
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

In preparation for the Global Offering, we have sought the following waivers from strict compliance with certain provisions of the Listing Rules.

WAIVER IN RELATION TO JOINT COMPANY SECRETARIES

According to Rules 3.28 and 8.17 of the Listing Rules, the secretary of our Company must be a person who has the requisite knowledge and experience to discharge the functions of the company secretary and is either (i) a member of the Hong Kong Institute of Chartered Secretaries, a solicitor or barrister as defined in the Legal Practitioners Ordinance or a certified public accountant as defined in the Professional Accountants Ordinance, or (ii) an individual who, by virtue of his/her relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

Our Company has appointed Ms. Fei Feng and Ms. Tang Wing Shan Winza, as the joint company secretaries of our Company to jointly discharge the duties and responsibilities of company secretary of our Company with reference to their work experience and qualifications.

Ms. Fei Feng has been appointed as a joint company secretary of our Company on January 28, 2022. Ms. Fei currently holds the position of executive Director and deputy general manager of the Company and the secretary to the Board and is responsible for the coordination and management of our Company's day-to-day operation, including monitoring administrative matters of the Board. Our Board acknowledges that Ms. Fei does not possess the academic or professional qualifications as set out in Note 1 to Rule 3.28 of the Listing Rules. However, our Company believes Ms. Fei is capable of discharging the duties as a secretary of our Company and is a suitable person to act as a company secretary of our Company due to her thorough understanding of the internal administration and business operations of our Group.

Furthermore, we have appointed Ms. Tang Wing Shan Winza to act as a joint company secretary and to provide assistance to Ms. Fei for an initial period of three years from the Listing Date to enable Ms. Fei to acquire the relevant experience to discharge the functions of a company secretary of a Hong Kong listed company. Ms. Tang Wing Shan Winza is an associate member of both The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and the Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) and meets the requirements under Rules 3.28 and 8.17 of the Listing Rules. Ms. Tang Wing Shan Winza has been appointed with effect from the Listing Date so as to enable Ms. Fei to acquire the relevant experience (as required under Note 2 to Rule 3.28 of the Listing Rules) to duly discharge her duties.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Ms. Fei as our company secretary on the condition that Ms. Fei will be assisted by Ms. Tang Wing Shan Winza as our joint company secretary throughout the three-year period from the Listing Date. Such waiver will be revoked immediately if and when

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

Ms. Tang Wing Shan Winza ceases to provide such assistance or ceases to meet the requirements under Rule 3.28 of the Listing Rules, or if there are material breaches of the Listing Rules by our Company. We will liaise with the Stock Exchange before the end of the three-year period to enable it to assess whether Ms. Fei, having had the benefit of Ms. Tang Wing Shan Winza's assistance for three years, will have acquired relevant experience within the meaning of Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

Further information on the qualifications and experience of Ms. Fei Feng and Ms. Tang Wing Shan Winza is disclosed in the section headed "Directors, Supervisors and Senior Management" in this prospectus.

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, we must have sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 may be waived by having regard to, among other considerations, the applicant's arrangements for maintaining regular communication with the Stock Exchange. Our Group's management and business operations are primarily based outside of Hong Kong. The head office and senior management of the Group are primarily based in the PRC, where the Group's management is best able to attend to its functions. Our Directors consider that the appointment of executive Directors who will be ordinarily resident in Hong Kong would not be beneficial to the Group, and would not be in the best interests of our Company and the Shareholders as a whole. Accordingly, our Company does not have, and for the foreseeable future will not have, sufficient management presence in Hong Kong for the purpose of satisfying the management presence requirement under Rule 8.12 and Rule 19A.15 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 8.12 and Rule 19A.15 of the Listing Rules. In order to maintain regular and effective communication with the Stock Exchange, we will put in place the following measures, which are in line with Guidance Letter HKEX-GL9-09 issued by the Stock Exchange:

- we have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The two authorized representatives are Ms. Fei Feng and Ms. Tang Wing Shan Winza ("**Authorized Representatives**"). The Authorized Representatives will be readily contactable by phone, facsimile and email to promptly deal with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matter within a reasonable period of time upon request of the Stock Exchange;
- each of the authorized representatives will have all necessary means to contact all the Directors promptly at all times, as and when the Stock Exchange wishes to contact the Directors on any matters;

