversion of a proportion of their shareholding with those rights into shares without those rights), if the reduction in the number of shares in issue would otherwise result in an increase in the proportion of the listed issuer's shares that carry weighted voting rights (Rule 8A.15 of the Listing Rules);
- (5) After listing, a listed issuer with a WVR structure must not change the terms of a class of its shares carrying weighted voting rights to increase the weighted voting rights attached to that class (Rule 8A.16 of the Listing Rules);
- (6) The following requirements regarding the Class B ordinary shares under the Listing Rules:
- (i) the beneficiary's weighted voting rights in a listed issuer must cease if, at any time after listing, the beneficiary is: (1) deceased; (2) no longer a member of the issuer's board of directors; (3) deemed by the Stock Exchange to be incapacitated for the purpose of performing his or her duties as a director; or (4) deemed by the Stock Exchange to no longer meet the requirements of a director set out in the Listing Rules (Rule 8A.17 of the Listing Rules). The Stock Exchange would deem a beneficiary of weighted voting rights to no longer meet the requirements of a director if, for the following reasons, the Stock Exchange believed the person no longer has the character and integrity commensurate with the position:

- (a) the beneficiary is or has been convicted of an offence involving a finding that the beneficiary acted fraudulently or dishonestly;
 - (b) a disqualification order is made by a court or tribunal of competent jurisdiction against the beneficiary; or
 - (c) the beneficiary is found by the Stock Exchange to have failed to comply with the requirement of Rules 8A.15, 8A.18 or 8A.24 (Note 1 to Rule 8A.17 of the Listing Rules);
- (ii) The dealing restrictions of Rule 10.06(2), the issue restrictions of Rule 10.06(3) and the director dealing restrictions under Appendix 10 do not apply where the dealing or issue is solely to facilitate the conversion of shares carrying weighted voting rights into ordinary shares to comply with Rule 8A.17 (Note 2 to Rule 8A.17 of the Listing Rules);
 - (iii) the weighted voting rights attached to a beneficiary's shares must cease upon transfer to another person of the beneficial ownership of, or economic interest in, those shares or the control over the voting rights attached to them (through voting proxies or otherwise) (Rule 8A.18(1) of the Listing Rules) but a limited partnership, trust, private company or other vehicle may hold shares carrying weighted voting rights on behalf of a beneficiary of weighted voting rights provided that such an arrangement does not result in a circumvention of Rule 8A.18(1) of the Listing Rules (Rule 8A.18(2) of the Listing Rules). The Stock Exchange would not consider a lien, pledge, charge or other encumbrance on shares carrying weighted voting rights to be a transfer for the purpose of Rule 8A.18 on condition that this does not result in the transfer of legal title to or beneficial ownership of those shares or the voting rights attached to them (through voting proxies or otherwise) (Note 1 to Rule 8A.18 of the Listing Rules) and the Stock Exchange would consider a transfer to have occurred under Rule 8A.18 if a beneficiary of weighted voting rights and a non-WVR shareholder(s) enter into any arrangement or understanding to the extent that this resulted in a transfer of weighted voting rights from the beneficiary of those weighted voting rights to the non-WVR shareholder (Note 2 to Rule 8A.18 of the Listing Rules); and
 - (iv) if a vehicle holding shares carrying weighted voting rights in a listed issuer on behalf of a beneficiary no longer complies with Rule 8A.18(2) of the Listing Rules, the beneficiary's weighted voting rights in the listed issuer must cease. The issuer and beneficiary must notify the Stock Exchange as soon as practicable with details of the non-compliance (Rule 8A.19 of the Listing Rules);
- (7) A listed issuer's WVR structure must cease when none of the beneficiaries of the weighted voting rights at the time of the issuer's initial listing have beneficial ownership of shares carrying weighted voting rights (Rule 8A.22 of the Listing Rules);
 - (8) Any weighted voting rights attached to any class of shares in a listed issuer must be disregarded and must not entitle the beneficiary to more than one vote per share on any resolution to approve the following matters: (1) changes to the listed issuer's constitutional documents, however framed; (2) variation of rights attached to any class of shares; (3) the appointment or removal of an independent non-executive director; (4) the appointment or removal of auditors; and (5) the voluntary winding-up of the listed issuer (Rule 8A.24 of the Listing Rules);

Non-class-based resolutions

- (9) The articles of association shall stipulate that any person appointed by the directors to fill a casual vacancy on or as an addition to the board shall hold office only until the first annual general meeting of the issuer after his appointment, and shall then be eligible for re-election. (paragraph 4(2) of Appendix 3);
- (10) The articles of association shall require the issuer to hold a general meeting for each financial year as its annual general meeting. (paragraph 14(1) of Appendix 3);
- (11) The articles of association shall stipulate that any annual general meeting must be called by notice of at least 21 days, and that any other general meeting (including an extraordinary general meeting) must be called by notice of at least 14 days. (paragraph 14(2) of Appendix 3);
- (12) The articles of association shall stipulate that members must have the right to (i) speak at a general meeting; and (ii) vote at a general meeting except where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration. (paragraph 14(3) of Appendix 3);
- (13) The articles of association shall provide that, where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted (paragraph 14(4) of Appendix 3);
- (14) The articles of association shall stipulate that members holding a minority stake in the total number of issued shares must be able to convene an extraordinary general meeting and add resolutions to a meeting agenda. The minimum stake required to do so must not be higher than 10% of the voting rights, on a one vote per share basis, in the share capital of the issuer. (paragraph 14(5) of Appendix 3);
- (15) The articles of association shall stipulate that a super-majority vote (at least three-fourths of the voting rights of the members present and voting in person or by proxy in a general meeting shall be required to approve changes to the issuer's constitutional documents, however framed. (paragraph 16 of Appendix 3);
- (16) The articles of association shall stipulate that the appointment, removal and remuneration of auditors must be approved by a majority of the issuer's members or other body that is independent of the board of directors. (paragraph 17 of Appendix 3);
- (17) The articles of association shall stipulate that the HKSCC must be entitled to appoint proxies or corporate representatives to attend the issuer's general meetings and creditors meetings and those proxies/corporate representatives must enjoy rights equivalent to the rights of other shareholders, including the right to speak and vote. (paragraph 19 of Appendix 3);

- (18) The articles of association shall provide for the branch register of members in Hong Kong to be open for inspection by members but may permit the company to close the register on terms equivalent to section 632 of the Companies Ordinance (paragraph 20 of Appendix 3);
- (19) The articles of association shall stipulate that a super-majority vote (at least three-fourths of the total voting rights of the members present and voting in person or by proxy at the general meeting) of the issuer's members in a general meeting shall be required to approve a voluntary winding up of an issuer. (paragraph 21 of Appendix 3);
- (20) Non-WVR shareholders must be able to convene an extraordinary general meeting and add resolutions to the meeting agenda. The minimum stake required to do so must not be higher than 10% of the voting rights on a one vote per share basis in the share capital of the listed issuer (Rule 8A.23 of the Listing Rules);
- (21) The role of an independent non-executive director of a listed issuer with a WVR structure must include but is not limited to the functions described in Code Provisions C.1.2, C.1.6 and C.1.7 in Part 2 of Appendix 14 to the Listing Rules (Rule 8A.26 of the Listing Rules);
- (22) Issuers with a WVR structure must establish a nomination committee that complies with Section B.3 in Part 2 of Appendix 14 of the Listing Rules (Rule 8A.27 of the Listing Rules);
- (23) The nomination committee established under Rule 8A.27 of the Listing Rules must be chaired by an independent non-executive director and comprising a majority of independent non-executive directors (Rule 8A.28 of the Listing Rules);
- (24) The independent non-executive directors of an issuer with a WVR structure must be subject to retirement by rotation at least once every three years. Independent non-executive directors are eligible for re-appointment at the end of the three year term (Rule 8A.29 of the Listing Rules);
- (25) An issuer with a WVR structure must establish a corporate governance committee with at least the terms of reference set out in Code Provision A.2.1 in Part 2 of Appendix 14 to the Listing Rules, and the following additional terms:
 - (i) to review and monitor whether the listed issuer is operated and managed for the benefit of all its shareholders;
 - (ii) to confirm, on an annual basis, that the beneficiaries of weighted voting rights have been members of the listed issuer's board of directors throughout the year and that no matters under Rule 8A.17 of the Listing Rules have occurred during the relevant financial year;
 - (iii) to confirm, on an annual basis, whether or not the beneficiaries of weighted voting rights have complied with Rules 8A.14, 8A.15, 8A.18 and 8A.24 of the Listing Rules throughout the year;

- (iv) to review and monitor the management of conflicts of interests and make a recommendation to the board on any matter where there is a potential conflict of interest between the issuer, a subsidiary of the issuer and/or shareholders of the issuer (considered as a group) on one hand and any beneficiary of weighted voting rights on the other;
 - (v) to review and monitor all risks related to the issuer's WVR structure, including connected transactions between the issuer and/or a subsidiary of the issuer on one hand and any beneficiary of weighted voting rights on the other and make a recommendation to the board on any such transaction;
 - (vi) to make a recommendation to the board as to the appointment or removal of the compliance adviser;
 - (vii) to seek to ensure effective and on-going communication between the issuer and its shareholders, particularly with regards to the requirements of Rule 8A.35 of the Listing Rules;
 - (viii) to report on the work of the corporate governance committee on at least a half-yearly and annual basis covering all areas of its terms of reference; and
 - (ix) to disclose, on a comply or explain basis, its recommendations to the board in respect of the matters in sub-paragraphs (iv) to (vi) above in the report referred to in sub-paragraph (viii) above (Rule 8A.30 of the Listing Rules);
- (26) The corporate governance committee must be comprised entirely of independent non-executive directors, one of whom must act as the chairman (Rule 8A.31 of the Listing Rules);
- (27) The corporate governance report produced by a listed issuer with a WVR structure to comply with Appendix 14 of the Listing Rules must include a summary of the work of the corporate governance committee, with regards to its terms of reference, for the accounting period covered by both the half-yearly and annual report and disclose any significant subsequent events for the period up to the date of publication of the half-yearly and annual report, to the extent possible (Rule 8A.32 of the Listing Rules);
- (28) Rule 3A.19 of the Listing Rules is modified to require an issuer with a WVR structure to appoint a compliance adviser on a permanent basis commencing on the date of the issuer's initial listing (Rule 8A.33 of the Listing Rules);
- (29) An issuer must consult with and, if necessary, seek advice from its compliance adviser, on a timely and ongoing basis in the circumstances set out in Rule 3A.23 of the Listing Rules and also on any matters related to: (1) the WVR structure; (2) transactions in which any beneficiary of weighted voting rights in the issuer has an interest; and (3) where there is a potential conflict of interest between the issuer, a subsidiary of the issuer and/or shareholders of the issuer (considered as a group) on one hand and any beneficiary of weighted voting rights in the issuer on the other (Rules 8A.34 and 3A.23 of the Listing Rules);
- (30) An issuer with a WVR structure must comply with Section F "Shareholders Engagement" in Part 2 of Appendix 14 of the Listing Rules (Rule 8A.35 of the Listing Rules);

- (31) An issuer with a WVR structure must include the warning “A company controlled through weighted voting rights” on the front page of all listing documents, periodic financial reports, circulars, notifications and announcements required by the Listing Rules and describe the WVR structure, the issuer’s rationale for having it and the associated risks for shareholders prominently in its listing documents and periodic financial reports. This warning statement must inform prospective investors of the potential risks of investing in an issuer with a WVR structure and that they should make the decision to invest only after due and careful consideration (Rule 8A.37 of the Listing Rules);
- (32) The documents of or evidencing title for the listed equity securities of an issuer with a WVR structure must prominently include the warning “A company controlled through weighted voting rights” (Rule 8A.38 of the Listing Rules);
- (33) An issuer with a WVR structure must (i) identify the beneficiaries of weighted voting rights in its listing documents and in its interim and annual reports (Rule 8A.39 of the Listing Rules); (ii) disclose the impact of a potential conversion of WVR shares into ordinary shares on its share capital in its listing documents and in its interim and annual reports (Rule 8A.40 of the Listing Rules); and (iii) disclose in its listing documents and in its interim and annual reports all circumstances in which the weighted voting rights attached to its shares will cease (Rule 8A.41 of the Listing Rules);
- (34) Subject to the requirement of Rule 8A.24, a WVR structure must attach weighted voting rights only to a class of an issuer’s equity securities and confer on a beneficiary enhanced voting power on resolutions tabled at the issuer’s general meetings only. In all other respects, the rights attached to a class of equity securities conferring weighted voting rights must otherwise be the same as the rights attached to the issuer’s listed ordinary shares (Rule 8A.07 of the Listing Rules); and
- (35) A class of shares conferring weighted voting rights in a listed issuer must not entitle the beneficiary to more than ten times the voting power of ordinary shares, on any resolution tabled at the issuer’s general meetings (Rule 8A.10 of the Listing Rules);

To further enhance its shareholder protection measures, the Company will also propose the following amendments to its Memorandum and Articles of Association:

- (a) lowering the quorum of general meeting (which is not a class meeting) from not less than one-half (1/2) of aggregate voting power of all the Ordinary Shares in issue and present either in person or by proxy as currently provided for in Article 65 of the Memorandum and Articles of Association to 10% of voting rights (on a one vote per share basis) in the share capital of the Company (the “**Quorum Requirement**”);
- (b) where any general meeting is postponed by the Directors pursuant to Article 72 of the Memorandum and Articles of Association, requiring such meeting to be postponed to a specific date, time and place (the “**GM Postponement Requirement**”);

- (c) requiring any power to be exercised by the Director under Article 9 of the Memorandum and Articles of Association (including but not limited to the power to authorize division of Shares into any number of classes and issue shares with preferred or other rights and series of preferred shares) to be subject to the Memorandum and Articles of Association, compliance with the Listing Rules and the Code on Takeovers and Mergers, and the conditions that:
 - (i) no new class of shares with voting rights superior to those of Class A ordinary shares will be created; and
 - (ii) any variations in the relative rights as between the different classes will not result in creating new class of shares with voting rights superior to those of Class A ordinary shares (the “**Overriding Compliance Requirement**”); and
- (d) proposing amendments to the Memorandum and Articles of Association to clarify that
 - (i) the Company, its shareholders, Directors and officers agree to submit to the jurisdiction of the courts of the Cayman Islands and Hong Kong, to the exclusion of other jurisdictions, to hear, settle and/or determine any dispute, controversy or claim whether arising out of or in connection with the Memorandum and Articles of Association or otherwise (save for in relation to any application or petition to wind-up the Company which the courts of the Cayman Islands shall have exclusive jurisdiction to determine), and
 - (ii) if a court of the U.S. assumes jurisdiction to hear any proceedings, actions, claims or complaints that rely on the provisions of the U.S. Securities Act or the U.S. Exchange Act, then the federal courts of the U.S. shall have exclusive jurisdiction to hear, settle and/or determine such proceeding, action, claim or complaint to the exclusion of the state courts (the “**Forum Selection Clarification**”).

The Company will also propose to amend its Articles of Association to include an article that the WVR structure will fall away if neither of the WVR Beneficiaries having control over the exercise of the voting rights of the Shares held by Propitious Global immediately upon completion of the Listing (the “**Subject Shares**”) for reasons within or outside their control (the “**WVR Fall Away Provision**”). For the avoidance of doubt, (A) subject to the Listing Rules, (i) any sale, transfer, assignment or disposition of any part or all of the Subject Shares by Propitious Global to any person, or (ii) a change of control of the ultimate beneficial ownership of any part or all of the Subject Shares or Propitious Global to any person (the above activities are collectively referred to as “**Transactions**”), and (B) consequentially resulting in the loss of control over the exercise of the voting rights of the relevant Subject Shares that are subject to the Transactions, will not give rise to any obligation to convert the Class B ordinary shares to Class A ordinary shares.

In addition, the Company's existing Articles of Association allows the Baihui Partnership, after the partnership conditions as defined therein (the "**Partnership Conditions**") are satisfied, to appoint Executive Directors and nominate and recommend the chief executive officer of the Company. As of the Latest Practicable Date, the Partnership Conditions have not been satisfied. Accordingly, Baihui Partnership, the WVR Beneficiaries or Propitius Global are not entitled to other special rights under the Company's existing Articles of Association, other than the enhanced voting power attached to the Class B ordinary shares held by the WVR Beneficiaries. The Company will propose to its Shareholders to remove all special rights that Baihui Partnership is entitled to under the Memorandum and Articles of Association (the "**Baihui Partnership Special Rights Removal Requirement**", together with the Unmet Listing Rules Articles Requirements, the Quorum Requirement, the GM Postponement Requirement, the Forum Selection Clarification, the Overriding Compliance Requirement and the WVR Fall Away Provision, the "**Unmet Articles Requirements**").

The Company will seek shareholders' approval to incorporate the Unmet Articles Requirements into its Memorandum and Articles of Association at an extraordinary general meeting to be convened within six months of the Listing (the "**2022 EGM**").

The incorporation of the following Unmet Articles Requirements will require approvals of holders of Class A ordinary shares and holders of Class B ordinary shares in separate class meetings at the 2022 EGM in accordance with the Memorandum and Articles of Association because these requirements would vary the rights attached to Class A and Class B ordinary shares: (i) paragraph 15 of Appendix 3 to the Listing Rules; (ii) WVR Fall Away Provision and (iii) Rules 8A.09, 8A.13, 8A.14, 8A.15, 8A.16, 8A.17, 8A.18, 8A.19, 8A.22, and 8A.24 – a resolution to incorporate these Unmet Articles Requirements (the "**Class-based Resolution**") will need to be approved at the separate class meetings of holders of Class A ordinary shares (the "**Class A Meeting**") and of Class B ordinary shares (the "**Class B Meeting**").

If the Class-based Resolution is approved at both the Class A Meeting and Class B Meeting, the Shareholders will be asked to vote on the Class-based Resolution and another special resolution to incorporate into the Company's Memorandum and Articles of Association the Unmet Articles Requirements not covered by the Class-based Resolutions (the "**Non-class-based Resolution**") at the full shareholders' meeting where all shareholders may vote as a single class (the "**Full Shareholders' Meeting**") as the Class-based Resolution and the Non-class-based Resolution will alter the Memorandum and Articles of Association. If the Class-based Resolution is not approved at any of the Class A Meeting and Class B Meeting, the Shareholders will only be asked to vote on the Non-class-based Resolution.

Therefore, at the 2022 EGM, the Company will put forth: (i) the Class-based Resolution at the Class A Meeting and the Class B Meeting; and (ii) the Class-based Resolution (if adopted at the Class A and Class B Meetings) and the Non-class-based Resolution at the Full Shareholders' Meeting (together, the "**Amendment Resolutions**") to amend its Memorandum and Articles of Association to comply with the Unmet Articles Requirements.

The Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 8A.44 of, and Appendix 3 to, the Listing Rules, subject to the following conditions:

- (a) at the 2022 EGM, the Company will put forth: (i) the Class-based Resolution at the Class A Meeting and the Class B Meeting; and (ii) the Class-based Resolution (if adopted at the Class A and Class B Meetings) and the Non-class-based Resolution at the Full Shareholders' Meeting to amend its Memorandum and Articles of Association to comply with the Unmet Articles Requirements;
- (b) each of the WVR Beneficiaries and WVR Beneficiaries' Holding Vehicles will, prior to the Listing, irrevocably undertake to the Company to be present at the 2022 EGM (whether in person or by proxy) and any general meeting and class meeting after the completion of the Listing until all Amendment Resolutions are approved by Shareholders, and to vote in favor of the Amendment Resolutions;
- (c) if any of the Amendment Resolutions (including the Class-based Resolution) are not passed at the 2022 EGM, until they are all approved by the shareholders, the Company and each of the Directors will, prior to the Listing, irrevocably undertake to the Stock Exchange to continue to put forth the Amendment Resolutions that have not been passed (including the Class-based Resolution that has not been passed) at each subsequent annual general meeting and class meeting, and each of the WVR Beneficiaries and WVR Beneficiaries' Holding Vehicles will, prior to the Listing, irrevocably undertake to the Company to continue to be present and vote in favor of such Amendment Resolutions at such meeting;
- (d) Baihui Partnership will undertake to the Company that, after the Listing becomes effective, it shall attend any class meeting and any general meeting (whether in person or by proxy) that may be convened by the Company and will exercise the voting rights represented by the Shares held by Propitious Global under the POA Arrangement to vote in favor of any resolution at such meeting to approve the amendments to the Memorandum and Articles of Association to incorporate the Unmet Articles Requirements. Such undertaking to attend any general meeting and class meeting and to vote in favor of the amendments shall remain in force until all the Amendment Resolutions are passed;
- (e) each of Baihui Partnership and the limited partners of Baihui Partnership will undertake to the Stock Exchange that, before the Amendment Resolutions (including the Class-based Resolution) are approved, it/he will not take any action to satisfy the Partnership Conditions;

- (f) the Company, each of the Directors, Baihui Partnership, each of the WVR Beneficiaries and each of the WVR Beneficiaries' Holding Vehicles will, prior to the Listing, irrevocably undertake to the Stock Exchange that it or he will comply with the Unmet Listing Rules Articles Requirements, the Baihui Partnership Special Rights Removal Requirement, the Quorum Requirement, the GM Postponement Requirement, the Overriding Compliance Requirement, the Forum Selection Clarification and, in respect of the WVR Beneficiaries and WVR Beneficiaries' Holding Vehicles, the WVR Fall Away Provision, upon the Listing and before the existing Memorandum and Articles of Association are formally amended to incorporate the Unmet Articles Requirements, except for the following (the “**Undertaking for Interim Compliance**”) (For the avoidance of doubt, the exceptions set out in subparagraphs (i) to (iii) below are only applicable to the passing of the Amendment Resolutions and the Company undertakes to the Stock Exchange to comply with the requirements under the Listing Rules for passing any resolution at a separate class meeting and any special resolution after the Listing (other than the Amendment Resolutions)):
- (i) paragraph 15 of Appendix 3 such that, prior to the Company's Memorandum and Articles of Association being amended, the threshold for passing any resolution for the Amendment Resolutions in a separate class meeting will be approval by holders of two-thirds of the issued shares of that class, at a class meeting, in accordance with article 17 of the current Memorandum and Articles of Association;
 - (ii) Rules 8A.24(1) and (2) such that, prior to the Memorandum and Articles of Association being amended, weighted voting rights would apply in connection with passing resolutions for the Amendment Resolutions;
 - (iii) paragraph 16 of Appendix 3 such that, the threshold for passing any special resolution for the Amendment Resolutions will be approval by members holding not less than two-thirds of the voting rights of those present and voting in person or by proxy at the general meeting in accordance with article 162 of the current Memorandum and Articles of Association; and
 - (iv) paragraph 14(1) of Appendix 3 such that, the annual general meeting for the year of 2021 will be convened by the Company on or before November 30, 2022.

For the avoidance of doubt, if the Class-based Resolution is not passed at the 2022 EGM, the Undertaking for Interim Compliance will remain valid until the Class-based Resolution is passed.

- (g) each of the WVR Beneficiaries, WVR Beneficiaries' Holding Vehicles and (with respect to (i) below only) Baihui Partnership will, prior to the completion of the Listing, irrevocably undertake to the Company that (i) he/it will procure the Company to give effect to the Undertaking for Interim Compliance upon the completion of the Listing and before its existing Memorandum and Articles of Association are formally amended and (ii) he/it will procure the relevant director holding vehicle holding Class B ordinary shares to, prior to the Listing, deliver a written conversion notice to the Company that all of the Class B ordinary shares it holds shall be converted to Class A ordinary shares on a one-for-one basis immediately upon the occurrence of any of the events as set out under Rule 8A.17 or the triggering of the WVR Fall Away Provision or the relevant Class B ordinary shares it holds shall be converted to Class A ordinary shares on a one-for-one basis immediately upon any voluntary or involuntary transfer of legal title to or beneficial ownership of such relevant Class B ordinary shares (e.g. upon or as a result of death or divorce of the relevant WVR Beneficiary or foreclosure of share pledge) after the Listing and before the Memorandum and Articles are formally amended ("**WVR Beneficiaries' Articles Undertaking**"). The WVR Beneficiaries' Articles Undertaking shall automatically terminate upon the earliest of (i) the proposed amendments to the existing Articles described in this section headed "Waivers – Waiver in Relation to Articles of Association of the Company" have become effective, (ii) the date of delisting of the Company from the Stock Exchange; and (iii) the date on which the WVR Beneficiaries cease to be a beneficiary of weighted voting rights in the Company. For the avoidance of doubt, the automatic termination of the WVR Beneficiaries' Articles Undertaking shall not affect any remedies, obligations or liabilities that have been accrued up to such termination, including the right to claim for damages in respect of any breach. The WVR Beneficiaries' Articles Undertaking shall be governed by the laws of Hong Kong and all matters, claims or disputes arising out of the WVR Beneficiaries' Articles Undertaking shall be subject to the exclusive jurisdiction of the courts of Hong Kong;
- (h) if holders of ADSs do not give voting instructions to the depositary with respect to the Amendment Resolutions, the Company will exercise any discretionary proxy it has under the Deposit Agreement executed among the Company, the Bank of New York Mellon and owners and holders of American depositary shares on August 12, 2020 (the "**Deposit Agreement**") for the ADSs to vote the underlying Class A ordinary shares represented by their ADSs to approve the Amendment Resolutions at any general meetings;
- (i) the Company remains listed on the NYSE; and
- (j) the Company will issue a press release announcing its support publicly for the Amendment Resolutions each year after the Listing until all Amendment Resolutions are approved by shareholders.

In light of the waiver sought and the Undertaking for Interim Compliance, each of the WVR Beneficiaries further undertakes to the Company that, before the proposed amendments to incorporate requirements under Rules 8A.18 and 8A.19 of the Listing Rules in the Articles of Association are approved by the Shareholders, (i) in the event that a divorce is being contemplated such that any Class B ordinary share will be transferred to an entity which is not wholly owned or not wholly controlled by such WVR Beneficiary or the relevant director holding vehicle holding the Class B ordinary shares ceases to be wholly-owned and wholly-controlled by the relevant WVR Beneficiary, therefore the relevant WVR Beneficiary cannot comply with Rules 8A.18 and 8A.19, the relevant WVR Beneficiary will procure that such Class B ordinary share be converted into Class A ordinary share prior to such transfer; and (ii) the WVR Beneficiaries will not create any encumbrance over any Class B ordinary share (the “**Interim Undertaking**”).

The undertakings to be provided by each of the WVR Beneficiaries and WVR Beneficiaries’ Holding Vehicles as set out in paragraphs (b), (c), (d), (f), and (g) above and the Interim Undertaking are referred to as the “WVR Beneficiaries Waiver Condition Undertakings”. Each WVR Beneficiary acknowledges and agrees that the Company’s shareholders rely on the WVR Beneficiaries Waiver Condition Undertakings in acquiring and holding their shares. Each WVR Beneficiary and each WVR Beneficiary Holding Vehicle acknowledge and agree that the WVR Beneficiaries Waiver Condition Undertakings are intended to confer a benefit on the Company and all its existing and future shareholders and may be enforced by the Company and/or any such shareholder against the WVR Beneficiary and each WVR Beneficiary Holding Vehicle.

The Company’s legal adviser as to the laws of the Cayman Islands confirms that the Undertaking for Interim Compliance will not violate the laws and regulations of the Cayman Islands, and the Company confirms that, having consulted its other legal advisers, the Undertaking for Interim Compliance will also not violate other laws and regulations applicable to the Company.

The Company has obtained undertakings from (i) Tencent Affiliated Entities, (ii) Shing Lee International Limited, holding Class A ordinary shares on behalf of the Company’s employees, and (iii) Mr. Tao Xu and Mr. Wangang Xu, that each of them will be present at the 2022 EGM (whether in person or by proxy) and any general meeting and class meeting after the completion of the Listing until all necessary amendments proposed to be made to the Company’s Memorandum and Articles in order to comply with the Unmet Articles Requirements as disclosed in this document are approved by the Shareholders and to vote in favor of such amendments (the “**Additional Shareholders Undertaking**”).

The WVR Beneficiaries undertaking and Additional Shareholders Undertaking to attend any general meeting and class meeting and to vote in favor of the amendments shall remain in force until all the Amendment Resolutions are passed.

Taking into account the Additional Shareholders Undertaking, assuming no further Class A ordinary shares are issued under the Share Incentive Plans except for the 125,692,439 Class A ordinary shares issued to Mr. Peng and Mr. Shan pursuant to the terms of the 2022 Share Incentive Plan as at the date of this document; and excluding the Class A ordinary shares lent by Tencent Affiliated Entities in relation to the liquidity arrangement, immediately upon the completion of the Listing, the parties who have undertaken to be present at the 2022 EGM beneficially own in aggregate 157,894,050 Class B ordinary shares and 1,351,433,524 Class A ordinary shares (of which (i) 71,824,250 Class A Ordinary Shares and 110,116,275 Class B Ordinary Shares are owned by Mr. Peng, (ii) 53,868,189 Class A Ordinary Shares and 47,777,775 Class B Ordinary Shares are owned by Mr. Shan, (iii) 885,301,280 Class A Ordinary Shares are owned by Propitious Global, (iv) 258,842,111 Class A Ordinary Shares are owned by Tencent Affiliated Entities, (v) 10,000,000 Class A Ordinary Shares are owned by Mr. Tao Xu, (vi) 54,272,705 Class A Ordinary Shares are owned by Mr. Wangang Xu, and (vii) 17,324,989 Class A Ordinary Shares are owned by Shing Lee International Limited), representing (a) 100% of the total voting rights of holders of the Class B ordinary shares voting as a separate class, (b) approximately 37.2% of the total voting rights of holders of the Class A ordinary shares voting as a separate class, and (c) approximately 56.2% of total voting rights (on weighted voting rights basis) and 39.8% of total voting rights in the Company (on a one share one vote basis). Despite undertaking from the WVR Beneficiaries to vote in favor of the Amendment Resolutions to ensure that they will be adopted at the Class B Meeting, there is no guarantee that the Class-based Resolutions will be passed at the Class A Meeting and the Full Shareholders' Meeting.

The Company will explain the rationale and benefits of the Amendment Resolutions in the 2022 EGM notice and proactively approach major shareholders and actively engage in communications with them as soon as possible after the Listing with a view to obtaining their support to vote in favor of the Amendment Resolutions at the Class A Meeting and the Full Shareholders' Meeting. As the Amendment Resolutions are in their favor, there is no commercial reason for the holders of Class A Ordinary Shares not to vote in favor of the Amendment Resolutions. As set out in the waiver condition in paragraph (h) above, if holders of ADSs do not give voting instructions to the depositary with respect to the Amendment Resolutions, the Company will exercise any discretionary proxy it has under the Deposit Agreement to vote the underlying Class A Ordinary Shares represented by their ADSs to approve the Amendment Resolutions at any general meetings. Further, as set out in the waiver condition set out in paragraph (j) above, the Company will issue a press release announcing its support publicly for the Amendment Resolutions each year after the Listing until all Amendment Resolutions are approved by shareholders.

In the event of any failure to adhere to the requirements of Chapter 8A of the Listing Rules as determined by the Stock Exchange, the Stock Exchange may, as it considers necessary for the protection of the investors or the maintenance of an orderly market and in addition to any other action that the Stock Exchange considers appropriate under the Listing Rules, exercise absolute discretion to:

- (a) direct a trading halt or suspend dealings of any securities of the Company or cancel the listing of any securities of the Company as set out in Rule 6.01 of the Listing Rules;
- (b) impose the disciplinary sanctions set out in Rule 2A.09 of the Listing Rules against the parties set out in Rule 2A.10 of the Listing Rules;
- (c) withhold: (i) approval for an application for the listing of securities; and/or (ii) clearance for the issuance of a circular to the Company's shareholders unless and until all necessary steps have been taken to address the non-compliance as directed by the Stock Exchange to its satisfaction.

WAIVER IN RELATION TO ACQUISITIONS AFTER THE TRACK RECORD PERIOD

Rules 4.04(2) and 4.04(4)(a) require that, among other things, a new listing applicant to include in its accountant's report the results and the statement of financial position of any subsidiary or business acquired, agreed to be acquired or proposed to be acquired since the date to which its latest audited accounts have been made up in respect of each of the three financial years immediately preceding the issue of the listing document, or since the incorporation of such subsidiary or the commencement of such business if this occurred less than three years prior to such issue, or such shorter period as may be acceptable to Hong Kong Stock Exchange for Main Board applicants.

Note (4) to Rules 4.04(2) and 4.04(4) states that the Hong Kong Stock Exchange will grant waivers from strict compliance with Rules 4.04(2) and 4.04(4)(a) of the Listing Rules taking into account the conditions set out thereunder.

Investments and Acquisitions Since December 31, 2021

Deyou Minority Investments

Since December 31, 2021 and up to the Latest Practicable Date, the Company has made or proposed to make minority investments in local companies with brokerage stores under our franchise brand Deyou in its ordinary and usual course of business (the “**Deyou Minority Investments**”).

Acquisitions

As of the Latest Practicable Date, (i) the Company has established or proposed to establish joint venture companies with brokerage stores under the Company's franchise brand *Deyou* in its ordinary and usual course of business (the “**Deyou Acquisitions**”), each of which has become or will become a subsidiary of the Company after December 31, 2021; (ii) the Company proposed to acquire 24.1% equity interest in a company which owns a local quality brokerage brand (the “**Brokerage Brand Investment**”), upon which we will hold 34.1% equity interest in such company after December 31, 2021; (iii) the Company proposed to acquire major/entire equity interests in two companies which own the dealerships of furniture brands (the “**Furniture Brand Acquisitions**”), upon which the two companies will become subsidiaries of the Company after December 31, 2021; and (iv) the Company has made acquisition of Vanlian (Beijing) Decoration Co., Ltd. (萬科鏈家(北京)裝飾有限公司) (with its name changed to Beijing Bewoo Decoration Co., Ltd. (北京被窩裝飾有限公司)), which has become a wholly-owned subsidiary of the Company after December 31, 2021 (the “**Vanlian Acquisition**”, together with Deyou Acquisitions, Brokerage Brand Investment and Furniture Brand Acquisitions, the “**Acquisitions**”).

The Furniture Brand Acquisitions and Vanlian Acquisition would help the Company develop its home renovation and furnishing service.

For the details of the Deyou Minority Investments and the Acquisitions, see “Statutory and General Information – Further Information about Our Business – Targets of Investments and Acquisitions Since December 31, 2021.”

Grounds for the Waiver Sought

The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 4.04(2) and 4.04(4)(a) of the Listing Rules in respect of the Deyou Minority Investments and Acquisitions on the following grounds.

Deyou Minority Investments

The Group has entered into the Deyou Minority Investments in its ordinary course of business.

The Company makes the Deyou Minority Investments from time to time to (i) strengthen relationship with quality stores under its franchise brand *Deyou* who share similar values with us; and (ii) help such stores expand business.

The percentage ratios of each Deyou Minority Investment are all significantly less than 5% by reference to the most recent fiscal year of the Company's Track Record Period.

The amount of each Deyou Minority Investment is generally less than RMB1 million. The relevant percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules for each Deyou Minority Investment are all significantly less than 5% by reference to the most recent fiscal year of the Track Record Period. To the best of the Company's knowledge, save as disclosed below, the Deyou Minority Investments are not subject to aggregation under Rule 14.22 of the Listing Rules because (i) each of the Deyou Minority Investments involves the acquisition of interests in a different target company; and (ii) the Deyou Minority Investments were entered into with different counterparties. The beneficial owners of Company AD and Company BF listed in "Statutory and General Information – Further Information about Our Business – Targets of Investments and Acquisitions Since December 31, 2021" are the same. The relevant percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules for the Company's investments in the two companies in aggregate are all significantly less than 5% by reference to the most recent fiscal year of the Track Record Period.

Accordingly, the Company believes that the Deyou Minority Investments are immaterial and are not expected to result in any significant change to the financial position of the Group since December 31, 2021, and all information that is reasonably necessary for potential investors to make an informed assessment of the activities or financial position of the Group has been included in the document. As such, a waiver from compliance with the requirements under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules would not prejudice the interests of the investing public.

The Company is neither able to exercise any control, nor has any significant influence, over the underlying company or business.

The Company holds and/or will hold a minority equity interest (generally no more than 10%) in each of the targets of Deyou Minority Investments; and the Company currently expects to adopt the same approach for any subsequent Deyou Minority Investments. The minority shareholder rights given to the Company are generally commensurate to its status as a minority shareholder and are provided for the purpose of protecting the Company's interests as a minority shareholder in the Deyou Minority Investments. These rights are neither intended, nor are they sufficient to compel or require the targets of Deyou Minority Investments to prepare or to disclose in the document their audited financial statements for the purposes of compliance with the relevant requirements under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules. It is submitted that to do so could be prejudicial and potentially harmful to the Company's portfolio relationships and commercial interests. In addition, as all the targets of Deyou Minority Investments are private companies, disclosing this information could harm their interests and bring them into an unfavorable competitive position.

Alternative disclosure of the Deyou Minority Investments has been included in the document.

