
WAIVERS AND EXEMPTIONS

In preparation for the [REDACTED], we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules and exemption from compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong. This normally means that at least two of its executive directors must be ordinarily resident in Hong Kong.

We do not have a sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 of the Listing Rules. Our Group’s management, business operations and assets are primarily based outside Hong Kong. The headquarters and business operations of our Group are primarily based, managed and conducted in the PRC. Currently, all three executive Directors, two of which also form the entire senior management team of our Company, ordinarily reside in the PRC, and they manage our Group’s business operations from the PRC. Historically, the Directors of our Company typically met in the PRC. As the three executive Directors and the senior management team play very important roles in our Company’s business operations, our Company considers that it is in the best interests of our Company for the executive Directors and the senior management team to be based in the places where the Group has significant operations. As such, our Company does not, and will not for the foreseeable future, have a sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 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 of the Listing Rules. We have ensured that there is an effective channel of communication between us and the Stock Exchange by way of the following arrangements:

- (a) pursuant to Rule 3.05 of the Listing Rules, we have appointed and will continue to maintain two authorized representatives, namely Ms. Liu Xianna (劉憲娜), our executive Director, CFO and joint company secretary, and Ms. Au Wai Ching (區慧晶) (“**Ms. Au**”), our joint company secretary, to be the principal communication channel at all times between the Stock Exchange and our Company. Each of our authorized representatives will be readily contactable by the Stock Exchange based on information provided to the Stock Exchange for the contact details of the authorized representatives. Both of our authorized representatives are authorized to communicate on our behalf with the Stock Exchange;
- (b) we have implemented a policy to provide the contact details of each Director (such as mobile phone numbers, office phone numbers and email addresses) to each of the authorized representatives and to the Stock Exchange. This will ensure that each of the authorized representatives and the Stock Exchange will have the means to contact all the Directors (including the independent non-executive Directors) promptly as and when required, including means to communicate with the Directors when they are traveling;
- (c) we have ensured that all Directors who are not ordinarily resident in Hong Kong have or can apply for valid travel documents to visit Hong Kong and will be able to come to Hong Kong to meet with the Stock Exchange within a reasonable period of time when required;
- (d) we have retained the services of the compliance adviser being Guotai Junan Capital Limited, in accordance with Rule 3A.19 of the Listing Rules. The Compliance Adviser,

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among other things, will serve as an additional channel of communication in addition to the authorized representatives of our Company. The Compliance Adviser will provide our Company with professional advice on ongoing compliance with the Listing Rules and will be available to respond to enquiries from the Stock Exchange. We have ensured that the Compliance Adviser has prompt access to our Company’s authorized representatives and Directors who will provide to the Compliance Adviser such information and assistance as the Compliance Adviser may need or may reasonably request in connection with the performance of the Compliance Adviser’s duties. The Compliance Adviser will also provide advice to our Company in compliance with Rule 3A.23 of the Listing Rules; and

- (e) meetings between the Stock Exchange and the Directors could be arranged through the authorized representatives or the Compliance Adviser, or directly with the Directors within a reasonable time frame. Our Company will inform the Stock Exchange as soon as practicable in respect of any change in the authorized representatives and/or the Compliance Adviser in accordance with the Listing Rules.

WAIVER IN RELATION TO JOINT COMPANY SECRETARIES

Pursuant 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 Company 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 academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

We have appointed Ms. Liu and Ms. Au as our joint company secretaries. Ms. Au has been an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom since December 2016 and meets the requirements under Rules 3.28 and 8.17 of the Listing Rules.

Ms. Liu, being our executive Director and CFO, has been responsible for financing, investment and legal matters of our Group since November 2018. She has extensive experience in board and corporate management matters but presently does not possess a qualification stipulated in Rules 3.28 and 8.17 of the Listing Rules. While Ms. Liu may not be able to solely fulfill the requirements as a company secretary of a [REDACTED] issuer stipulated under Rules 3.28 and 8.17 of the Listing Rules, our Company believes that it would be in the best interests of our Company and the corporate governance of our Company to appoint Ms. Liu as our joint company secretary due to her thorough understanding of the internal administration and business operations of our Group.

Accordingly, while Ms. Liu does not possess the formal qualifications required of a company secretary under Rule 3.28 of the Listing Rules, 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 such that Ms. Liu may be appointed as a joint company secretary of our Company.

The waiver was granted for a three-year period on the condition that Ms. Au, as a joint company secretary of our Company, will work closely with, and provide assistance to, Ms. Liu in the discharge of her duties as a joint company secretary and in gaining the relevant company secretary

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experience as required under Rule 3.28 of the Listing Rules and to become familiar with the requirements of the Listing Rules and other applicable Hong Kong laws and regulations. Given Ms. Au’s professional qualifications and experience, she will be able to explain to both Ms. Liu and our Company the relevant requirements under the Listing Rules. She will also assist Ms. Liu in organizing board meetings and Shareholders’ meetings of our Company as well as other matters of our Company which are incidental to the duties of a company secretary. Ms. Au is expected to work closely with Ms. Liu, and will maintain regular contact with Ms. Liu, the Directors and the senior management of our Company. Pursuant to the Guidance Letter HKEX-GL108-20, the waiver will be for a fixed period of time (the “**Waiver Period**”) and on the following conditions: (i) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 and is appointed as a joint company secretary throughout the Waiver Period; and (ii) the waiver can be revoked if there are material breaches of the Listing Rules by our Company. The waiver will be revoked immediately if Ms. Au ceases to provide assistance to Ms. Liu as the joint company secretary for the three-year period after [REDACTED]. In addition, Ms. Liu will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance her knowledge of the Listing Rules during the three-year period from the [REDACTED].

