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

In preparation for the [REDACTED], we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules.

WAIVER IN RESPECT OF MANAGEMENT PRESENCE

Rule 8.12 of the Listing Rules requires that a [REDACTED] must have a sufficient management presence in Hong Kong. This normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. The business operations of the Group are located in China. Due to the business requirements of the Group, none of the executive Directors has been, is or will be based in Hong Kong. Our Company considers that it would be impracticable and commercially infeasible to appoint two Hong Kong residents as executive Directors or to relocate the existing executive Directors to Hong Kong considering that the operations of our Group are based outside of Hong Kong. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirement of Rule 8.12 of the Listing Rules. In order to maintain effective communication with the Stock Exchange, we will adopt, among others, the following measures:

- (a) Our Company has appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules who will act as our principal communication channel with the Stock Exchange and will ensure that we comply with the Listing Rules at all times. These two authorized representatives appointed are Mr. WEI Liang, an executive Director, president and the chief technology officer of our Company and Ms. WANG Tao, a joint company secretary of our Company and the financial director of Fenbi Bluesky. Each of the authorized representatives will be available to meet with the Stock Exchange within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and e-mail. Each of the two authorized representatives has been duly authorized to communicate on our Company's behalf with the Stock Exchange. The Company will inform the Stock Exchange promptly in respect of any change in its authorized representatives;
- (b) Both authorized representatives have means to contact all Directors (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact our Directors for any matters. Our Company will implement a policy whereby (1) the executive Directors will provide valid phone numbers or other means of communication to the authorized representatives when they are traveling or out of office; and (2) each Director will provide his mobile phone number, office phone number, e-mail address and, where available, fax number to the Stock Exchange and will inform the Stock Exchange promptly if there are any changes to the contact details of the Directors;
- (c) All our Directors who are not ordinarily resident in Hong Kong have confirmed that they possess or can apply for valid travel documents to visit Hong Kong and will be able to meet with relevant members of the Stock Exchange in Hong Kong upon reasonable notice, when required; and
- (d) Our Company has appointed Maxa Capital Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules, who will act as our additional communication channel with the Stock Exchange and will be available to respond to enquiries from the Stock Exchange.

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary must be an individual who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. The Stock Exchange considers the following academic or professional qualifications to be acceptable: (1) a

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member of The Hong Kong Institute of Chartered Secretaries; (2) a solicitor or barrister (as defined in the Legal Practitioners Ordinance); and (3) a certified public accountant (as defined in the Professional Accountants Ordinance).

In assessing "relevant experience," the Stock Exchange will consider the individual's: (1) length of employment with the issuer and other listed companies and the roles he/she played, (2) familiarity with the Listing Rules and other relevant law and regulations including SFO, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code, (3) relevant training taken and/or to be taken in addition to the minimum requirement of taking not less than fifteen hours of relevant professional training in each financial year under Rule 3.29 of the Listing Rules, and (4) professional qualifications in other jurisdictions.

We have appointed Ms. WANG Tao and Mr. LEE Chung Shing as our joint company secretaries. Biographical information of Ms. Wang and Mr. Lee is set out in "Directors and Senior Management" in this document. Ms. Wang is currently the financial director of Fenbi Bluesky. We have appointed her due to her past management experience within our Group and her thorough understanding of our internal administration, business operations and corporate culture. Since Ms. Wang does not possess a qualification stipulated in Rule 3.28 of the Listing Rules, she is not able to solely fulfill the requirements as a company secretary of a [REDACTED] stipulated under Rules 3.28 and 8.17 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 Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Ms. Wang as our joint company secretary.

Although Ms. Wang does not possess the specified qualification required by Rule 3.28 of the Listing Rules, the Directors believe that considering Ms. Wang's past experience in financial management and corporate governance matters of our Group, she is capable of discharging the functions of a joint company secretary with the assistance of Mr. Lee, the other joint company secretary of our Company who fully complies with the requirements under Rule 3.28 and 8.17 of the Listing Rules. In addition, the principal business activities of the Group are conducted in China. Ms. Wang, who resides in China, is familiar with and has a thorough understanding of the operations of our internal business and finance. Therefore, we believe that the appointment of Ms. Wang as a joint company secretary is in our Company's and the Shareholders' best interests and beneficial to our corporate governance.