The Company has provided alternative information in the document in connection with the Deyou Minority Investments. Such information includes that which would be required for a discloseable transaction under Chapter 14 of the Listing Rules that the Directors consider to be material, including the reasons for the Deyou Minority Investments, a confirmation that the counterparties and their respective ultimate beneficial owners are independent of the Company and its connected persons, the principal business activities of the targets of Deyou Minority Investments, the investment amounts and equity interests held or to be held in the targets of Deyou Minority Investments. The Company believes the proposed disclosure in the document would provide the potential investors with necessary and adequate information to make an informed assessment of the activities or financial positions and operation results of the Group. As such, a waiver from compliance with the requirements under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules would not prejudice the interests of the investing public. For the avoidance of doubt, the names of the targets of the Deyou Minority Investments are not disclosed in the waiver application or the document because (i) the Company does not have consent from the targets of the Deyou Minority Investments for such disclosure and (ii) given the competitive nature of the industry in which the Group operates, it is commercially sensitive for the Company to disclose the identity of such targets as such disclosure may (a) jeopardize the Company's ability to consummate the proposed Deyou Minority Investments; and (b) allow the competitors to anticipate the Group's plans of business growth and investment strategy.

To the best knowledge of the Directors, the counterparties of each of the Deyou Minority Investments are independent third parties; and save as disclosed in "—The percentage ratios of each Deyou Minority Investment are all significantly less than 5% by reference to the most recent fiscal year of the Company's Track Record Period", the counterparties of each of the Deyou Minority Investments are independent of each other.

Acquisitions

The Group has entered into the Deyou Acquisitions and Brokerage Brand Investment in its ordinary course of business.

The Company makes the Deyou Acquisitions and Brokerage Brand Investment from time to time to (i) strengthen relationship with quality stores under its franchise brand *Deyou* and other brand(s) who share similar values with us; and (ii) help such stores and brand(s) expand business.

The percentage ratios of each Acquisition are all significantly less than 5% by reference to the most recent fiscal year of the Company's Track Record Period.

The relevant percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules for each Acquisition are all significantly less than 5% by reference to the most recent fiscal year of the Track Record Period. To the best of the Company's knowledge, the Acquisitions are not subject to aggregation under Rule 14.22 of the Listing Rules. None of the Acquisitions should be aggregated because (i) each of the Acquisitions involves the acquisition of interests in a different target company; and (ii) the Acquisitions were entered into with different counterparties.

Accordingly, the Company believes that the Acquisitions are immaterial and not expected to result in any significant change to the financial position of the Group since December 31, 2021, and all information that is reasonably necessary for potential investors to make an informed assessment of the activities or financial position of the Group has been included in the document. As such, a waiver from compliance with the requirements under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules would not prejudice the interests of the investing public.

The historical financial information of the Acquisitions is not available and would be unduly burdensome for the Company to prepare the required financial information pursuant to Rules 4.04(2) and 4.04(4)(a).

As of the Latest Practicable Date, the Acquisitions have not been completed yet or have only been completed recently. Therefore, the Company does not have full and immediate access to the books and records of the targets of the Acquisitions for the purpose of complying with the requirements under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules. The financial information of the targets of the Acquisitions were also prepared in accordance with the PRC GAAP as opposed to U.S. GAAP. Even with full and immediate access to the target companies' books and records, it is also reasonably expected that it will incur considerable time and resources for the Company and its reporting accountant to fully familiarize themselves with the accounting policies of targets of the Acquisitions, compile necessary financial information and supporting documents in accordance with U.S. GAAP for disclosure in the document and perform audit procedures. The audit procedures were also not required under the accounting policies due to the small size of the Acquisitions. As such, it would be impractical and unduly burdensome for the Company to prepare or disclose the audited financial information of the targets of the Acquisitions as required under Rules 4.04(2) and 4.04(4)(a).

In addition, considering that the Acquisitions are immaterial and do not expect to have any material effect on the business, financial condition or operations of the Group, it would not be meaningful and would be unduly burdensome for the Company to prepare and include the financial information of the targets of the Acquisitions during the Track Record Period in the document. Therefore, the Company does not believe the non-disclosure of the required information pursuant to Rules 4.04(2) and 4.04(4) of the Listing Rules would prejudice the interest of the investors to assess the Company.

Alternative disclosure of the Acquisitions has been included in the document.

The Company has provided alternative information in the document in connection with the Acquisitions. Such information includes that which would be required for a discloseable transaction under Chapter 14 of the Listing Rules that the Directors consider to be material, including the reasons for the Acquisitions, a confirmation that the counterparties and their respective ultimate beneficial owners are independent of the Company and its connected persons, the principal business activities of the targets of the Acquisitions, the investment amounts and equity interests held or to be held in the targets of the Acquisitions. The Company believes the proposed disclosure in the document would provide the potential investors with necessary and adequate information to make an informed assessment of the activities or financial positions and operation results of the Group. As such, a waiver from compliance with the requirements under Rules 4.04(2) and 4.04(4) (a) of the Listing Rules would not prejudice the interests of the investing public. For the avoidance of doubt, the names of the targets of the Deyou Acquisitions, Brokerage Brand Investment and Furniture Brand Acquisitions are not disclosed in the waiver application or the document because (i) the Company does not have consent from the targets of such acquisitions for such disclosure; (ii) given that we have not yet entered into legally binding agreements with respect to all of these acquisitions as of the Latest Practicable Date and the competitive nature of the industries in which we operate, disclosure of the names of the relevant targets in the document is commercially sensitive and may jeopardize our ability to consummate such proposed acquisitions; and (iii) it may allow the competitors to anticipate the Group's plans of business growth and investment strategy.

To the best knowledge of the Directors, the counterparties of each of the Acquisitions are independent third parties, and the counterparties of each of the Acquisitions are independent of each other.

WAIVER IN RELATION TO THE MINIMUM ECONOMIC INTEREST OF THE WVR BENEFICIARIES AT LISTING

Rule 8A.12 provides that “the beneficiaries of weighted voting rights must beneficially own collectively at least 10% of the underlying economic interest in the applicant’s total issued share capital at the time of its initial listing.”

The note to Rule 8A.12 further provides that “the Stock Exchange may be prepared to accept a lower minimum shareholding percentage, on a case by case basis, if the lower underlying economic interest still represents a very large amount in absolute dollar terms (for example if the applicant has an expected market capitalization of over HK\$80 billion at the time of its initial listing, taking into account such other factors about the applicant as the Stock Exchange may in its discretion, consider appropriate).”

Immediately upon the completion of the Listing, the WVR Beneficiaries collectively are expected to hold approximately 7.5% of the economic interests of the Company, without taking into consideration any shares that may be issued pursuant to the Share Incentive Plans. As of the Latest Practicable Date, the Company’s market capitalization was approximately US\$15.6 billion (equivalent to approximately HK\$122.0 billion), which was above the HK\$80 billion as provided under the Note to Rule 8A.12. In addition, having regard to the circumstances of the Group including (i) the fact that the total market value of the approximately 7.5% economic interest which the WVR Beneficiaries will beneficially hold upon Listing amounted to approximately US\$1.2 billion (equivalent to approximately HK\$9.4 billion) based on the closing price of the Company’s ADSs on the Latest Practicable Date, (ii) the Group had been operating under the direction of Mr. Zuo and the WVR Beneficiaries together before Mr. Zuo, the founder, permanent chairman emeritus and the former controlling shareholder of the Company (through Propitious Global), passed away in May 2021, (iii) the existence of the POA Arrangement (which came into effect in July 2021 after Mr. Zuo passed away) allows the WVR Beneficiaries (through Baihui Partnership) to control the exercise of the voting rights attributable to an additional 23.3% economic interests held by Propitious Global upon Listing, so that the aggregate economic interests represented by the Shares in respect of which the voting rights are controlled by the WVR Beneficiaries will be above 10% at the time of the Listing and (iv) the WVR Fall Away Provision, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rule 8A.12 on the condition that details of such lower economic interests beneficially owned by the WVR Beneficiaries at the time of the Listing and the POA Arrangement have been disclosed in this document.

WAIVER IN RELATION TO SHARE ISSUANCE WITHIN SIX MONTHS FROM THE LISTING DATE

Rule 10.08 of the Listing Rules provides that no further shares or securities convertible into equity securities of a listed issuer may be issued or form the subject of any agreement to such an issue within six months from the date on which securities of the listed issuer first commence dealings on the Stock Exchange (whether or not such issue of shares or securities will be completed within six months from the commencement of dealing) except for the circumstances more particularly stated in the Listing Rules.

The Company has been listed on the NYSE for more than 12 months. The Company will not raise any new funds pursuant to the Introduction, thus the Shareholders would not suffer any dilution of their interests in the Company as a result of the Introduction. However, it is essential for the Company to have flexibility in raising funds by way of further issue of new Shares or entering into further acquisitions for share consideration should an appropriate opportunity arise. In addition, the Company considers that any issue of new Shares by the Company will enhance the Shareholders' base and increase the trading liquidity of the Shares. The interests of the existing Shareholders and prospective investors would be prejudicial if the Company could not raise funds for its business development or expansion due to the restrictions under Rule 10.08 of the Listing Rules.

Therefore, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rule 10.08 of the Listing Rules on the conditions that:

- (i). any further issue of new Class A ordinary shares will be (i) made under a general mandate or (ii) subject to the Shareholders' approval as required under Rule 13.36 of the Listing Rules with the total number of Class A ordinary shares that are issued or may be issued not exceeding 20% of the total number of Class A ordinary shares in issue as at the Listing Date;
- (ii). any issue of new Class A ordinary shares will not result in the Controlling Shareholders ceasing to be Controlling Shareholders as a result of the dilution of their holdings of Shares upon the issue of any Shares within 12 months after the Listing Date in compliance with Rule 10.07(1) of the Listing Rules;
- (iii). upon the completion of any issuance(s) within six months after the Listing Date, the aggregate voting power of the Controlling Shareholders in the Company would be no less than 43.6% (based on WVR voting); and
- (iv). any issue of Class A ordinary shares or convertible securities by the Company within the first six months from the Listing Date must be either (a) for cash to fund a specific acquisition of assets or business that will contribute to the growth of the Group's operation or for full or partial settlement of the consideration for such acquisition; or (b) pursuant to a general mandate approved by our Shareholders for the issue of further Class A ordinary shares as disclosed in this document.

Solely for illustration purpose, assuming a maximum issue of 20% of the total number of Class A ordinary shares in issue as at the Listing Date, the Controlling Shareholders are expected to control approximately 43.6% of the total voting power in the Company immediately upon the completion of such issue (based on WVR voting).

WAIVER IN RELATION TO THE ANNUAL GENERAL MEETING

Rule 13.46(2)(b) of the Listing Rules requires an overseas issuer to lay its annual financial statements before its members at its annual general meeting within the period of six months after the end of the financial year or accounting reference period to which the annual financial statements relate. Note 2 to Rule 13.46(2)(b) of the Listing Rules provides that if an issuer has significant interests outside of Hong Kong it may apply for an extension of the six-month period.

In addition, paragraph 14(1) of Appendix 3 to the Listing Rules provides that an issuer must hold a general meeting for each financial year as its annual general meeting and the note to such rule further provides that generally, an issuer must hold its annual general meeting within six months after the end of its financial year.

The Company was incorporated in the Cayman Islands and has been listed on the NYSE for more than 12 months. The Company proposes to list its Class A ordinary shares on the Stock Exchange by way of Introduction and accordingly, the Company is an issuer with significant interests outside of Hong Kong. Based on the Company's listing plan and pursuant to above rules, the Company is required to hold its first annual general meeting (the "**First AGM**") after the Listing in Hong Kong by no later than June 30, 2022.

The Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rule 13.46(2)(b) of, and paragraph 14(1) of Appendix 3 to, the Listing Rules on the following grounds and conditions.

Challenges and difficulties to comply with Rule 13.46(2)(b) and paragraph 14(1) of Appendix 3 of the Listing Rules

The First AGM will be the first time that the Company will hold an annual general meeting after the Listing and the first time that it needs to attend to a shareholder base in a different geography. The Company has not historically held any general meeting with Shareholders in both the U.S. and Hong Kong.

The procedure for convening the Company's First AGM as a company with a dual primary listing in the U.S. and Hong Kong requires global coordination among various parties, including, among others, the principal and Hong Kong Share Registrars of the Company, the ADS depositary bank and Hong Kong Securities Clearing Company Limited. This procedure would require the Company, with the help of its ADS depositary bank and the Hong Kong share registrar, to gather the mailing details of all the securities holders, prepare and print the notice and proxy forms, and mail physical copies to, and collect vote cards from, securities holders and ADS holders. This will take longer preparation time for the Company and the relevant parties to organize, including complying with various timing requirements in the U.S. and Hong Kong.

Since this would be the Company's first time to convene a general meeting with both U.S. and Hong Kong Shareholders following the Listing, additional time, manpower and costs will have to be budgeted to take into account novel issues arising from the Company and the various parties involved. The Company would face great difficulty if it were to convene an annual general meeting within the period specified under Rule 13.46(2)(b) and paragraph 14(1) of Appendix 3 of the Listing Rules.

No additional material information available to the Shareholders and the investors

The listing document of the Company will be published on the Stock Exchange's website in May 2022, which will include the audited financial information of the Company for the year ended December 31, 2021 and other information as required by the Listing Rules. Therefore, upon the publishing for the listing document in May 2022, the Company will have provided its shareholders with all of the information required under Rules 13.46(2)(b) as early as in May 2022.

Accordingly, the laying of annual accounts for the fiscal year ended December 31, 2021 at the First AGM within six months after the end of the financial year, that is, on or before June 30, 2022, as required under Rule 13.46(2)(b) of the Listing Rules, would not provide Shareholders and potential investors with additional material information not already contained in the listing document of the Company.

Given that all the information required under Rule 13.46(2) of the Listing Rules shall be included in the listing document of the Company, which will be made available to its existing Shareholders and potential investors, the Company's Shareholders would not be unfairly prejudiced by the Company laying its annual financial accounts in an annual general meeting not within six months from the end of the fiscal year ended December 31, 2021.

Compliance with relevant laws, regulations and the Articles

For the avoidance the doubt, it will not be a breach of the Company's current effective constitutional documents, laws and regulations of its place of incorporation or other regulatory requirements as a result of not holding an annual general meeting in the manner prescribed by Rule 13.46(2)(b) and paragraph 14(1) of Appendix 3 of the Listing Rules.

Section 302 of the NYSE Listed Company Manual requires that each company listing common stock or voting preferred stock and their equivalents are required to hold an annual shareholders' meeting for the holders of such securities during each fiscal year. The Company, as a foreign private issuer, may rely on home country practices in lieu of meeting the NYSE requirement regarding the annual general meeting.

The Company's Cayman Islands counsel confirmed that (a) the Cayman Companies Act does not require the Company to follow or comply with the requirement under the Listing Rules to hold the First AGM by June 30, 2022 to lay before members annual financial statements for the financial year ended December 31, 2021; and (b) the Company's not holding the First AGM by June 30, 2022 will not breach any law, public rule or regulation applicable to the Company currently in force in the Cayman Islands and the Articles.

On the basis of the above, the Company confirms that, having consulted its legal advisers, not holding an annual general meeting by the Company before June 30, 2022 does not contravene the relevant requirements under the NYSE rules, U.S. securities laws, laws of the Cayman Islands or the Articles.

The Company expects to hold its First AGM for 2021 and lay the financial statements for the year ended December 31, 2021 at such AGM no later than November 30, 2022. For completeness, the Company expects to hold an annual general meeting within six months after the end of its financial year beginning with the annual general meeting for 2022.

SECTION B

FOREIGN LAWS AND REGULATIONS

Our Company is incorporated in the Cayman Islands and governed by its Articles of Association, as amended from time to time, and subject to the Companies Act, Cap.22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended or supplemented or otherwise modified from time to time (the “**Cayman Companies Act**”). Our ADSs are also listed in the U.S. on the New York Stock Exchange (the “**NYSE**”) under the symbol “**BEKE**”; we are considered a “foreign private issuer” and are subject to certain U.S. laws and regulations and the relevant NYSE rules. We set out below a summary of key laws and regulations that concern shareholder rights and taxation that may differ from comparable provisions in Hong Kong. This summary does not contain all applicable laws and regulations, nor does it set out all the differences with laws and regulations in Hong Kong, or constitute legal or tax advice.

Foreign Laws and Regulations: Cayman Islands

RIGHTS OF SHAREHOLDERS

1. Dividends

Under our constitution

The holders of ordinary shares are entitled to such dividends as may be declared by the Board of Directors. In addition, shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by the directors. Under Cayman Islands law, dividends may be declared and paid only out of funds legally available therefor, namely out of either profit or the Company’s share premium account, and provided further that a dividend may not be paid if this would result in the Company being unable to pay its debts as they fall due in the ordinary course of business.

Dividends received by each Class B ordinary share and Class A ordinary share in any dividend distribution shall be the same.

Any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited by the Board of Directors and, if so forfeited, shall revert to the Company.

2. Voting Rights

Under our constitution

Holders of Class A ordinary shares and Class B ordinary shares vote together as a single class on all matters submitted to a vote of the shareholders, except as may otherwise be required by law or provided for in the Memorandum and Articles of Association. In respect of matters requiring shareholders' vote, on a show of hands, each shareholder is entitled to one vote and on a poll, each Class A ordinary share is entitled to one vote, and each Class B ordinary share is entitled to ten votes. Voting at any shareholders' meeting is by show of hands unless a poll is demanded. A poll may be demanded by the chairman of such meeting or any shareholder present in person or by proxy.

An ordinary resolution to be passed by the shareholders requires the affirmative vote of a simple majority of the votes cast by those shareholders entitled to vote who are present in person or by proxy at a general meeting. Holders of the ordinary shares may, among other things, divide or consolidate their shares by ordinary resolution. A special resolution requires the affirmative vote of no less than three-fourths of the votes cast by those shareholders entitled to vote who are present in person or by proxy at a general meeting. A special resolution will be required for important matters such as a change of name or making changes to the Memorandum and Articles of Association. Both ordinary resolutions and special resolutions may also be passed by a unanimous written resolution signed by all the shareholders of the Company, as permitted by the Companies Act and the Memorandum and Articles of Association.

3. Liquidation

Under our constitution

On a winding up of the Company, if the assets available for distribution among the shareholders are more than sufficient to repay the whole of the share capital paid up at the commencement of the winding up, the surplus will be distributed among the shareholders in proportion to the par value of the shares held by them at the commencement of the winding up, subject to a deduction from those shares in respect of which there are monies due, of all monies payable to the Company for unpaid calls or otherwise. If the assets available for distribution are insufficient to repay the whole of the share capital, the assets will be distributed so that the losses are borne by the shareholders in proportion to the par value of the shares held by them.

Under the Cayman Companies Act

A company may be placed in liquidation compulsorily by an order of the court, or voluntarily (a) by a special resolution of its members if the company is solvent, or (b) by an ordinary resolution of its members if the company is insolvent. The liquidator's duties are to collect the assets of the company (including the amount (if any) due from the contributories (shareholders)), settle the list of creditors and discharge the company's liability to them, ratably if insufficient assets exist to discharge the liabilities in full, and to settle the list of contributories and divide the surplus assets (if any) amongst them in accordance with the rights attaching to the shares.