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

- all the Directors who are not ordinarily resident in Hong Kong have or can apply for valid travel documents to visit Hong Kong for business purposes and would be able to meet with the Stock Exchange upon reasonable notice;
- our Company will retain a Hong Kong legal advisor to advise on matters relating to the application of the Listing Rules and other applicable Hong Kong laws and regulations after Listing;
- Somerley Capital Limited, our compliance advisor, will act as an additional channel of communication with the Stock Exchange;
- we have provided the Stock Exchange with the names, mobile phone numbers, office phone numbers, fax numbers and email addresses of at least two of the compliance advisor's officers who will act as the compliance advisor's contact persons between the Stock Exchange and our Company pursuant to Rule 19A.06(4) of the Listing Rules; and
- each Director will provide his or her mobile phone numbers, office phone number, e-mail address and fax number, where available, to the Stock Exchange.

WAIVER IN RELATION TO PUBLIC FLOAT REQUIREMENTS

According to Rule 8.08(1)(a) of the Listing Rules, there must be an open market in the securities for which listing is sought and for a sufficient public float of an issuer's listed securities to be maintained. This normally means that at least 25% of the issuer's total issued share capital must at all times be held by the public. Rule 8.08(1)(b) of the Listing Rules provides that where an issuer has one class of securities or more apart from the class of securities for which listing is sought, the total securities of the issuer held by the public (on all regulated market(s) including the Stock Exchange) at the time of listing must be at least 25% of the issuer's total issued share capital. However, the class of securities for which listing is sought must not be less than 15% of the issuer's total number of issued shares, having an expected market capitalization at the time of listing of not less than HK\$125,000,000. Pursuant to Rule 8.08(1)(d) of the Listing Rules, the Stock Exchange may, subject to certain conditions and at its discretion, accept a lower percentage of between 15% to 25%, if a new applicant meets the following requirements under Rule 8.08(1)(d) of the Listing Rules:

- (a) the issuer shall have an expected market capitalization at the time of listing of over HK\$10 billion;
- (b) the number of securities concerned and the extent of their distribution would enable the market to operate properly with a lower percentage of public float;
- (c) the issuer will make appropriate disclosure of the lower prescribed percentage of public float in the initial listing document;

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

- (d) the issuer will confirm the sufficiency of the public float in annual reports after listing; and
- (e) a sufficient portion (to be agreed in advance with the Hong Kong Stock Exchange) of any securities intended to be marketed contemporaneously within and outside Hong Kong must normally be offered in Hong Kong.

We have applied to the Stock Exchange, and the Stock Exchange has granted us, a waiver from strict compliance with the requirement under Rule 8.08(1) of the Listing Rules to reduce the minimum public float of our Company to the higher of (a) 15% and (b) such percentage of H Shares to be held by the public upon any exercise of the Over-allotment Option, of our enlarged share capital.

In support of such application, our Company has confirmed to the Stock Exchange that it will (a) make appropriate disclosure of the lower percentage of public float required by the Stock Exchange in this prospectus; (b) confirm sufficiency of public float in our successive annual reports after the Listing; (c) implement appropriate measures and mechanisms to ensure continual maintenance of the minimum percentage of public float prescribed by the Stock Exchange; (d) have an expected market capitalization at the time of Listing of over HK\$10 billion; and (e) there will be an open market in the H Shares, and the number of H Shares to be held by the public and their distribution would enable the market to operate properly with a lower percentage of public float.

Therefore, our minimum public float shall be the higher of (a) 15%; and (b) such percentage of H Shares to be held by the public immediately after the completion of the Global Offering (as increased by the H Shares to be issued upon any exercise of the Over-allotment Option).

CONNECTED TRANSACTIONS

We have entered into, and are expected to continue, certain transactions which would constitute continuing connected transactions of our Company under the Listing Rules following the completion of the Global Offering. We have applied to the Stock Exchange for, and the Stock Exchange has granted waivers from strict compliance with (where applicable) the announcement, circular and independent shareholders' approval requirements set out in Chapter 14A of the Listing Rules for such continuing connected transactions. Further details of such continuing connected transactions are set out in the section headed "Connected Transactions" in this prospectus.