Given the important role of the company secretary in the corporate governance of a [REDACTED], particularly in assisting with the [REDACTED] as well as its directors in complying with the Listing Rules and other relevant laws and regulations, we have made the following arrangements for the waiver:

- (1) Ms. Wang will endeavor to attend relevant training courses, including briefing on the latest changes to the applicable Hong Kong laws and regulations as well as the Listing Rules organized by our legal advisor as to the laws of Hong Kong on an invitation basis, and seminars organized by the Stock Exchange or other professional bodies from time to time, in addition to the 15-hour minimum requirement under Rule 3.29 of the Listing Rules;
- (2) We have appointed Mr. Lee, an associate member of the Hong Kong Institute of Certified Public Accountant and a fellow member of the Association of Chartered Certified Accountants, who fully complies with the requirements under Rules 3.28 and 8.17 of the Listing Rules to act as the other joint company secretary. Mr. Lee will work closely with and to provide assistance to Ms. Wang in the discharge of her duties as a company secretary for an initial period of three years commencing from the [REDACTED] so as to enable Ms. Wang to acquire the relevant experience (as required under Rule 3.28(2) of the Listing Rules) to discharge the duties and responsibilities as a company secretary; and

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- (3) Ms. Wang will also be assisted by the Company's compliance advisor and legal advisor as to the laws of Hong Kong on matters in relation to the Company's continuing compliance obligations under the Listing Rules and the applicable laws and regulations.

Such waiver will be revoked immediately if and when Mr. Lee ceases to provide such assistance or if there are material breaches of the Listing Rules by us. We will liaise with the Stock Exchange before the end of the three-year period to enable it to assess whether Ms. Wang, having had the benefit of Mr. Lee'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.

See "Directors and Senior Management" in this document for further information of Ms. Wang and Mr. Lee.

WAIVER IN RESPECT OF CONTINUING CONNECTED TRANSACTIONS

We have entered into, and expect to continue, certain transactions that will constitute continuing connected transactions of our Company under Chapter 14A of the Listing Rules after the [REDACTED]. We have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with (where applicable) (i) the announcement and independent shareholders' approval requirements, (ii) the annual cap requirement, and (iii) the requirement of limiting the term of the continuing connected transactions set out in Chapter 14A of the Listing Rules for such continuing connected transactions. See "Connected Transactions" in this document for further information of such continuing connected transaction and corresponding waiver.

WAIVER AND EXEMPTION IN RELATION TO THE [REDACTED] SHARE OPTION SCHEME

The Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance prescribe certain disclosure requirements in relation to the share options granted by the Company:

- (a) Rule 17.02(1)(b) of the Listing Rules stipulates that all the terms of a scheme must be clearly set out in this document. The Company is also required to disclose in this document full details of all outstanding options and their potential dilution effect on the shareholdings upon [REDACTED] as well as the impact on the [REDACTED] arising from the exercise of such outstanding options.
- (b) Paragraph 27 of Part A of Appendix 1 to the Listing Rules requires the Company to set out in this document particulars of any capital of any member of the Group that is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantee.
- (c) Paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires the Company to set out in this document, 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 the certain particulars of the option, namely the period during which it is exercisable, the price to be paid for shares and 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.

As of the Latest Practicable Date, our Company had granted options under the [REDACTED] Share Option Scheme to 1,129 grantees, including Directors and senior management of the Company and other employees of our Group, to subscribe for an aggregate of 183,633,770 Shares (after the Share

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Subdivision). The Shares underlying the granted options represent [REDACTED]% of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no Shares are issued under the [REDACTED] Share Option Scheme). For further details of our [REDACTED] Share Option Scheme, see "Appendix IV — Statutory and General Information — D. [REDACTED] Share Option Scheme."

Our Company has applied to the Stock Exchange and the SFC, respectively for, (i) a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Part A of Appendix 1 to the Listing Rules and the condition to make available a full list of grantees with all the particulars required under paragraph 10(d) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and Rule 17.02(1)(b) of, and paragraph 27 of Part A of Appendix 1 to, the Listing Rules in relation to the options granted under the [REDACTED] Share Option Scheme; and (ii) a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting the Company from strict compliance with the disclosure requirements under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the options granted under the [REDACTED] Share Option Scheme, on the ground that strict compliance with the above requirements would be unduly burdensome for our Company for the following reasons:

- (a) given that 1,405 grantees are involved, strict compliance with such disclosure requirements in setting out full details of all the grantees under the [REDACTED] Share Option Scheme in the document would be costly and unduly burdensome for the Company in light of a significant increase in cost and timing for information compilation and document preparation;
- (b) as of the Latest Practicable Date, the grantees under the [REDACTED] Share Option Scheme consist of four management grantees who are Directors and members of the senior management of the Group, and the remaining 1,125 grantees who are current and former employees of the Group and are not connected persons of the Company, and, as such, strict compliance with the requirements to disclose names, addresses, and entitlements on an individual basis will require substantial number of pages of additional disclosure;
- (c) the disclosure of the personal details of each grantee, including the number of options granted, may require obtaining consent from all the grantees in order to comply with personal data privacy laws and principles and it would be unduly burdensome for the Company to obtain such consents given the number of grantees;
- (d) the grant and exercise in full of the options under the [REDACTED] Share Option Scheme will not cause any material adverse impact in the financial position of the Company;
- (e) non-compliance with the above disclosure requirements would not prevent the Company from providing its potential investors with an informed assessment of the activities, assets, liabilities, financial position, management and prospects of the Company; and
- (f) material information relating to the options under the [REDACTED] Share Option Scheme will be disclosed in this document, including the total number of Shares subject to the [REDACTED] Share Option Scheme, the exercise price per Share, the potential dilution effect on the shareholding and impact on [REDACTED] upon full exercise of the options granted under the [REDACTED] Share Option Scheme. The Directors consider that the information that is reasonably necessary for the potential investors to make an informed assessment of the Company in their investment decision making process has been included in this document.

In light of the above, our Directors are of the view that the grant of the waiver and exemption sought under this application will not prejudice the interests of the [REDACTED] public.

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The Stock Exchange [has granted] to our Company a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Part A of Appendix 1 to the Listing Rules with respect to the options granted under the [REDACTED] Share Option Scheme on the condition that:

- (a) on an individual basis, full details of the options granted under the [REDACTED] Share Option Scheme to each of the Directors and the senior management of the Group will be disclosed in “Appendix IV — Statutory and General Information — D. [REDACTED] Share Option Scheme” as required under Rule 17.02(1)(b) of, and paragraph 27 of Part A of Appendix 1 to, the Listing Rules, and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) in respect of the options granted under the [REDACTED] Share Option Scheme to other grantees (other than those set out in (a) above), disclosure will be made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grant, being: (1) 1 to 49,999 Shares; (2) 50,000 to 199,999 Shares; (3) 200,000 Shares to 999,999 Shares; and (4) 1,000,000 Shares to 10,670,000 Shares. For each lot of Shares, the following disclosures will be made on an aggregated basis: (1) the aggregate number of grantees and number of Shares underlying the options under the [REDACTED] Share Option Scheme; (2) the dates of grant of the options under the [REDACTED] Share Option Scheme; (3) the consideration for the grant of options (if any) under the [REDACTED] Share Option Scheme and (4) the exercise period and exercise price of the options granted under the [REDACTED] Share Option Scheme;
- (c) the aggregate number of Shares underlying the options granted under the [REDACTED] Share Option Scheme, and the percentage to the Company’s total issued share capital represented by such number of Shares underlying the options granted pursuant to the [REDACTED] Share Option Scheme will be disclosed in this document;
- (d) the potential dilution effect and impact on [REDACTED] upon the full exercise of the options under the [REDACTED] Share Option Scheme will be disclosed in “Appendix IV — Statutory and General Information — D. [REDACTED] Share Option Scheme”;
- (e) a summary of the major terms of the [REDACTED] Share Option Scheme will be disclosed in “Appendix IV — Statutory and General Information — D. [REDACTED] Share Option Scheme”;
- (f) the particulars of the waiver will be disclosed in this document; and
- (g) the grant of certificate of exemption under the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC exempting the Company from the disclosure requirements provided in paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

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The SFC [has agreed to grant] to our Company the certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance with respect to the options granted under the [REDACTED] Share Option Scheme on condition that:

- (a) on an individual basis, full details of the options under the [REDACTED] Share Option Scheme granted to each of the Directors and the senior management of the Group will be disclosed in “Appendix IV — Statutory and General Information — D. [REDACTED] Share Option Scheme” as required by paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) in respect of the options granted under the [REDACTED] Share Option Scheme to other grantees (other than those set out in (a) above), disclosure will be made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grant, being: (1) 1 to 49,999 Shares; (2) 50,000 to 199,999 Shares; (3) 200,000 Shares to 999,999 Shares; and (4) 1,000,000 Shares to 10,670,000 Shares. For each lot of Shares, the following disclosures will be made on an aggregated basis: (1) the aggregate number of grantees and number of Shares underlying the options under the [REDACTED] Share Option Scheme; (2) the dates of grant of the options under the [REDACTED] Share Option Scheme; (3) the consideration for the grant of options (if any) under the [REDACTED] Share Option Scheme and (4) the exercise period and exercise price of the options granted under the [REDACTED] Share Option Scheme; and
- (c) the particulars of the exemption will be disclosed in this document.

Further details of the [REDACTED] Share Option Scheme are set forth in “Appendix IV — Statutory and General Information — D. [REDACTED] Share Option Scheme.”