4. Shareholders' Suits

Under the Cayman Companies Act

The Cayman Islands courts can be expected to ordinarily follow English case law precedents. The rule in *Foss v. Harbottle* (and the exceptions thereto which permit a minority shareholder to commence a class action against or derivative actions in the name of the company to challenge (a) an act of the company which is *ultra vires* or illegal, (b) an act which constitutes a fraud against the minority where the wrongdoers are themselves in control of the company, and (c) an action which requires a resolution with a qualified (or special) majority which has not been obtained) has been applied and followed by the courts in the Cayman Islands.

5. Protection of Minorities

Under the Cayman Companies Act

In the case of a company (not being a bank) having a share capital divided into shares, the Grand Court of the Cayman Islands may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Grand Court shall direct.

Any shareholder of a company may petition the Grand Court of the Cayman Islands which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

Claims against a company by its shareholders must, as a general rule, be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

The English common law rule that the majority will not be permitted to commit a fraud on the minority has been applied and followed by the courts of the Cayman Islands.

DIRECTORS' POWERS AND INVESTOR PROTECTION

6. Directors Borrowing Powers

Under our constitution

The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof and to issue debentures, debenture stock, bonds and other such securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

7. Shareholders' Suits

Under the Cayman Companies Act

See item 4 above.

8. Protection of Minorities

Under the Cayman Companies Act

See item 5 above.

TAKEOVER OR SHARE REPURCHASES

9. Redemption, Purchase and Surrender of Shares

Under our constitution

The Company may issue shares on terms that such shares are subject to redemption, at the option of the Company or at the option of the holders thereof, on such terms and in such manner as may be determined, before the issue of such shares, either by the Board of Directors or by special resolution of the shareholders. The Company may also repurchase any of the Company's shares provided that the manner and terms of such purchase have been approved by the Board of Directors or by ordinary resolution of the shareholders, or are otherwise authorised by the Memorandum and Articles of Association. Under the Companies Act, the redemption or repurchase of any share may be paid out of the Company's profits or out of the proceeds of a fresh issue of shares made for the purpose of such redemption or repurchase, or out of capital (including share premium account and capital redemption reserve) if the Company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business. In addition, under the Companies Act no such share may be redeemed or repurchased (a) unless it is fully paid up, (b) if such redemption or repurchase would result in there being no shares outstanding, or (c) if the Company has commenced liquidation. In addition, the Company may accept the surrender of any fully paid share for no consideration.

10. Mergers and Consolidations

Under the Cayman Companies Act

The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) “merger” means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (b) “consolidation” means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of each constituent company and (b) such other authorization, if any, as may be specified in such constituent company’s articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

11. Reconstructions

Under the Cayman Companies Act

There are statutory provisions which facilitate reconstructions and amalgamations approved by a majority in number representing 75% in value of shareholders or creditors, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the Grand Court of the Cayman Islands. Whilst a dissenting shareholder would have the right to express to the Grand Court his view that the transaction for which approval is being sought would not provide the shareholders with a fair value for their shares, the Grand Court is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management and if the transaction were approved and consummated, the dissenting shareholder would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of his shares) ordinarily available, for example, to dissenting shareholders of United States corporations.

12. Take-overs

Under the Cayman Companies Act

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may, at any time within two months after the expiration of the said four months, by notice require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Grand Court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Grand Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

TAXATION

13. Stamp duty on transfers

Under the Cayman Companies Act

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

14. Taxation

Under the Cayman Companies Act

Pursuant to section 6 of the Tax Concessions Act (As Revised) of the Cayman Islands, the Company may obtain an undertaking from the Financial Secretary of the Cayman Islands:

- (a) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and
- (b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:
 - (i) on or in respect of the shares, debentures or other obligations of the Company; or
 - (ii) by way of the withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Act (As Revised).

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are not party to any double tax treaties that are applicable to any payments made by or to the Company.

Foreign Laws and Regulations: United States and NYSE

RIGHTS OF SHAREHOLDERS

1. Shareholder Rights Under the Deposit Agreement

- *Receipt of distributions.* Whenever the depository receives any dividend or other distribution on the underlying shares, the depository will, to the extent practicable, distribute the amount received (net of taxes and the fees/expenses of the depository) to the ADR holders.
- *Voting of deposited securities.* Upon receipt of notice of any shareholders meeting, if requested in writing by the Company, the depository will, as soon as practicable, mail to ADR holders a notice containing key information received by the depository; and upon written instruction by an ADR holder, the depository will, as far as practicable, subject to the laws of the Cayman Islands and the provisions of the Memorandum and Articles of Association, vote the underlying Shares in accordance with the ADR holder's instructions. If no instructions are received, the depository may give a discretionary proxy to a person designated by the Company, subject to certain conditions.
- *Reports.* ADR holders have a right to inspect reports and communications received from the Company by the depository or generally made available to Shareholders.
- *Withdrawal.* Subject to limited exceptions, ADR holders have the right to cancel their ADSs and withdraw the underlying Shares at any time, provided that the applicable taxes, duties, and charges are paid.

2. Shareholder Proposals and Approvals

As a foreign private issuer, our Company is not subject to SEC rules regarding proxy statements to shareholders. Instead, shareholder proposals must be made in accordance with our Company's Memorandum and Articles of Association, as amended.

Each NYSE-listed company is generally required to obtain shareholder approval of certain issuances of securities, including in the following situations, subject to certain exceptions:

- (i) equity compensation plans;
- (ii) issuance of common stock, or of securities convertible into or exercisable for common stock, in any transaction or series of related transactions, to:
 - (a) a director, officer or substantial security holder of the company (each a “**Related Party**”) if the number of shares of common stock to be issued, or if the number of shares of common stock into which the securities may be convertible or exercisable, exceeds either one percent of the number of shares of common stock or one percent of the voting power outstanding before the issuance and such transaction is a cash sale for a price that is below certain minimum price;
 - (b) where such securities are issued as consideration in a transaction or series of related transactions in which a Related Party has a five percent or greater interest (or such persons collectively have a ten percent or greater interest), directly or indirectly, in the company or assets to be acquired or in the consideration to be paid in the transaction or series of related transactions and the present or potential issuance of common stock, or securities convertible into common stock, could result in an issuance that exceeds either five percent of the number of shares of common stock or five percent of the voting power outstanding before the issuance;
 - (c) an employee, director or service provider subject to the equity compensation rules;
- (iii) issuance of common stock, or of securities convertible into or exercisable for common stock, in any transaction or series of related transactions if:
 - (a) the common stock has, or will have upon issuance, voting power equal to or in excess of 20 percent of the voting power outstanding before the issuance of such stock or of securities convertible into or exercisable for common stock; or
 - (b) the number of shares of common stock to be issued is, or will be upon issuance, equal to or in excess of 20 percent of the number of shares of common stock outstanding before the issuance of the common stock or of securities convertible into or exercisable for common stock; and

(iv) an issuance that will result in a change of control of the issuer.

However, as our Company is a foreign private issuer, in practice our Company can follow “home country practice” (i.e., the practice in the Cayman Islands) in lieu of complying with the above NYSE rules.

3. Corporate Governance

The NYSE Listed Company Manual contains a number of corporate governance requirements for NYSE-listed companies, the principal of which are:

- *Majority independent directors.* A majority of the board of directors must be comprised of “Independent Directors.”
- *Audit committee.* Each NYSE-listed company must have an audit committee of at least three members consisting entirely of independent directors who satisfy certain requirements.
- *Compensation committee.* Each NYSE-listed company must have a compensation committee consisting entirely of independent directors.
- *Nominating/Corporate governance committee.* Each NYSE-listed company must have a nominating/corporate governance committee consisting entirely of independent directors.

However, as a foreign private issuer, our Company can opt to be exempt from most of the requirements if we choose to follow “home country practice,” which would be disclosed in our annual report on Form 20-F. Notwithstanding, our Company cannot opt out of complying with Rule 10A-3 under the Securities Exchange Act of 1934, as amended, which includes, among other things, the independence requirement of audit committee members. The audit committee would be responsible for establishing procedures for handling complaints regarding our Company’s accounting practices.

4. Sarbanes-Oxley Requirements

The Company is also subject to the U.S. Sarbanes-Oxley Act of 2002 (“**Sarbanes-Oxley**”). Sarbanes-Oxley addresses issues such as the composition of the audit committee of the board of directors and the adoption of the company codes of ethics, including:

- *No personal loans to directors or executive officers.* A company cannot extend personal loans to its directors and executive officers.
- *Whistle-blower protection.* The company is required to establish procedures for confidential and anonymous submission by employees of accounting-related concerns.

5. Takeover Regulations

Mergers. If we are required to seek Shareholder approval in connection with a merger pursuant to the requirements of Cayman Islands law or our Articles of Association, as amended, we will furnish the proxy statement for the applicable Shareholders' meeting to the SEC on a current report on Form 6-K. As noted above, however, foreign private issuers such as our Company may elect to follow their "home country practices" in lieu of complying with applicable shareholder approval requirements under the NYSE Listed Company Manual. In addition, if the merger involves the issuance of Shares, we may be required to register the offering of such Shares with the SEC.

Tender offers. Neither the U.S. federal securities laws nor the NYSE Listed Company Manual have the concept of a "general offer." Therefore, a party making a tender offer is free to decide how many shares will be subject to the offer. All holders of the same class of securities must be treated equally and the highest consideration paid to any one shareholder of that class of securities must be paid to all shareholders of that same class. A tender offer must remain open for a minimum of 20 business days after commencement, and may be extended in circumstances. Within 10 business days of commencement, the subject company must send a notice to its shareholders recommending whether to accept or reject a tender offer, or expressing a neutral position.

Disclosure of interests for major shareholders. Any person who, after acquiring beneficial ownership of a class of equity securities (which includes the power to direct the voting or the disposition of the securities) registered under Section 12 of the U.S. Exchange Act ("**Registered Equity Class**"), is a beneficial owner of more than 5% of the Registered Equity Class, must publicly file beneficial owner reports (Schedule 13D or Schedule 13G) with the SEC, and such person must promptly report any material change in the information provided (including any acquisition or disposition of 1% or more of the class of equity securities concerned), unless exceptions apply. Schedule 13D must be filed by all shareholders who are not otherwise eligible to use Schedule 13G.

SECTION C

CONSTITUTIONAL DOCUMENTS

**THE COMPANIES ACT (AS REVISED)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES
SIXTH AMENDED AND RESTATED
MEMORANDUM OF ASSOCIATION
OF
KE HOLDINGS INC.
贝壳控股有限公司**

(adopted by a Special Resolution passed on August 12, 2022 and effective immediately)

1. The name of the Company is KE Holdings Inc. (贝壳控股有限公司).
2. The Registered Office of the Company is situated at the offices of Harneys Fiduciary (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, PO Box 10240, Grand Cayman KY1-1002, Cayman Islands, or at such other location within the Cayman Islands as the Directors may from time to time determine.
3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by the Companies Act or any other law of the Cayman Islands.
4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by the Companies Act.
5. The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.
6. The liability of each Shareholder is limited to the amount, if any, unpaid on the Shares held by such Shareholder.
7. The authorised share capital of the Company is US\$500,000 divided into 25,000,000,000 shares, comprising (i) 24,114,698,720 Class A ordinary shares with a par value of US\$0.00002 each and (ii) 885,301,280 Class B ordinary shares with a par value of US\$0.00002 each. Subject to the Companies Act and the Articles, the Company shall have power to redeem or purchase any of its Shares and to increase or reduce its authorised share capital and to sub-divide or consolidate the said Shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority, special privilege or other rights or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be ordinary, preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.
8. The Company has the power contained in the Companies Act to be de-registered in the Cayman Islands and transfer and be registered by way of continuation under the laws of any jurisdiction outside the Cayman Islands.
9. Capitalised terms that are not defined in this Memorandum of Association bear the same meanings as those given in the Articles of Association of the Company.

**THE COMPANIES ACT (AS REVISED)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES
SIXTH AMENDED AND RESTATED
ARTICLES OF ASSOCIATION
OF
KE HOLDINGS INC.
贝壳控股有限公司**

(adopted by a Special Resolution passed on August 12, 2022 and effective immediately)

TABLE A

The regulations contained or incorporated in Table ‘A’ in the First Schedule of the Companies Act shall not apply to the Company and the following Articles shall comprise the articles of association of the Company.

INTERPRETATION

1. In these Articles the following defined terms will have the meanings ascribed to them, if not inconsistent with the subject or context:

“ADS” means an American Depositary Share representing Class A Ordinary Shares;

“Affiliate” means in respect of a Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person, and (i) in the case of a natural person, shall include, without limitation, such person’s spouse, parents, children, siblings, mother-in-law, father-in-law, brothers-in-law and sisters-in-law, a trust for the benefit of any of the foregoing, and a corporation, partnership or any other entity wholly or jointly owned by any of the foregoing, and (ii) in the case of an entity, shall include a partnership, a corporation or any other entity or any natural person which directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such entity. The term “control”, for the purpose of this defined term of “Affiliate” only, shall mean the ownership, directly or indirectly, of shares possessing more than fifty per cent (50%) of the voting power of the corporation, partnership or other entity (other than, in the case of a corporation, securities having such power only by reason of the happening of a contingency), or having the power to control the management or elect a majority of members to the board of directors or equivalent decision-making body of such corporation, partnership or other entity;

“Articles” means these articles of association of the Company, as amended or substituted from time to time;

“Auditors” the auditors for the time being of the Company, if any;

“Board” and “Board of Directors”	means the Directors assembled as a board or as a committee thereof;
“Chairman”	means the chairman of the Board of Directors;
“Class” or “Classes”	means any class or classes of Shares as may from time to time be issued by the Company;
“Class A Ordinary Share”	means an ordinary share of the Company with a nominal or par value of US\$0.00002, designated as a Class A Ordinary Share, having the rights set out in these Articles;
“Class B Ordinary Share”	means an ordinary share of the Company with a nominal or par value of US\$0.00002, designated as a Class B Ordinary Share, having the rights set out in these Articles;
“Co-Founders”	Mr. Yongdong Peng (name in Chinese 彭永東) and Mr. Yigang Shan (name in Chinese 單一剛), each of whom, a “Co-Founder”;
“Commission”	means the Securities and Exchange Commission of the United States of America or any other federal agency for the time being administering the Securities Act;
“Communication Facilities”	means video, video-conferencing, internet or online conferencing applications, telephone or tele-conferencing and/or any other video-communications, internet or online conferencing application or telecommunications facilities by means of which all Persons participating in a meeting are capable of hearing and being heard by each other;
“Companies Act”	means the Companies Act (As Revised) of the Cayman Islands and any statutory amendment or re-enactment thereof;
“Companies Ordinance”	means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and every other ordinance incorporated therewith or substituted therefor; and in the case of any such substitution the references in these Articles to the provisions of the Companies Ordinance shall be read as references to the provisions substituted therefor in the new ordinance;
“Company”	means KE Holdings Inc. (贝壳控股有限公司), a Cayman Islands exempted company;
“Company’s Website”	means the main corporate/investor relations website of the Company, the address or domain name of which has been disclosed in any registration statement filed by the Company with the Commission in connection with its initial public offering of ADSs, or which has otherwise been notified to Shareholders;
“Compliance Adviser”	has the meaning given to it in the HKSE Listing Rules;

“Corporate Governance Committee”	means the corporate governance committee of the Board established in accordance with Article 145;
“Corporate Governance Report”	means the corporate governance report to be included in the Company’s annual reports or summary financial reports, if any, in accordance with the HKSE Listing Rules;
“Designated Stock Exchange”	means the NYSE for so long as the Company’s Shares or ADSs are there listed, the HKSE for so long as the Company’s Shares or ADSs are there listed and any other securities exchange or other system on which any Shares or ADSs are listed or authorised for trading from time to time;
“Designated Stock Exchange Rules”	means the relevant code, rules and regulations, as amended, from time to time, applicable as a result of the original and continued listing of any Shares or ADSs on the Designated Stock Exchange;
“Director”	means a member of the Board of Directors;
“Director Holding Vehicle”	means a limited partnership, trust, private company or other vehicle wholly-owned and wholly-controlled by a Co-Founder, where (i) in the case of a limited partnership, the terms of the limited partnership must expressly specify that the voting rights attached to such shares are solely dictated by the Co-Founder; (ii) in the case of a trust, the Co-Founder must in substance retain an element of control of the trust and any immediate holding companies; and the purpose of the trust must be for estate planning and/or tax planning purposes; and (iii) in the case of a private company or other vehicle, the Co-Founder (or a trust referred to in (ii) above) must wholly own and control that vehicle at all relevant times;
“electronic”	has the meaning given to it in the Electronic Transactions Act and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
“electronic communication”	means electronic posting to the Company’s Website, transmission to any number, address or internet website or other electronic delivery methods as otherwise decided and approved by not less than two-thirds of the votes of the Board;
“electronic record”	has the meaning given to it in the Electronic Transactions Act and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
“Electronic Transactions Act”	means the Electronic Transactions Act (As Revised) of the Cayman Islands and any statutory amendment or re-enactment thereof;

“Executive Director”	refers to a Director of the Company who (i) is neither an Independent Director, Independent Non-executive Director nor a Director who is affiliated with or was appointed to the Board by a holder or a group of affiliated holders of preferred shares and/or Class A Ordinary Shares converted from preferred shares of the Company prior to the completion of the Company’s initial public offering of ADSs in the United States and (ii) maintains employment relationship with the Company;
“HKSE”	means The Stock Exchange of Hong Kong Limited;
“HKSE Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time;
“Independent Director”	means a Director who is an independent director as defined in the NYSE Exchange Rules;
“Independent Non-executive Director”	means a Director recognised as such by the relevant code, rules and regulations applicable to the listing of shares on the HKSE;
“Memorandum of Association”	means the memorandum of association of the Company, as amended or substituted from time to time;
“Nomination Committee”	means the nomination committee of the Board established in accordance with Article 140;
“NYSE”	means the New York Stock Exchange;
“NYSE Exchange Rules”	means the relevant code, rules and regulations, as amended, from time to time, applicable as a result of the original and continued listing of any Shares or ADSs on the NYSE;
“Ordinary Resolution”	means a resolution: <ul style="list-style-type: none"> (a) passed by a simple majority of the votes cast by such Shareholders as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting of the Company held in accordance with these Articles; or (b) approved in writing by all of the Shareholders entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Shareholders and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments, if more than one, is executed;
“Ordinary Share”	means an ordinary share of the Company with a nominal or par value of US\$0.00002, including a Class A Ordinary Share, and a Class B Ordinary Share;

“paid up”	means paid up as to the par value in respect of the issue of any Shares and includes credited as paid up;
“Person”	means any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires;
“Present”	means, in respect of any Person, such Person’s presence at a general meeting of Shareholders, which may be satisfied by means of such Person or, if a corporation or other non-natural Person, its duly authorized representative (or, in the case of any Shareholder, a proxy which has been validly appointed by such Shareholder in accordance with these Articles), being: (a) physically present at the meeting; or (b) in the case of any meeting at which Communication Facilities are permitted in accordance with these Articles, including any Virtual Meeting, connected by means of the use of such Communication Facilities;
“Propitious”	Propitious Global Holdings Limited, a company incorporated in British Virgin Islands and is ultimately controlled by Z&Z Trust;
“Recognised Clearing House”	shall include the recognised clearing house as defined in Part I of Schedule 1 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;
“Register”	means the register of Members of the Company maintained in accordance with the Companies Act;
“Registered Office”	means the registered office of the Company as required by the Companies Act;
“Seal”	means the common seal of the Company (if adopted) including any facsimile thereof;
“Secretary”	means any Person appointed by the Directors to perform any of the duties of the secretary of the Company;
“Securities Act”	means the Securities Act of 1933 of the United States of America, as amended, or any similar federal statute and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time;
“Share”	means a share in the capital of the Company. All references to “Shares” herein shall be deemed to be Shares of any or all Classes as the context may require. For the avoidance of doubt in these Articles the expression “Share” shall include a fraction of a Share;

“Shareholder” or “Member”	means a Person who is registered as the holder of one or more Shares in the Register;
“Share Premium Account”	means the share premium account established in accordance with these Articles and the Companies Act;
“signed”	means bearing a signature or representation of a signature affixed by mechanical means or an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a Person with the intent to sign the electronic communication;
“Special Resolution”	means a special resolution of the Company passed in accordance with the Companies Act, being a resolution: <ul style="list-style-type: none"> (a) passed by not less than three-fourths of the votes cast by such Shareholders as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting of the Company of which notice specifying the intention to propose the resolution as a special resolution has been duly given; or (b) approved in writing by all of the Shareholders entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Shareholders and the effective date of the special resolution so adopted shall be the date on which the instrument or the last of such instruments, if more than one, is executed;
“Treasury Share”	means a Share held in the name of the Company as a treasury share in accordance with the Companies Act;
“United States”	means the United States of America, its territories, its possessions and all areas subject to its jurisdiction;
“Virtual Meeting”	means any general meeting of the Shareholders at which the Shareholders (and any other permitted participants of such meeting, including without limitation the chairman of the meeting and any Directors) are permitted to attend and participate solely by means of Communication Facilities.

2. In these Articles, save where the context requires otherwise:
- (a) words importing the singular number shall include the plural number and vice versa;
 - (b) words importing the masculine gender only shall include the feminine gender and any Person as the context may require;
 - (c) the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative;

- (d) reference to a dollar or dollars (or US\$) and to a cent or cents is reference to dollars and cents of the United States of America;
 - (e) reference to a statutory enactment shall include reference to any amendment or re-enactment thereof for the time being in force;
 - (f) reference to any determination by the Directors shall be construed as a determination by the Directors in their sole and absolute discretion and shall be applicable either generally or in any particular case;
 - (g) reference to “in writing” shall be construed as written or represented by any means reproducible in writing, including any form of print, lithograph, email, facsimile, photograph or telex or represented by any other substitute or format for storage or transmission for writing including in the form of an electronic record or partly one and partly another;
 - (h) any requirements as to delivery under the Articles include delivery in the form of an electronic record or an electronic communication;
 - (i) any requirements as to execution or signature under the Articles, including the execution of the Articles themselves, can be satisfied in the form of an electronic signature as defined in the Electronic Transaction Act; and
 - (j) Sections 8 and 19(3) of the Electronic Transactions Act shall not apply.
3. Subject to the last two preceding Articles, any words defined in the Companies Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

PRELIMINARY

- 4. The business of the Company may be conducted as the Directors see fit.
- 5. The Registered Office shall be at such address in the Cayman Islands as the Directors may from time to time determine. The Company may in addition establish and maintain such other offices and places of business and agencies in such places as the Directors may from time to time determine.
- 6. The expenses incurred in the formation of the Company and in connection with the offer for subscription and issue of Shares shall be paid by the Company. Such expenses may be amortised over such period as the Directors may determine and the amount so paid shall be charged against income and/or capital in the accounts of the Company as the Directors shall determine.
- 7. The Directors shall keep, or cause to be kept, the Register at such place as the Directors may from time to time determine and, in the absence of any such determination, the Register shall be kept at the Registered Office.

SHARES

8. Subject to these Articles, all Shares for the time being unissued shall be under the control of the Directors who may, in their absolute discretion and without the approval of the Members, cause the Company to:
 - (a) issue, allot and dispose of Shares (including, without limitation, preferred shares) (whether in certificated form or non-certificated form) to such Persons, in such manner, on such terms and having such rights and being subject to such restrictions as they may from time to time determine;
 - (b) grant rights over Shares or other securities to be issued in one or more classes or series as they deem necessary or appropriate and determine the designations, powers, preferences, privileges and other rights attaching to such Shares or securities, including dividend rights, voting rights, conversion rights, terms of redemption and liquidation preferences, any or all of which may be greater than the powers, preferences, privileges and rights associated with the then issued and outstanding Shares, at such times and on such other terms as they think proper; and
 - (c) grant options with respect to Shares and issue warrants or similar instruments with respect thereto.

9. Notwithstanding Article 23, but subject to these Articles and provided that (i) it is in compliance with the HKSE Listing Rules and the Code on Takeovers and Mergers; (ii) no new Class of shares with voting rights superior to those of Class A Ordinary Shares will be created; and (iii) any variations in the relative rights as between the different Classes of Shares will not result in creating a new Class of Shares with voting rights superior to those of Class A Ordinary Shares (collectively, the “**Overriding Requirements**”), the Directors may issue from time to time, out of the authorised share capital of the Company (other than the authorised but unissued Ordinary Shares), series of preferred shares in their absolute discretion and without approval of the Members; provided, however, before any preferred shares of any such series are issued, the Directors shall by resolution of Directors determine, with respect to any series of preferred shares, the terms and rights of that series, including:
 - (a) the designation of such series, the number of preferred shares to constitute such series and the subscription price thereof if different from the par value thereof;
 - (b) whether the preferred shares of such series shall have voting rights, in addition to any voting rights provided by law, and, if so, the terms of such voting rights, which may be general or limited;
 - (c) the dividends, if any, payable on such series, whether any such dividends shall be cumulative, and, if so, from what dates, the conditions and dates upon which such dividends shall be payable, and the preference or relation which such dividends shall bear to the dividends payable on any shares of any other Class or any other series of shares;
 - (d) whether the preferred shares of such series shall be subject to redemption by the Company, and, if so, the times, prices and other conditions of such redemption;

- (e) whether the preferred shares of such series shall have any rights to receive any part of the assets available for distribution amongst the Members upon the liquidation of the Company, and, if so, the terms of such liquidation preference, and the relation which such liquidation preference shall bear to the entitlements of the holders of shares of any other Class or any other series of shares;
- (f) whether the preferred shares of such series shall be subject to the operation of a retirement or sinking fund and, if so, the extent to and manner in which any such retirement or sinking fund shall be applied to the purchase or redemption of the preferred shares of such series for retirement or other corporate purposes and the terms and provisions relative to the operation thereof;
- (g) whether the preferred shares of such series shall be convertible into, or exchangeable for, shares of any other Class or any other series of preferred shares or any other securities and, if so, the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same, and any other terms and conditions of conversion or exchange;
- (h) the limitations and restrictions, if any, to be effective while any preferred shares of such series are outstanding upon the payment of dividends or the making of other distributions on, and upon the purchase, redemption or other acquisition by the Company of, the existing shares or shares of any other Class of shares or any other series of preferred shares;
- (i) the conditions or restrictions, if any, upon the creation of indebtedness of the Company or upon the issue of any additional shares, including additional shares of such series or of any other Class of shares or any other series of preferred shares; and
- (j) any other powers, preferences and relative, participating, optional and other special rights, and any qualifications, limitations and restrictions thereof;

and, for such purposes, the Directors may reserve an appropriate number of Shares for the time being unissued. The Company shall not issue Shares to bearer.

10. The Company may insofar as may be permitted by law, pay a commission to any Person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally for any Shares. Such commissions may be satisfied by the payment of cash or the lodgement of fully or partly paid-up Shares or partly in one way and partly in the other. The Company may also pay such brokerage as may be lawful on any issue of Shares.
11. The Directors may refuse to accept any application for Shares, and may accept any application in whole or in part, for any reason or for no reason.

CLASS A ORDINARY SHARES AND CLASS B ORDINARY SHARES

12. Holders of Ordinary Shares shall at all times vote together as one class on all resolutions submitted to a vote by the Members. Subject to Article 13, each Class A Ordinary Share shall entitle the holder thereof to one (1) vote on all matters subject to vote at general meetings of the Company, and each Class B Ordinary Share shall entitle the holder thereof to ten (10) votes on all matters subject to vote at general meetings of the Company. A class of shares conferring weighted voting rights in the Company must not entitle the holder to more than ten (10) times the voting power of any Class of Ordinary Shares, on any resolution tabled at a general meeting of the Company.
13. Notwithstanding any provisions in these Articles to the contrary, each Class A Ordinary Share and Class B Ordinary Share shall entitle its holder to one vote on a poll at a general meeting in respect of a resolution on any of the following matters:
 - (a) any amendment to the Memorandum of Association or these Articles, including the variation of the rights attached to any Class of Shares;
 - (b) the appointment, election or removal of any Independent Non-executive Director;
 - (c) the appointment or removal of the Auditors; or
 - (d) the voluntary liquidation or winding-up of the Company.

Notwithstanding the foregoing, where a holder of Class B Ordinary Shares is permitted by the HKSE from time to time to exercise more than one vote per share when voting on a resolution to amend the Memorandum of Association or these Articles, any holder of Class B Ordinary Shares may elect to exercise such number of votes per share as is permitted by the HKSE, up to the maximum number of votes attached to each Class B Ordinary Share as set out in Article 12.

14. Notwithstanding any provisions in these Articles to the contrary, the Company shall not take any action (including the issue and repurchase of shares of any Class) that would result in (a) the aggregate number of votes entitled to be cast by all holders of Class A Ordinary Shares excluding holders of Class A Ordinary Shares who also own or control any Class B Ordinary Shares Present at a general meeting to be less than 10% of the votes entitled to be cast by all Members at a general meeting; or (b) an increase in the proportion of Class B Ordinary Shares to the total number of shares in issue above the proportion at the time of the Company's initial listing on HKSE.
15. No further Class B Ordinary Shares shall be issued by the Company, except with the prior approval of HKSE and pursuant to (i) an offer made to all the Members pro rata (apart from fractional entitlements) to their existing holdings; (ii) a pro rata issue of Shares to all Members by way of scrip dividends; or (iii) pursuant to a stock split or other capital reorganisation provided that the HKSE is satisfied that the proposed allotment or issuance will not result in an increase in the proportion of Shares carrying weighted voting rights; provided further that, each Member shall be entitled to subscribe for (in a pro rata offer) or be issued (in an issue of shares by way of scrip dividends) Shares in the same Class as the Shares then held by him; and further provided that the proposed allotment or issuance will not result in an increase in the proportion of Class B Ordinary Shares in issue, so that:

- (a) if, under a pro rata offer, any holder of Class B Ordinary Shares does not take up any part of the Class B Ordinary Shares or the rights thereto offered to him, such untaken Shares (or rights) shall only be transferred to another person on the basis that such transferred rights will only entitle the transferee to an equivalent number of Class A Ordinary Shares; and
- (b) to the extent that rights to Class A Ordinary Shares in a pro rata offer are not taken up in their entirety, the number of Class B Ordinary Shares that shall be allotted, issued or granted in such pro rata offer shall be reduced proportionately.

Where necessary, holders of Class B Ordinary Shares must use their best endeavours to enable the Company to comply with this Article.

- 16. In the event the Company reduces the number of Class A Ordinary Shares in issue (for instance, through a purchase of its own Shares), the holders of Class B Ordinary Shares shall reduce their weighted voting rights in the Company proportionately, whether through a conversion of a portion of their Class B Ordinary Shares into Class A Ordinary Shares or otherwise, if the reduction in the number of Class A Ordinary Shares in issue would otherwise result in an increase in the proportion of Class B Ordinary Shares to the total number of shares in issue.
- 17. The Company shall not vary the rights of the Class B Ordinary Shares so as to increase the number of votes to which each Class B Ordinary Share is entitled.
- 18. Class B Ordinary Shares shall only be held by a Co-Founder or a Director Holding Vehicle wholly-owned and wholly-controlled by a Co-Founder. Subject to the HKSE Listing Rules or other applicable laws or regulations, each Class B Ordinary Share shall be automatically converted into one Class A Ordinary Share upon the occurrence of any of the following events and the Company and the relevant holder of Class B Ordinary Shares must notify the HKSE as soon as practicable with details of the event set out in paragraphs (e), (f) and (g) below:
 - (a) the death of the holder of such Class B Ordinary Shares (or, where the holder is a Director Holding Vehicle wholly-owned and wholly-controlled by a Co-Founder, the death of the Co-Founder holding and controlling such Director Holding Vehicle wholly-owned and wholly-controlled by such Co-Founder);
 - (b) the holder of such Class B Ordinary Shares ceasing to be a Director or a Director Holding Vehicle wholly-owned and wholly-controlled by a Co-Founder for any reason;
 - (c) the holder of such Class B Ordinary Shares (or, where the holder is a Director Holding Vehicle wholly-owned and wholly-controlled by a Co-Founder, the Co-Founder holding and controlling such Director Holding Vehicle wholly-owned and wholly-controlled by such Co-Founder) being deemed by the HKSE to be incapacitated for the purpose of performing his duties as a Director;
 - (d) the holder of such Class B Ordinary Shares (or, where the holder is a Director Holding Vehicle wholly-owned and wholly-controlled by a Co-Founder, the Co-founder holding and controlling such Director Holding Vehicle wholly-owned and wholly-controlled by such Co-Founder) being deemed by the HKSE to no longer meet the requirements of a director set out in the HKSE Listing Rules;

- (e) the transfer to another person of the beneficial ownership of, or economic interest in, such Class B Ordinary Share or the control over the voting rights attached to such Class B Ordinary Share (through voting proxies or otherwise), other than (i) the grant of any lien, pledge, charge or other encumbrance over such share which does not result in the transfer of the legal title or beneficial ownership of, or the voting rights attached to, such share, until the same is transferred upon the enforcement of such lien, pledge, charge or other encumbrance; and (ii) a transfer of the legal title to such share by a Co-Founder to a Director Holding Vehicle wholly-owned and wholly-controlled by him, or by a Director Holding Vehicle wholly-owned and wholly-controlled by a Co-Founder to the Co-Founder holding and controlling it or another Director Holding Vehicle wholly-owned and wholly-controlled by such Co-Founder;
 - (f) neither of the holders of Class B Ordinary Shares having control over the exercise of the voting rights of the Shares held by Propitious immediately upon completion of the listing of the Company's Class A Ordinary Shares on the HKSE (the "**Subject Shares**") for reasons within or outside their control. For the avoidance of doubt, (A) subject to the HKSE Listing Rules (including the requirements under Rule 10.07 of the HKSE Listing Rules), (i) any sale, transfer, assignment or disposition of any part or all of the Subject Shares by Propitious to any person, or (ii) a change of control of the ultimate beneficial ownership of any part or all of the Subject Shares or Propitious to any person (the above activities are collectively referred to as "**Transactions**"), and (B) consequentially resulting in the loss of control over the exercise of the voting rights of the relevant Subject Shares that are subject to the Transactions, will not give rise to any obligation to convert the Class B Ordinary Shares to Class A Ordinary Shares; or
 - (g) a Director Holding Vehicle holding such Class B Ordinary Shares no longer complies with the principle that the weighted voting rights attached to a beneficiary's shares must cease upon transfer to another person of the beneficial ownership of, or economic interest in, those shares or the control over the voting rights attached to them (through voting proxies or otherwise).
19. All of the Class B Ordinary Shares in the authorized share capital shall be automatically re-designated into Class A Ordinary Shares in the event none of the holders of the Class B Ordinary Shares at the time of the Company's initial listing on the HKSE have beneficial ownership of Class B Ordinary Shares, and no further Class B Ordinary Shares shall be issued by the Company.
20. Each Class B Ordinary Share is convertible into one (1) Class A Ordinary Share at any time at the option of the holder thereof. The right to convert shall be exercisable by the holder of the Class B Ordinary Share delivering a written notice to the Company that such holder elects to convert a specified number of Class B Ordinary Shares into Class A Ordinary Shares. In no event shall Class A Ordinary Shares be convertible into Class B Ordinary Shares.
21. Any conversion of Class B Ordinary Shares into Class A Ordinary Shares pursuant to these Articles shall be effected by means of the re-designation of each relevant Class B Ordinary Share as a Class A Ordinary Share. Such conversion shall become effective forthwith upon entries being made in the Register to record the re-designation of the relevant Class B Ordinary Shares as Class A Ordinary Shares.

22. Save and except for voting rights and conversion rights as set out in Articles 12 to 21 (inclusive), the Class A Ordinary Shares and the Class B Ordinary Shares shall rank *pari passu* with one another and shall have the same rights, preferences, privileges and restrictions. Weighted voting rights must only be attached to one Class of the Company's equity securities.

MODIFICATION OF RIGHTS

23. Whenever the capital of the Company is divided into different Classes the rights attached to any such Class may, subject to any rights or restrictions for the time being attached to any Class, only be varied with the consent in writing of the holders of not less than three-fourths in nominal value of the issued Shares of that Class or with the sanction of a resolution passed at a separate meeting of the holders of the Shares of that Class by the holders of three-fourths in nominal value of the issued Shares of that Class present in person or by proxy and voting at such meeting. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, apply, except that the necessary quorum shall be one or more Persons holding or representing by proxy at least one-third in nominal or par value amount of the issued Shares of the relevant Class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those Shareholders who are present shall form a quorum) and that, subject to any rights or restrictions for the time being attached to the Shares of that Class, every Shareholder of the Class shall on a poll have one vote for each Share of the Class held by him.
24. The rights attached to, or otherwise attached to, or otherwise conferred upon the holders of the Shares of any Class issued with preferred or other rights shall not, subject to any rights or restrictions for the time being attached to the Shares of that Class, be deemed to be materially adversely varied by, inter alia, the creation, allotment or issue of further Shares ranking *pari passu* with or subsequent to them or the redemption or purchase of any Shares of any Class by the Company. The rights attached to, or otherwise conferred upon the holders of, the Shares of any Class shall not be deemed to be materially adversely varied by the creation or issue of Shares with preferred or other rights including, without limitation, the creation of Shares with enhanced or weighted voting rights.

CERTIFICATES

25. Every Person whose name is entered as a Member in the Register may, without payment and upon its written request, request a certificate within two calendar months after allotment or lodgement of transfer (or within such other period as the conditions of issue shall provide) in the form determined by the Directors. All certificates shall specify the Share or Shares held by that Person, provided that in respect of a Share or Shares held jointly by several Persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all. All certificates for Shares shall be delivered personally or sent through the post addressed to the Member entitled thereto at the Member's registered address as appearing in the Register.
26. Every share certificate of the Company shall bear legends required under the applicable laws, including the Securities Act.

27. Any two or more certificates representing Shares of any one Class held by any Member may at the Member's request be cancelled and a single new certificate for such Shares issued in lieu on payment (if the Directors shall so require) of one U.S. dollar (US\$1.00) or such smaller sum as the Directors shall determine.
28. If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same Shares may be issued to the relevant Member upon request, subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.
29. Every share certificate of the Company shall prominently include the words "A company controlled through weighted voting rights" or such language as may be specified by the HKSE from time to time.
30. In the event that Shares are held jointly by several Persons, any request may be made by any one of the joint holders and if so made shall be binding on all of the joint holders.

FRACTIONAL SHARES

31. The Directors may issue fractions of a Share and, if so issued, a fraction of a Share shall be subject to and carry the corresponding fraction of liabilities (whether with respect to nominal or par value, premium, contributions, calls or otherwise), limitations, preferences, privileges, qualifications, restrictions, rights (including, without prejudice to the generality of the foregoing, voting and participation rights) and other attributes of a whole Share. If more than one fraction of a Share of the same Class is issued to or acquired by the same Shareholder such fractions shall be accumulated.

LIEN

32. The Company has a first and paramount lien on every Share (whether or not fully paid) for all amounts (whether presently payable or not) payable at a fixed time or called in respect of that Share. The Company also has a first and paramount lien on every Share registered in the name of a Person indebted or under liability to the Company (whether he is the sole registered holder of a Share or one of two or more joint holders) for all amounts owing by him or his estate to the Company (whether or not presently payable). The Directors may at any time declare a Share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a Share extends to any amount payable in respect of it, including but not limited to all dividends payable thereon.
33. The Company may sell, in such manner as the Directors in their absolute discretion think fit, any Share on which the Company has a lien, but no sale shall be made unless an amount in respect of which the lien exists is presently payable nor until the expiration of fourteen (14) calendar days after a notice in writing, demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share, or the Persons entitled thereto by reason of his death or bankruptcy.

34. For giving effect to any such sale the Directors may authorise a Person to transfer the Shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the Shares comprised in any such transfer and he shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
35. The proceeds of the sale after deduction of expenses, fees and commissions incurred by the Company shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue shall (subject to a like lien for sums not presently payable as existed upon the Shares prior to the sale) be paid to the Person entitled to the Shares immediately prior to the sale.

CALLS ON SHARES

36. Subject to the terms of the allotment, the Directors may from time to time make calls upon the Shareholders in respect of any moneys unpaid on their Shares, and each Shareholder shall (subject to receiving at least fourteen (14) calendar days' notice specifying the time or times of payment) pay to the Company at the time or times so specified the amount called on such Shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.
37. The joint holders of a Share shall be jointly and severally liable to pay calls in respect thereof.
38. If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the Person from whom the sum is due shall pay interest upon the sum at the rate of eight percent per annum from the day appointed for the payment thereof to the time of the actual payment, but the Directors shall be at liberty to waive payment of that interest wholly or in part.
39. The provisions of these Articles as to the liability of joint holders and as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the amount of the Share, or by way of premium, as if the same had become payable by virtue of a call duly made and notified.
40. The Directors may make arrangements with respect to the issue of partly paid Shares for a difference between the Shareholders, or the particular Shares, in the amount of calls to be paid and in the times of payment.
41. The Directors may, if they think fit, receive from any Shareholder willing to advance the same all or any part of the moneys uncalled and unpaid upon any partly paid Shares held by him, and upon all or any of the moneys so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding without the sanction of an Ordinary Resolution, eight percent per annum) as may be agreed upon between the Shareholder paying the sum in advance and the Directors. No such sum paid in advance of calls shall entitle the Member paying such sum to any portion of a dividend declared in respect of any period prior to the date upon which such sum would, but for such payment, become presently payable.

FORFEITURE OF SHARES

42. If a Shareholder fails to pay any call or instalment of a call in respect of partly paid Shares on the day appointed for payment, the Directors may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
43. The notice shall name a further day (not earlier than the expiration of fourteen (14) calendar days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed, the Shares in respect of which the call was made will be liable to be forfeited.
44. If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may at any time thereafter, before the payment required by notice has been made, be forfeited by a resolution of the Directors to that effect.
45. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Directors think fit, and at any time before a sale or disposition the forfeiture may be cancelled on such terms as the Directors think fit.
46. A Person whose Shares have been forfeited shall cease to be a Shareholder in respect of the forfeited Shares, but shall, notwithstanding, remain liable to pay to the Company all moneys which at the date of forfeiture were payable by him to the Company in respect of the Shares forfeited, but his liability shall cease if and when the Company receives payment in full of the amount unpaid on the Shares forfeited.
47. A certificate in writing under the hand of a Director that a Share has been duly forfeited on a date stated in the certificate shall be conclusive evidence of the facts in the declaration as against all Persons claiming to be entitled to the Share.
48. The Company may receive the consideration, if any, given for a Share on any sale or disposition thereof pursuant to the provisions of these Articles as to forfeiture and may execute a transfer of the Share in favour of the Person to whom the Share is sold or disposed of and that Person shall be registered as the holder of the Share and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the disposition or sale.
49. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes due and payable, whether on account of the amount of the Share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

TRANSFER AND TRANSMISSION OF SHARES

50. The instrument of transfer of any Share shall be in writing and in any usual or common form or such other form as the Directors may, in their absolute discretion, approve provided always that it shall be in such a form prescribed by the HKSE and be executed by or on behalf of the transferor and if in respect of a nil or partly paid up Share, or if so required by the Directors, shall also be executed on behalf of the transferee, in each case, may be under hand only or, if the transferor or transferee is a Clearing House (or its nominee(s)), under hand or by machine imprinted signature or by such other means of execution as the Board may approve from time to time and shall be accompanied by the certificate (if any) of the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferor shall be deemed to remain a Shareholder until the name of the transferee is entered in the Register in respect of the relevant Shares.
51. (a) The Directors may in their absolute discretion decline to register any transfer of Shares which is not fully paid up or on which the Company has a lien.
- (b) The Directors may also decline to register any transfer of any Share unless:
- (i) the instrument of transfer is lodged with the Company, accompanied by the certificate for the Shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
 - (ii) the instrument of transfer is in respect of only one Class of Shares;
 - (iii) the instrument of transfer is properly stamped, if required;
 - (iv) in the case of a transfer to joint holders, the number of joint holders to whom the Share is to be transferred does not exceed four; and
 - (v) a fee of such maximum sum as the Designated Stock Exchange may determine to be payable, or such lesser sum as the Board of Directors may from time to time require, is paid to the Company in respect thereof.
52. The registration of transfers may, on ten (10) calendar days' notice being given by advertisement in such one or more newspapers, by electronic means or by any other means in accordance with the Designated Stock Exchange Rules, be suspended and the Register closed at such times and for such periods as the Directors may, in their absolute discretion, from time to time determine, provided always that such registration of transfer shall not be suspended nor the Register closed for more than thirty (30) calendar days in any calendar year (or such longer period as the Members may by ordinary resolution determine provided that such period shall not be extended beyond sixty (60) calendar days in any calendar year).
53. All instruments of transfer that are registered shall be retained by the Company. If the Directors refuse to register a transfer of any Shares, they shall within three calendar months after the date on which the transfer was lodged with the Company send notice of the refusal to each of the transferor and the transferee.
54. The legal personal representative of a deceased sole holder of a Share shall be the only Person recognised by the Company as having any title to the Share. In the case of a Share registered in the name of two or more holders, the survivors or survivor, or the legal personal representatives of the deceased survivor, shall be the only Person recognised by the Company as having any title to the Share.

55. Any Person becoming entitled to a Share in consequence of the death or bankruptcy of a Shareholder shall, upon such evidence being produced as may from time to time be required by the Directors, have the right either to be registered as a Shareholder in respect of the Share or, instead of being registered himself, to make such transfer of the Share as the deceased or bankrupt Person could have made; but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the Share by the deceased or bankrupt Person before the death or bankruptcy.
56. A Person becoming entitled to a Share by reason of the death or bankruptcy of a Shareholder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered Shareholder, except that he shall not, before being registered as a Shareholder in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company, provided however, that the Directors may at any time give notice requiring any such Person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within ninety (90) calendar days, the Directors may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Share until the requirements of the notice have been complied with.
57. Subject to the provisions of the Companies Act, if the Board considers it necessary or appropriate, the Company may establish and maintain a principal or branch Register at such location as the Board thinks fit and there shall be entered therein the particulars of the Members and the shares issued to each of them and other particulars required under the Companies Act.
58. Except when a register is closed and, if applicable, subject to the additional provisions of Article 52, the principal register and any branch register shall during business hours be kept open to inspection by any Member without charge. The reference to business hours in this Article is subject to such reasonable restrictions as the Company in general meeting may impose, but so that not less than two hours in each business day is to be allowed for inspections.

REGISTRATION OF EMPOWERING INSTRUMENTS

59. The Company shall be entitled to charge a fee not exceeding one dollar (US\$1.00) on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney, notice in lieu of distringas, or other instrument.

ALTERATION OF SHARE CAPITAL

60. The Company may from time to time by Ordinary Resolution increase the share capital by such sum, to be divided into Shares of such Classes and amount, as the resolution shall prescribe.
61. The Company may by Ordinary Resolution
 - (a) increase its share capital by new Shares of such amount as it thinks expedient;
 - (b) consolidate and divide all or any of its share capital into Shares of a larger amount than its existing Shares;
 - (c) subdivide its Shares, or any of them, into Shares of an amount smaller than that fixed by the Memorandum of Association, provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in case of the Share from which the reduced Share is derived; and
 - (d) cancel any Shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any Person and diminish the amount of its share capital by the amount of the Shares so cancelled.
62. The Company may by Special Resolution reduce its share capital and any capital redemption reserve in any manner authorised by the Companies Act.

REDEMPTION, PURCHASE AND SURRENDER OF SHARES

63. Subject to the provisions of the Companies Act and these Articles, the Company may:
 - (a) issue Shares that are to be redeemed or are liable to be redeemed at the option of the Shareholder or the Company. The redemption of Shares shall be effected in such manner and upon such terms as may be determined, before the issue of such Shares, by either the Board or by the Shareholders by Special Resolution;
 - (b) purchase its own Shares (including any redeemable Shares) on such terms and in such manner and terms as have been approved by the Board or by the Members by Ordinary Resolution, or are otherwise authorised by these Articles; and
 - (c) make a payment in respect of the redemption or purchase of its own Shares in any manner permitted by the Companies Act, including out of capital.
64. The purchase of any Share shall not oblige the Company to purchase any other Share other than as may be required pursuant to applicable law and any other contractual obligations of the Company.
65. The holder of the Shares being purchased shall be bound to deliver up to the Company the certificate(s) (if any) thereof for cancellation and thereupon the Company shall pay to him the purchase or redemption monies or consideration in respect thereof.
66. The Directors may accept the surrender for no consideration of any fully paid Share.

TREASURY SHARES

67. The Directors may, prior to the purchase, redemption or surrender of any Share, determine that such Share shall be held as a Treasury Share.
68. The Directors may determine to cancel a Treasury Share or transfer a Treasury Share on such terms as they think proper (including, without limitation, for nil consideration).

GENERAL MEETINGS

69. All general meetings other than annual general meetings shall be called extraordinary general meetings.
70.
 - (a) The Company shall in each financial year hold a general meeting as its annual general meeting and shall specify the meeting as such in the notices calling it. The annual general meeting shall be held at such time and place as may be determined by the Directors.
 - (b) At these meetings the report of the Directors (if any) shall be presented.
71.
 - (a) The Chairman or a majority of the Directors may call general meetings, and they shall on a Shareholders' requisition forthwith proceed to convene an extraordinary general meeting of the Company.
 - (b) A Shareholders' requisition is a requisition of Member(s) holding not less than one-tenth (1/10) of all votes attaching to all issued and outstanding Shares of the Company (on a one vote per share basis) that as at the date of the deposit carry the right to vote at general meetings of the Company, and such Member(s) may also add resolutions to the agenda of any general meeting of the Company.
 - (c) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Registered Office, and may consist of several documents in like form each signed by one or more requisitionists.
 - (d) If there are no Directors as at the date of deposit of the Shareholder's requisition, or if the Directors do not within twenty-one (21) calendar days from the date of the deposit of the requisition duly proceed to convene a general meeting to be held within a further twenty-one (21) calendar days, the requisitionists, or any of them representing more than one-half (1/2) of the total voting rights of all of them, may themselves convene a general meeting, but any meeting so convened shall not be held after the expiration of three (3) calendar months after the expiration of the said twenty-one (21) calendar days.
 - (e) A general meeting convened as aforesaid by requisitionists shall be convened in the same manner as nearly as possible as that in which general meetings are to be convened by Directors.

NOTICE OF GENERAL MEETINGS

72. An annual general meeting shall be called by not less than twenty-one (21) days' notice in writing and any extraordinary general meeting shall be called by not less than fourteen (14) days' notice in writing. Subject to the requirements under the HKSE Listing Rules, every notice shall be exclusive of the day on which it is given or deemed to be given and of the day for which it is given and shall specify the place of the meeting (for any meeting which is not a Virtual Meeting), the day and the hour of the meeting, particulars of the resolutions and the general nature of the business to be considered at that meeting and shall be given in the manner hereinafter mentioned or in such other manner if any as may be prescribed by the Company, provided that a general meeting of the Company shall, whether or not the notice specified in this Article has been given and whether or not the provisions of these Articles regarding general meetings have been complied with, be deemed to have been duly convened if it is so agreed:
- (a) in the case of an annual general meeting, by all the Shareholders (or their proxies) entitled to attend and vote thereat; and
 - (b) in the case of an extraordinary general meeting, by one or more Shareholders who together hold Shares which carry in aggregate not less than two-thirds (2/3) of all votes attaching to all issued and outstanding Shares of the Company entitled to attend and vote at the meeting.
73. The accidental omission to give notice of a meeting to or the non-receipt of a notice of a meeting by any Shareholder shall not invalidate the proceedings at any meeting.

PROCEEDINGS AT GENERAL MEETINGS

74. No business except for the appointment of a chairman for the meeting shall be transacted at any general meeting unless a quorum of Shareholders is Present at the time when the meeting proceeds to business. A quorum required for a meeting of the Shareholders consists of one or more Shareholders holding Shares which carry in aggregate (or representing by proxy) not less than ten percent (10%) of the voting rights (on a one vote per share basis) in the share capital of the Company.
75. If within half an hour from the time appointed for the meeting a quorum (as set out in Article 74) is not Present, the meeting shall be dissolved.
76. If the Directors wish to make this facility available for a specific general meeting or all general meetings of the Company, attendance and participation in any general meeting of the Company may be by means of Communication Facilities. Without limiting the generality of the foregoing, the Directors may determine that any general meeting may be held as a Virtual Meeting. The notice of any general meeting at which Communication Facilities will be utilized (including any Virtual Meeting) must disclose the Communication Facilities that will be used, including the procedures to be followed by any Shareholder or other participant of the meeting who wishes to utilise such Communication Facilities for the purposes of attending and participating in such meeting, including attending and casting any vote thereat.
77. The Chairman, if any, of the Board of Directors shall preside as chairman at every general meeting of the Company.

78. If there is no such Chairman of the Board of Directors, or if at any general meeting he is not Present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman of the meeting, any Director or Person nominated by the Directors shall preside as chairman of that meeting, failing which the Shareholders Present shall choose any Person Present to be chairman of that meeting.
79. The chairman of any general meeting (including any Virtual Meeting) shall be entitled to attend and participate at any such general meeting by means of Communication Facilities, and to act as the chairman of such general meeting, in which event the following provisions shall apply:
- (a) The chairman of the meeting shall be deemed to be Present at the meeting; and
 - (b) If the Communication Facilities are interrupted or fail for any reason to enable the chairman of the meeting to hear and be heard by all other Persons participating in the meeting, then the other Directors Present at the meeting shall choose another Director Present to act as chairman of the meeting for the remainder of the meeting; provided that if no other Director is Present at the meeting, or if all the Directors Present decline to take the chair, then the meeting shall be automatically adjourned to the same day in the next week and at such time and place as shall be decided by the Board.
80. The chairman may with the consent of any general meeting at which a quorum is Present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. For the avoidance of doubt, the quorum required for such adjourned meeting is set out in Article 74. When a meeting, or adjourned meeting, is adjourned for fourteen (14) calendar days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
81. The Directors may cancel or postpone any duly convened general meeting at any time prior to such meeting, except for general meetings requisitioned by the Shareholders in accordance with these Articles, for any reason or for no reason, upon notice in writing to Shareholders. Where any general meeting is postponed in accordance with this Article, the Board shall fix the date, time and place for the reconvened meeting.
82. Each Shareholder has the right to speak at any duly convened general meeting of the Company, except where he is required by the HKSE Listing Rules to abstain from voting on the matter under consideration.
83. At any general meeting a resolution put to the vote of the meeting shall be decided on a poll, save that the chairman of the meeting may, in good faith, allow a resolution which relates purely to a procedural or administrative matter as prescribed under the HKSE Listing Rules to be voted on by a show of hands. Where a resolution is voted on by show of hands, a declaration by the chairman of the meeting that a resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of, or against, that resolution.

84. If a poll is duly demanded it shall be taken in such manner as the chairman of the meeting directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
85. All questions submitted to a meeting shall be decided by an Ordinary Resolution except where a greater majority is required by these Articles or by the Companies Act. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.
86. A poll demanded on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs.

VOTES OF SHAREHOLDERS

87. Subject to any rights and restrictions for the time being attached to any Share, on a show of hands every Shareholder Present at the meeting shall, at a general meeting of the Company, each have one vote and on a poll every Shareholder Present at the meeting shall have one (1) vote for each Class A Ordinary Share and ten (10) votes for each Class B Ordinary Share of which he is the holder.
88. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy (or, if a corporation or other non-natural person, by its duly authorised representative or proxy) shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register.
89. Shares carrying the right to vote that are held by a Shareholder of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may be voted, whether on a show of hands or on a poll, by his committee, or other Person in the nature of a committee appointed by that court, and any such committee or other Person may vote in respect of such Shares by proxy.
90. No Shareholder shall be entitled to vote at any general meeting of the Company unless all calls, if any, or other sums presently payable by him in respect of Shares carrying the right to vote held by him have been paid.
91. On a poll votes may be given either personally or by proxy.
92. Each Shareholder shall be entitled to appoint a proxy, and every Shareholder being a corporation shall be entitled to appoint a representative to attend and vote at any general meeting and, where a corporation is so represented, it shall be treated as being present at any meeting in person. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting, and such proxies are under no obligation to cast all his votes in the same way. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under Seal or under the hand of an officer or attorney duly authorised. A proxy need not be a Shareholder.

93. An instrument appointing a proxy may be in any usual or common form or such other form as the Directors may approve, provided that this shall not preclude the use of the two-way form.
94. The instrument appointing a proxy shall be deposited at the Registered Office or at such other place as is specified for that purpose in the notice convening the meeting, or in any instrument of proxy sent out by the Company:
- (a) not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
 - (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

provided that the Directors may in the notice convening the meeting, or in an instrument of proxy sent out by the Company, direct that the instrument appointing a proxy may be deposited at such other time (no later than the time for holding the meeting or adjourned meeting) at the Registered Office or at such other place as is specified for that purpose in the notice convening the meeting, or in any instrument of proxy sent out by the Company. The Chairman may in any event at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited. An instrument of proxy that is not deposited in the manner permitted shall be invalid.

95. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
96. Where any Member is, under the HKSE Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.
97. A resolution in writing signed by all the Shareholders for the time being entitled to receive notice of and to attend and vote at general meetings of the Company (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

98. Any corporation which is a Shareholder or a Director may by resolution of its directors or other governing body authorise such Person as it thinks fit to act as its representative at any meeting of the Company or of any meeting of holders of a Class or of the Directors or of a committee of Directors, and the Person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Shareholder or Director.

DEPOSITARY AND CLEARING HOUSES

99. If a Recognised Clearing House (or its nominee(s)) or depositary (or its nominee(s)) is a Member of the Company it may, by resolution of its directors or other governing body or by power of attorney, authorise such Person(s) as it thinks fit to act as its representative(s) at any general meeting of the Company or of any Class of Shareholders provided that, if more than one Person is so authorised, the authorisation shall specify the number and Class of Shares in respect of which each such Person is so authorised. A Person so authorised pursuant to this Article shall be entitled to exercise the same powers on behalf of the Recognised Clearing House (or its nominee(s)) or depositary (or its nominee(s)) which he represents as that Recognised Clearing House (or its nominee(s)) or depositary (or its nominee(s)) could exercise if it were an individual Member holding the number and Class of Shares specified in such authorisation, including the right to vote individually on a show of hands.

DIRECTORS

100. (a) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than three (3) but no more than nine (9) Directors, the exact number of Directors to be determined from time to time by the Board of Directors.
- (b) The Board of Directors shall have a Chairman elected and appointed by a majority of the Directors then in office. The period for which the Chairman will hold office will also be determined by a majority of all of the Directors then in office. The Chairman shall preside as chairman at every meeting of the Board of Directors. To the extent the Chairman is not present at a meeting of the Board of Directors within fifteen minutes after the time appointed for holding the same, the attending Directors may choose one of their number to be the chairman of the meeting.
- (c) The Company may by Ordinary Resolution appoint any person to be a Director.
- (d) The Board may, by the affirmative vote of a simple majority of the remaining Directors present and voting at a Board meeting, appoint any person as a Director, to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment, and shall then be eligible for re-election at that meeting.
- (e) Subject to the Designated Stock Exchange Rules applicable to the composition of the Board and qualifications of Directors, the Board shall include (i) at least two (2) Executive Directors, if there are no more than five (5) Directors on the Board, (ii) at least three (3) Executive Directors, if there are more than five (5) Directors but no more than seven (7) Directors on the Board and (iii) at least four (4) Executive Directors, if there are more than seven (7) Directors but no more than nine (9) Directors on the Board.
- (f) An appointment of a Director may be for such term of office as may be as agreed between the Company and the Director; but no such term shall be implied in the absence of express provision. Any Director whose term of office expires shall be eligible for re-election at a meeting of the Shareholders or re-appointment by the Board.

101. A Director may be removed from office by Ordinary Resolution of the Company, notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under such agreement). A vacancy on the Board created by the removal of a Director under the previous sentence may be filled by Ordinary Resolution or by the affirmative vote of a simple majority of the remaining Directors present and voting at a Board meeting. The notice of any meeting at which a resolution to remove a Director shall be proposed or voted upon must contain a statement of the intention to remove that Director and such notice must be served on that Director not less than ten (10) calendar days before the meeting. Such Director is entitled to attend the meeting and be heard on the motion for his removal.
102. Subject to these Articles, applicable law or Designated Stock Exchange Rules, the Board may, from time to time, adopt, institute, amend, modify or revoke the corporate governance policies or initiatives of the Company and determine on various corporate governance related matters of the Company as the Board shall determine by resolution of Directors from time to time. For the avoidance of doubt, if any corporate governance policies or initiatives of the Company adopted by resolution of the Board are inconsistent with the provisions in Article 100, Article 100 shall prevail.
103. A Director shall not be required to hold any Shares in the Company by way of qualification. A Director who is not a Member of the Company shall nevertheless be entitled to attend and speak at general meetings.
104. Every Independent Non-executive Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.
105. The remuneration of the Directors may be determined by the Directors or by Ordinary Resolution.
106. The Directors shall be entitled to be paid for their travelling, hotel and other expenses properly incurred by them in going to, attending and returning from meetings of the Directors, or any committee of the Directors, or general meetings of the Company, or otherwise in connection with the business of the Company, or to receive such fixed allowance in respect thereof as may be determined by the Directors from time to time, or a combination partly of one such method and partly the other.

ALTERNATE DIRECTOR OR PROXY

107. Any Director may in writing appoint another Person to be his alternate and, save to the extent provided otherwise in the form of appointment, such alternate shall have authority to sign written resolutions on behalf of the appointing Director, but shall not be required to sign such written resolutions where they have been signed by the appointing director, and to act in such Director's place at any meeting of the Directors at which the appointing Director is unable to be present. Every such alternate shall be entitled to attend and vote at meetings of the Directors as a Director when the Director appointing him is not personally present and where he is a Director to have a separate vote on behalf of the Director he is representing in addition to his own vote. A Director may at any time in writing revoke the appointment of an alternate appointed by him. Such alternate shall be deemed for all purposes to be a Director of the Company and shall not be deemed to be the agent of the Director appointing him. The remuneration of such alternate shall be payable out of the remuneration of the Director appointing him and the proportion thereof shall be agreed between them.
108. Any Director may appoint any Person, whether or not a Director, to be the proxy of that Director to attend and vote on his behalf, in accordance with instructions given by that Director, or in the absence of such instructions at the discretion of the proxy, at a meeting or meetings of the Directors which that Director is unable to attend personally. The instrument appointing the proxy shall be in writing under the hand of the appointing Director and shall be in any usual or common form or such other form as the Directors may approve, and must be lodged with the chairman of the meeting of the Directors at which such proxy is to be used, or first used, prior to the commencement of the meeting.

INDEPENDENT NON-EXECUTIVE DIRECTORS

109. The role of an Independent Non-executive Director shall include, but is not limited to:
- (a) participating in Board meetings to bring an independent judgment to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct;
 - (b) taking the lead where potential conflicts of interests arise;
 - (c) serving on the audit, remuneration, nomination and other governance committees; if invited; and
 - (d) scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring performance reporting.
110. Independent Non-executive Directors, as equal board members, should give the Board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. Generally they should also attend general meetings to gain and develop a balanced understanding of the view of Shareholders.
111. Independent Non-executive Directors should make a positive contribution to the development of the Company's strategy and policies through independence, constructive and informed comments.

POWERS AND DUTIES OF DIRECTORS

112. Subject to the Companies Act, these Articles and any resolutions passed in a general meeting, the business of the Company shall be managed by the Directors, who may pay all expenses incurred in setting up and registering the Company and may exercise all powers of the Company. No resolution passed by the Company in general meeting shall invalidate any prior act of the Directors that would have been valid if that resolution had not been passed.
113. Subject to these Articles, the Directors may from time to time appoint any natural person or corporation, whether or not a Director to hold such office in the Company as the Directors may think necessary for the administration of the Company, including but not limited to, chief executive officer, one or more other executive officers, president, one or more vice-presidents, treasurer, assistant treasurer, manager or controller, and for such term and at such remuneration (whether by way of salary or commission or participation in profits or partly in one way and partly in another), and with such powers and duties as the Directors may think fit. Any natural person or corporation so appointed by the Directors may be removed by the Directors. The Directors may also appoint one or more of their number to the office of managing director upon like terms, but any such appointment shall ipso facto terminate if any managing director ceases for any cause to be a Director, or if the Company by Ordinary Resolution resolves that his tenure of office be terminated.
114. The Directors may appoint any natural person or corporation to be a Secretary (and if need be an assistant Secretary or assistant Secretaries) who shall hold office for such term, at such remuneration and upon such conditions and with such powers as they think fit. Any Secretary or assistant Secretary so appointed by the Directors may be removed by the Directors or by the Company by Ordinary Resolution.
115. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.
116. The Directors may from time to time and at any time by power of attorney (whether under Seal or under hand) or otherwise appoint any company, firm or Person or body of Persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys or authorised signatory (any such person being an “**Attorney**” or “**Authorised Signatory**”, respectively) of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney or other appointment may contain such provisions for the protection and convenience of Persons dealing with any such Attorney or Authorised Signatory as the Directors may think fit, and may also authorise any such Attorney or Authorised Signatory to delegate all or any of the powers, authorities and discretion vested in him.
117. The Directors may from time to time provide for the management of the affairs of the Company in such manner as they shall think fit and the provisions contained in the three next following Articles shall not limit the general powers conferred by this Article.
118. The Directors from time to time and at any time may establish any committees, local boards or agencies for managing any of the affairs of the Company and may appoint any natural person or corporation to be a member of such committees or local boards and may appoint any managers or agents of the Company and may fix the remuneration of any such natural person or corporation.

119. The Directors from time to time and at any time may delegate to any such committee, local board, manager or agent any of the powers, authorities and discretions for the time being vested in the Directors and may authorise the members for the time being of any such local board, or any of them to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit and the Directors may at any time remove any natural person or corporation so appointed and may annul or vary any such delegation, but no Person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.
120. Any such delegates as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.

BORROWING POWERS OF DIRECTORS

121. The Directors may from time to time at their discretion exercise all the powers of the Company to raise or borrow money and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof, to issue debentures, debenture stock, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

THE SEAL

122. The Seal shall not be affixed to any instrument except by the authority of a resolution of the Directors provided always that such authority may be given prior to or after the affixing of the Seal and if given after may be in general form confirming a number of affixings of the Seal. The Seal shall be affixed in the presence of a Director or a Secretary (or an assistant Secretary) or in the presence of any one or more Persons as the Directors may appoint for the purpose and every Person as aforesaid shall sign every instrument to which the Seal is so affixed in their presence.
123. The Company may maintain a facsimile of the Seal in such countries or places as the Directors may appoint and such facsimile Seal shall not be affixed to any instrument except by the authority of a resolution of the Directors provided always that such authority may be given prior to or after the affixing of such facsimile Seal and if given after may be in general form confirming a number of affixings of such facsimile Seal. The facsimile Seal shall be affixed in the presence of such Person or Persons as the Directors shall for this purpose appoint and such Person or Persons as aforesaid shall sign every instrument to which the facsimile Seal is so affixed in their presence and such affixing of the facsimile Seal and signing as aforesaid shall have the same meaning and effect as if the Seal had been affixed in the presence of and the instrument signed by a Director or a Secretary (or an assistant Secretary) or in the presence of any one or more Persons as the Directors may appoint for the purpose.
124. Notwithstanding the foregoing, a Secretary or any assistant Secretary shall have the authority to affix the Seal, or the facsimile Seal, to any instrument for the purposes of attesting authenticity of the matter contained therein but which does not create any obligation binding on the Company.

DISQUALIFICATION OF DIRECTORS

125. The office of Director shall be vacated, if the Director:
- (a) becomes bankrupt or makes any arrangement or composition with his creditors;
 - (b) dies or is found to be or becomes of unsound mind;
 - (c) resigns his office by notice in writing to the Company;
 - (d) without special leave of absence from the Board, is absent from meetings of the Board for four consecutive meetings and the Board resolves that his office be vacated; or
 - (e) is removed from office pursuant to any other provision of these Articles.

PROCEEDINGS OF DIRECTORS

126. The Directors may meet together (either within or outside of the Cayman Islands) for the despatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. At any meeting of the Directors, each Director present in person or represented by his proxy or alternate shall be entitled to one vote. In case of an equality of votes the Chairman shall have a second or casting vote. A Director may, and a Secretary or assistant Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.
127. A Director may participate in any meeting of the Directors, or of any committee appointed by the Directors of which such Director is a member, by means of telephone or similar communication equipment by way of which all Persons participating in such meeting can communicate with each other and such participation shall be deemed to constitute presence in person at the meeting.
128. The quorum necessary for the transaction of the business of the Board may be fixed by the Directors, and unless so fixed, the quorum shall be a majority of Directors then in office. A Director represented by proxy or by an alternate Director at any meeting shall be deemed to be present for the purposes of determining whether or not a quorum is present.
129. A Director who is in any way, whether directly or indirectly, interested in a contract or transaction or proposed contract or transaction with the Company shall declare the nature of his interest at a meeting of the Directors. A general notice given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract or transaction which may thereafter be made with that company or firm shall be deemed a sufficient declaration of interest in regard to any contract so made or transaction so consummated. Subject to the Designated Stock Exchange Rules and disqualification by the chairman of the relevant Board meeting, a Director may vote in respect of any contract or transaction or proposed contract or transaction notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of the Directors at which any such contract or transaction or proposed contract or transaction shall come before the meeting for consideration.

130. A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor, purchaser or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established. A Director, notwithstanding his interest, may be counted in the quorum present at any meeting of the Directors whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged and he may vote on any such appointment or arrangement.
131. Any Director may act by himself or through his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as the Auditors.
132. The Directors shall cause minutes to be made for the purpose of recording:
- (a) all appointments of officers made by the Directors;
 - (b) the names of the Directors present at each meeting of the Directors and of any committee of the Directors; and
 - (c) all resolutions and proceedings at all meetings of the Company, and of the Directors and of committees of Directors.
133. When the chairman of a meeting of the Directors signs the minutes of such meeting the same shall be deemed to have been duly held notwithstanding that all the Directors have not actually come together or that there may have been a technical defect in the proceedings.
134. A resolution in writing signed by all the Directors or all the members of a committee of Directors entitled to receive notice of a meeting of Directors or committee of Directors, as the case may be (an alternate Director, subject as provided otherwise in the terms of appointment of the alternate Director, being entitled to sign such a resolution on behalf of his appointer), shall be as valid and effectual as if it had been passed at a duly called and constituted meeting of Directors or committee of Directors, as the case may be. When signed a resolution may consist of several documents each signed by one or more of the Directors or his duly appointed alternate.
135. The continuing Directors may act notwithstanding any vacancy in their body but if and for so long as their number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Directors, the continuing Directors may act for the purpose of increasing the number, or of summoning a general meeting of the Company, but for no other purpose.

136. Subject to any regulations imposed on it by the Directors, a committee appointed by the Directors may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding the meeting, the committee members present may choose one of their number to be chairman of the meeting.
137. A committee appointed by the Directors may meet and adjourn as it thinks proper. Subject to any regulations imposed on it by the Directors, questions arising at any meeting shall be determined by a majority of votes of the committee members present and in case of an equality of votes the chairman shall have a second or casting vote.
138. All acts done by any meeting of the Directors or of a committee of Directors, or by any Person acting as a Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or Person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Person had been duly appointed and was qualified to be a Director.

PRESUMPTION OF ASSENT

139. A Director who is present at a meeting of the Board of Directors at which an action on any Company matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent from such action with the person acting as the chairman or secretary of the meeting before the adjournment thereof or shall forward such dissent by registered post to such person immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favour of such action.

NOMINATION COMMITTEE

140. The Board shall establish a Nomination Committee with specific written terms of reference which deal clearly with the authority and duties of such committee. The Nomination Committee shall perform the following terms of reference:
- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - (b) to identify individuals suitably qualified to become Directors and select or make recommendations to the Board on the selection of individuals nominated for directorships;
 - (c) to assess the independence of Independent Non-executive Directors; and
 - (d) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive.
141. The Nomination Committee should make available its terms of reference explaining its role and the authority delegated to it by the Board by including them on the HKSE's website and Company's Website.

142. The Company should provide the Nomination Committee sufficient resources to perform its duties. Where necessary, the Nomination Committee should seek independent professional advice, at the Company's expense, to perform its responsibilities.
143. Where the Board proposes a resolution to elect an individual as an Independent Non-executive Director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:
 - (a) the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
 - (b) if the proposed Independent Non-executive Director will be holding his seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
 - (c) the perspectives, skills and experience that the individual can bring to the Board; and
 - (d) how the individual contributes to diversity of the Board.
144. The Nomination Committee shall comprise a majority of Independent Non-executive Directors, one of whom shall act as its chairman.

CORPORATE GOVERNANCE COMMITTEE

145. The Board shall establish a Corporate Governance Committee with specific written terms of reference which deal clearly with the authority and duties of such committee. The Corporate Governance Committee shall perform the following terms of reference:
 - (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
 - (b) to review and monitor the training and continuous professional development of Directors and senior management;
 - (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
 - (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
 - (e) to review the Company's compliance with the code and disclosure in the Corporate Governance Report;
 - (f) to review and monitor whether the Company is operated and managed for the benefit of all its shareholders;
 - (g) to confirm, on an annual basis, that the holders of Class B Ordinary Shares have been members of the Company's Board throughout the year and that no matters under Article 18(a) to (d) have occurred during the relevant financial year;

- (h) to confirm, on an annual basis, whether or not the holders of Class B Ordinary Shares have complied with Articles 15, 16, 18(e) to (g) and 13 throughout the year;
- (i) to review and monitor the management of conflicts of interests and make a recommendation to the Board on any matter where there is a potential conflict of interest between the Company, a subsidiary of the Company and/or holders of Class A Ordinary Shares of the Company (considered as a group) on one hand and any holder of Class B Ordinary Shares on the other;
- (j) to review and monitor all risks related to the Company's weighted voting right structure, including connected transactions between the Company and/or a subsidiary of the Company on one hand and any holder of Class B Ordinary Shares on the other and make a recommendation to the Board on any such transaction;
- (k) to make a recommendation to the Board as to the appointment or removal of the Compliance Adviser;
- (l) to seek to ensure effective and on-going communication between the Company and its shareholders, particularly with regards to the requirements of Article 186;
- (m) to report on the work of the Corporate Governance Committee on at least a half yearly and annual basis covering the areas of its terms of reference as set out in sub-paragraphs (a) to (n) of this Article 145; and
- (n) to disclose, on a comply or explain basis, its recommendations to the Board in respect of the matters in sub-paragraphs (i) to (k) above in the report referred to in sub-paragraph (m) above.

146. The Corporate Governance Committee shall comprise entirely of Independent Non-executive Directors, one of whom shall act as its chairman.

147. The Corporate Governance Report produced by the Company pursuant to the HKSE Listing Rules shall include a summary of the work of the Corporate Governance Committee, with regards to its terms of reference set out in Articles 145(a) to 145(n) above, for the accounting period covered by both the half-yearly and annual report and disclose any significant subsequent events for the period up to the date of publication of the half-yearly and annual report, to the extent possible.

COMPLIANCE ADVISER

148. The Company shall appoint a Compliance Adviser on a permanent basis commencing on the date of the Company's initial listing on HKSE. The Board shall consult with and, if necessary, seek advice from the Compliance Adviser, on a timely and ongoing basis, in the following circumstances:
- (a) before the publication of any regulatory announcement, circular or financial report by the Company;
 - (b) where a transaction, which might be a notifiable or connected transaction (as defined in the HKSE Listing Rules), is contemplated by the Company including share issues and share repurchases;
 - (c) where the Company proposes to use the proceeds of its initial public offering on HKSE in a manner different from that detailed in the listing document in respect of such initial public offering on HKSE, or where the business activities, developments or results of the Company deviate from any forecast, estimate or other information set out in such listing document; and
 - (d) where the HKSE makes an inquiry of the Company under the HKSE Listing Rules.
149. The Board shall also consult with, and if necessary, seek advice from the Compliance Adviser, on a timely and ongoing basis, on any matters related to:
- (a) the weighted voting rights structure of the Company;
 - (b) transactions in which the holders of Class B Ordinary Shares have an interest; and
 - (c) where there is a potential conflict of interest between the Company, a subsidiary of the Company and/or holders of Class A Ordinary Shares (considered as a group) on the one hand, and any holder of Class B Ordinary Shares on the other.

DIVIDENDS

150. Subject to any rights and restrictions for the time being attached to any Shares, the Directors may from time to time declare dividends (including interim dividends) and other distributions on Shares in issue and authorise payment of the same out of the funds of the Company lawfully available therefor.
151. Subject to any rights and restrictions for the time being attached to any Shares, the Company by Ordinary Resolution may declare dividends, but no dividend shall exceed the amount recommended by the Directors.
152. The Directors may, before recommending or declaring any dividend, set aside out of the funds legally available for distribution such sums as they think proper as a reserve or reserves which shall, in the absolute discretion of the Directors, be applicable for meeting contingencies or for equalising dividends or for any other purpose to which those funds may be properly applied, and pending such application may in the absolute discretion of the Directors, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.

153. Any dividend payable in cash to the holder of Shares may be paid in any manner determined by the Directors. If paid by cheque it will be sent by mail addressed to the holder at his address in the Register, or addressed to such person and at such addresses as the holder may direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the Register in respect of such Shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company.
154. The Directors may determine that a dividend shall be paid wholly or partly by the distribution of specific assets (which may consist of the shares or securities of any other company) and may settle all questions concerning such distribution. Without limiting the generality of the foregoing, the Directors may fix the value of such specific assets, may determine that cash payment shall be made to some Shareholders in lieu of specific assets and may vest any such specific assets in trustees on such terms as the Directors think fit.
155. Subject to any rights and restrictions for the time being attached to any Shares, all dividends shall be declared and paid according to the amounts paid up on the Shares, but if and for so long as nothing is paid up on any of the Shares dividends may be declared and paid according to the par value of the Shares. No amount paid on a Share in advance of calls shall, while carrying interest, be treated for the purposes of this Article as paid on the Share.
156. If several Persons are registered as joint holders of any Share, any of them may give effective receipts for any dividend or other moneys payable on or in respect of the Share.
157. No dividend shall bear interest against the Company.
158. Any dividend unclaimed after a period of six calendar years from the date of declaration of such dividend may be forfeited by the Board of Directors and, if so forfeited, shall revert to the Company.

ACCOUNTS, AUDIT AND ANNUAL RETURN AND DECLARATION

159. The books of account relating to the Company's affairs shall be kept in such manner as may be determined from time to time by the Directors.
160. The Company may by Ordinary Resolution or other body that is independent of the Board of Directors (as the case may be) may from time to time determine that Auditors shall be appointed. The appointment of and provisions relating to Auditors shall be in accordance with applicable law and the relevant code, rules and regulations applicable to the listing of the Shares on the Designated Stock Exchange.
161. The Members may, at any general meeting convened and held in accordance with these Articles, by Ordinary Resolution remove the Auditors at any time before the expiration of their term of office and shall by Ordinary Resolution appoint another Auditor in their stead for the remainder of their term.
162. The remuneration of Auditors shall be fixed by the Company in general meeting by Ordinary Resolution.

163. The books of account shall be kept at the Registered Office, or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.
164. The accounts relating to the Company's affairs shall be audited in such manner and with such financial year end as may be determined from time to time by the Directors or failing any determination as aforesaid shall not be audited.
165. Every Auditor shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditors.
166. The Auditors shall, if so required by the Directors, make a report on the accounts of the Company during their tenure of office at the next annual general meeting following their appointment, and at any time during their term of office, upon request of the Directors or any general meeting of the Members.
167. The Directors in each calendar year shall prepare, or cause to be prepared, an annual return and declaration setting forth the particulars required by the Companies Act and deliver a copy thereof to the Registrar of Companies in the Cayman Islands.

CAPITALISATION OF RESERVES

168. Subject to the Companies Act, the Directors may:
 - (a) resolve to capitalise an amount standing to the credit of reserves (including a Share Premium Account, capital redemption reserve and profit and loss account), which is available for distribution;
 - (b) appropriate the sum resolved to be capitalised to the Shareholders in proportion to the nominal amount of Shares (whether or not fully paid) held by them respectively and apply that sum on their behalf in or towards:
 - (i) paying up the amounts (if any) for the time being unpaid on Shares held by them respectively, or
 - (ii) paying up in full unissued Shares or debentures of a nominal amount equal to that sum,

and allot the Shares or debentures, credited as fully paid, to the Shareholders (or as they may direct) in those proportions, or partly in one way and partly in the other, but the Share Premium Account, the capital redemption reserve and profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued Shares to be allotted to Shareholders credited as fully paid;

- (c) make any arrangements they think fit to resolve a difficulty arising in the distribution of a capitalised reserve and in particular, without limitation, where Shares or debentures become distributable in fractions the Directors may deal with the fractions as they think fit;

- (d) authorise a Person to enter (on behalf of all the Shareholders concerned) into an agreement with the Company providing for either:
 - (i) the allotment to the Shareholders respectively, credited as fully paid, of Shares or debentures to which they may be entitled on the capitalisation, or
 - (ii) the payment by the Company on behalf of the Shareholders (by the application of their respective proportions of the reserves resolved to be capitalised) of the amounts or part of the amounts remaining unpaid on their existing Shares,

and any such agreement made under this authority being effective and binding on all those Shareholders; and

- (e) generally do all acts and things required to give effect to the resolution.

169. Notwithstanding any provisions in these Articles, the Directors may resolve to capitalise an amount standing to the credit of reserves (including the share premium account, capital redemption reserve and profit and loss account) or otherwise available for distribution by applying such sum in paying up in full unissued Shares to be allotted and issued to:

- (a) employees (including Directors) or service providers of the Company or its Affiliates upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Directors or the Members;
- (b) any trustee of any trust or administrator of any share incentive scheme or employee benefit scheme to whom shares are to be allotted and issued by the Company in connection with the operation of any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Directors or Members; or
- (c) any depository of the Company for the purposes of the issue, allotment and delivery by the depository of ADSs to employees (including Directors) or service providers of the Company or its Affiliates upon exercise or vesting of any options or awards granted under any share incentive scheme or employee benefit scheme or other arrangement which relates to such persons that has been adopted or approved by the Directors or the Members.

SHARE PREMIUM ACCOUNT

170. The Directors shall in accordance with the Companies Act establish a Share Premium Account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any Share.

171. There shall be debited to any Share Premium Account on the redemption or purchase of a Share the difference between the nominal value of such Share and the redemption or purchase price provided always that at the discretion of the Directors such sum may be paid out of the profits of the Company or, if permitted by the Companies Act, out of capital.

NOTICES

172. Except as otherwise provided in these Articles, any notice or document may be served by the Company or by the Person entitled to give notice to any Shareholder either personally, or by posting it by airmail or a recognised courier service in a prepaid letter addressed to such Shareholder at his address as appearing in the Register, or by electronic mail to any electronic mail address such Shareholder may have specified in writing for the purpose of such service of notices, or by facsimile to any facsimile number such Shareholder may have specified in writing for the purpose of such service of notices, or by placing it on the Company's Website should the Directors deem it appropriate. In the case of joint holders of a Share, all notices shall be given to that one of the joint holders whose name stands first in the Register in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.

Notices sent from one country to another shall be sent or forwarded by prepaid airmail or a recognised courier service.

173. Any Shareholder Present at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting and, where requisite, of the purposes for which such meeting was convened.

174. Any notice or other document, if served by:

- (a) post, shall be deemed to have been served five (5) calendar days after the time when the letter containing the same is posted;
- (b) facsimile, shall be deemed to have been served upon production by the transmitting facsimile machine of a report confirming transmission of the facsimile in full to the facsimile number of the recipient;
- (c) recognised courier service, shall be deemed to have been served 48 hours after the time when the letter containing the same is delivered to the courier service; or
- (d) electronic means, shall be deemed to have been served immediately (i) upon the time of the transmission to the electronic mail address supplied by the Shareholder to the Company or (ii) upon the time of its placement on the Company's Website.

In proving service by post or courier service it shall be sufficient to prove that the letter containing the notice or documents was properly addressed and duly posted or delivered to the courier service.

175. Any notice or document delivered or sent by post to or left at the registered address of any Shareholder in accordance with the terms of these Articles shall notwithstanding that such Shareholder be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any Share registered in the name of such Shareholder as sole or joint holder, unless his name shall at the time of the service of the notice or document have been removed from the Register as the holder of the Share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all Persons interested (whether jointly with or as claiming through or under him) in the Share.

176. Notice of every general meeting of the Company shall be given to:

- (a) all Shareholders holding Shares with the right to receive notice and who have supplied to the Company an address for the giving of notices to them; and
- (b) every Person entitled to a Share in consequence of the death or bankruptcy of a Shareholder, who but for his death or bankruptcy would be entitled to receive notice of the meeting.

No other Person shall be entitled to receive notices of general meetings.

INFORMATION

177. Subject to compliance with the relevant laws, rules and regulations applicable to the Company, no Member shall be entitled to require discovery of any information in respect of any detail of the Company's trading or any information which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Board would not be in the interests of the Members of the Company to communicate to the public.

178. Subject to compliance with the relevant laws, rules and regulations applicable to the Company, the Board shall be entitled to release or disclose any information in its possession, custody or control regarding the Company or its affairs to any of its Members including, without limitation, information contained in the Register and transfer books of the Company.

INDEMNITY

179. Every Director (including for the purposes of this Article any alternate Director appointed pursuant to the provisions of these Articles), Secretary, assistant Secretary, or other officer for the time being and from time to time of the Company (but not including the Auditors) and the personal representatives of the same (each an "**Indemnified Person**") shall be indemnified and secured harmless against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by such Indemnified Person, other than by reason of such Indemnified Person's own dishonesty, wilful default or fraud, in or about the conduct of the Company's business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by such Indemnified Person in defending (whether successfully or otherwise) any civil proceedings concerning the Company or its affairs in any court whether in the Cayman Islands or elsewhere.

180. No Indemnified Person shall be liable:

- (a) for the acts, receipts, neglects, defaults or omissions of any other Director or officer or agent of the Company; or
- (b) for any loss on account of defect of title to any property of the Company; or
- (c) on account of the insufficiency of any security in or upon which any money of the Company shall be invested; or

- (d) for any loss incurred through any bank, broker or other similar Person; or
- (e) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgement or oversight on such Indemnified Person's part; or
- (f) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities, or discretions of such Indemnified Person's office or in relation thereto;

unless the same shall happen through such Indemnified Person's own dishonesty, willful default or fraud.

FINANCIAL YEAR

181. Unless the Directors otherwise prescribe, the financial year of the Company shall end on December 31st in each calendar year and shall begin on January 1st in each calendar year.

NON-RECOGNITION OF TRUSTS

182. No Person shall be recognised by the Company as holding any Share upon any trust and the Company shall not, unless required by law, be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share or (except only as otherwise provided by these Articles or as the Companies Act requires) any other right in respect of any Share except an absolute right to the entirety thereof in each Shareholder registered in the Register.

WINDING UP

183. A resolution that the Company be wound up voluntarily shall be a Special Resolution.
184. If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Companies Act, divide amongst the Members in species or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may for that purpose value any assets and determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any asset upon which there is a liability.
185. If the Company shall be wound up, and the assets available for distribution amongst the Members shall be insufficient to repay the whole of the share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the par value of the Shares held by them. If in a winding up the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst the Members in proportion to the par value of the Shares held by them at the commencement of the winding up subject to a deduction from those Shares in respect of which there are monies due, of all monies payable to the Company for unpaid calls or otherwise. This Article is without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

COMMUNICATION WITH MEMBERS AND DISCLOSURE

186. The Company shall comply with the Designated Stock Exchange Rules regarding shareholders' engagement.
187. The Company shall include the warning "A company controlled through weighted voting rights" on the front page of all its listing documents, periodic financial reports, circulars, notifications and announcements required by the HKSE Listing Rules, and describe its weighted voting rights structure, the rationale for having such structure and the associated risks for shareholders prominently in its listing documents and periodic financial reports. This warning statement shall inform prospective investors of the potential risks of investing in the Company and that they should make the decision to invest only after due and careful consideration.
188. The Company shall, in its listing documents and its interim and annual reports produced by the Company pursuant to the HKSE Listing Rules: (a) identify the holders of Class B Ordinary Shares (and, where a holder is a Director Holding Vehicle, the Co-Founder holding and controlling such vehicle); (b) disclose the impact of a potential conversion of Class B Ordinary Shares into Class A Ordinary Shares on its share capital; and (c) disclose all circumstances in which the weighted voting rights attached to the Class B Ordinary Shares shall cease.

AMENDMENT OF ARTICLES OF ASSOCIATION

189. Subject to the Companies Act, the Company may at any time and from time to time by Special Resolution alter or amend these Articles in whole or in part.

CLOSING OF REGISTER OR FIXING RECORD DATE

190. For the purpose of determining those Shareholders that are entitled to receive notice of, attend or vote at any meeting of Shareholders or any adjournment thereof, or those Shareholders that are entitled to receive payment of any dividend, or in order to make a determination as to who is a Shareholder for any other purpose, the Directors may provide that the Register shall be closed for transfers for a stated period which shall not exceed in any case thirty (30) calendar days in any calendar year.
191. In lieu of or apart from closing the Register, the Directors may fix in advance a date as the record date for any such determination of those Shareholders that are entitled to receive notice of, attend or vote at a meeting of the Shareholders and for the purpose of determining those Shareholders that are entitled to receive payment of any dividend the Directors may, at or within ninety (90) calendar days prior to the date of declaration of such dividend, fix a subsequent date as the record date for such determination.
192. If the Register is not so closed and no record date is fixed for the determination of those Shareholders entitled to receive notice of, attend or vote at a meeting of Shareholders or those Shareholders that are entitled to receive payment of a dividend, the date on which notice of the meeting is posted or the date on which the resolution of the Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of Shareholders. When a determination of those Shareholders that are entitled to receive notice of, attend or vote at a meeting of Shareholders has been made as provided in this Article, such determination shall apply to any adjournment thereof.

REGISTRATION BY WAY OF CONTINUATION

193. The Company may by Special Resolution resolve to be registered by way of continuation in a jurisdiction outside the Cayman Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing. In furtherance of a resolution adopted pursuant to this Article, the Directors may cause an application to be made to the Registrar of Companies to deregister the Company in the Cayman Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing and may cause all such further steps as they consider appropriate to be taken to effect the transfer by way of continuation of the Company.

DISCLOSURE

194. The Directors, or any service providers (including the officers, the Secretary and the registered office agent of the Company) specifically authorised by the Directors, shall be entitled to disclose to any regulatory or judicial authority or to any stock exchange on which securities of the Company may from time to time be listed any information regarding the affairs of the Company including without limitation information contained in the Register and books of the Company.

FORUM SELECTION

195. The Company, its Shareholders, Directors and officers agree to submit to the jurisdiction of the courts of the Cayman Islands and Hong Kong, to the exclusion of other jurisdictions, to hear, settle and/or determine any dispute, controversy or claim (including any non-contractual dispute, controversy or claim) whether arising out of or in connection with these Articles or otherwise, including any question regarding their existence, validity, formation, or termination, save for in relation to any application or petition to wind-up the Company which the courts of the Cayman Islands shall have exclusive jurisdiction to determine. For the avoidance of doubt, without limiting the jurisdiction of the Cayman Courts and Hong Kong Courts to hear, settle and/or determine disputes related to the Company, no other courts shall have jurisdiction over or for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any Director, officer or other employee of the Company to the Company or the Company's Members, (iii) any action asserting a claim arising pursuant to any provision of the Companies Act or these Articles including but not limited to any purchase or acquisition of Shares, security or guarantee provided in consideration thereof, or (iv) any action asserting a claim against the Company which if brought in the United States would be a claim arising under the internal affairs doctrine (as such concept is recognised under the laws of the United States from time to time). If, notwithstanding the above provisions, a court of the United States assumes jurisdiction to hear any proceedings, actions, claims, or complaints, however so called, that rely on the provisions of the Securities Act or the U.S. Securities Exchange Act of 1934 (as amended from time to time), then the federal courts of the United States shall have exclusive jurisdiction to hear, settle, and/or determine any such proceeding, action, claim or complaint to the exclusion of the state courts. Without prejudice to the foregoing, if any part of this Article is held to be illegal, invalid or unenforceable under applicable law, the illegal, invalid or unenforceable portion of this Article shall not affect or impair the legality, validity or enforceability of the rest of the Articles and this Article shall be interpreted and construed to the maximum extent possible to apply in the relevant jurisdiction with whatever modification or deletion may be necessary so as best to give effect to the intention of the Company. Any person or entity purchasing or otherwise acquiring any share in or of the Company or other security of the Company whether by transfer, sale, operation of law or otherwise, shall be deemed to have notice of and have irrevocably agreed and consented to the provisions of this Article.