In the course of preparation of the [REDACTED], Ms. Liu attended a training seminar on the respective obligations of the directors and senior management and our Company under the relevant Hong Kong laws and the Listing Rules provided by our Company’s Hong Kong legal advisor, Davis Polk & Wardwell, and has been provided with the relevant training materials. Our Company will further ensure that Ms. Liu has access to the relevant training and support that would enhance her understanding of the Listing Rules and the duties of a company secretary of an issuer listed on the Stock Exchange, and to receive updates on the latest changes to the applicable Hong Kong laws, regulations and the Listing Rules. Furthermore, both Ms. Liu and Ms. Au will seek and have access to advice from our Company’s Hong Kong legal and other professional advisors as and when required. Our Company has appointed Guotai Junan Capital Limited as the Compliance Adviser upon our [REDACTED] pursuant to Rule 3A.19 of the Listing Rules, which will act as our Company’s additional channel of communication with the Stock Exchange, and provide professional guidance and advice to our Company and its joint company secretaries in compliance with the Listing Rules and all other applicable laws and regulations. Prior to the end of the three-year period, the qualifications and experience of Ms. Liu and the need for on-going assistance of Ms. Au will be further evaluated by our Company. We will liaise with the Stock Exchange to enable it to assess whether Ms. Liu, having benefited from the assistance of Ms. Au for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the “relevant experience” within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary. See “—Directors and Senior Management” for further information regarding the qualifications of Ms. Liu and Ms. Au.

WAIVER IN RESPECT OF CONTINUING CONNECTED TRANSACTIONS

We have entered into, and expect to continue, certain transactions that will constitute non-exempt continuing connected transactions of our Company under the Listing Rules upon [REDACTED]. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, waivers from strict compliance with Chapter 14A of the Listing Rules. See “Connected Transactions” for further information.

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

Rule 17.02(1)(b) of the Listing Rules requires a listing applicant to, inter alia, disclose in the Document full details of all outstanding options and their potential dilution effect on the shareholdings upon listing as well as the impact on the earnings per share arising from the exercise of such outstanding options.

Paragraph 27 of Appendix 1A to the Listing Rules requires a listing applicant to disclose, inter alia, particulars of any capital of any member of the group which 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, or an appropriate negative statement, provided that where options have been granted or agreed to be granted to all the members or debenture holders or to any class thereof, or to employees under a share option scheme, it shall be sufficient, so far as the names and addresses are concerned, to record that fact without giving the names and addresses of the grantees.

Under Section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Document must state the matters specified in Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance. Under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, 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 particulars of the option, that is to say, (a) the period during which it is exercisable; (b) the price to be paid for shares or debentures subscribed for under it; (c) the consideration (if any) given or to be given for it or for the right to it; and (d) the names and addresses of the persons to whom it or the right to it was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures, must be specified in the Document.

As of the Latest Practicable Date, our Company had granted options under the [REDACTED] Share Option Plan to [403] grantees, including (i) [three] Directors, Ms. Liu, Mr. Wang and Mr. Ji, who are also members of the senior management, (ii) [two] connected persons, namely, Mr. He, who was our Director in the last 12 months and Ms. Zhou who is an employee of our Company and the spouse of Mr. Wang, and (iii) [397] other employees and one former consultant of our Group, to acquire an aggregate of after taking into account the [REDACTED], [REDACTED] Shares (representing approximately [REDACTED]% of the total issued share capital of our Company immediately following the completion of the [REDACTED] and the [REDACTED], assuming (i) [REDACTED] is not exercised, (ii) 23,761,790 Shares will be issued pursuant to the exercised options under the [REDACTED] Share Option Plan after the completion of the [REDACTED] and the [REDACTED], and (iii) no other Shares are issued pursuant to the [REDACTED] Share Option Plan (the “Assumptions”), of which a portion of the options corresponding to [23,761,790] Shares have been exercised (the “Exercised Options”)⁽¹⁾, representing approximately [REDACTED]% of the total issued share capital of our Company immediately following the completion of the [REDACTED] and the [REDACTED], assuming the Assumptions. As at the date of this Document, it is expected that among these [23,761,790] Shares to be issued immediately after the [REDACTED] and the [REDACTED], [6,975,000] Shares will be issued to an Employee Shareholding Platform the beneficiaries of which are grantees comprising (i) [one] Director, namely Ms. Liu, who is also a member of the senior management, and (ii) [two] connected persons, namely, Mr. He who was our Director in the last 12 months and Ms. Zhou, who is an employee of our Company and the spouse of Mr. Wang, upon [REDACTED]. Among these [23,761,790]

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Shares, [16,786,790] Shares will be issued to an Employee Shareholding Platform the beneficiaries of which are our employees other than our Directors, senior management and connected persons of our Group upon [REDACTED]. Save for the foregoing, no other Shares will be issued pursuant to the [REDACTED] Share Option Plan before and upon [REDACTED].

In addition, as of the Latest Practicable Date, [398] grantees who are not Director, members of the senior management and other connected person of the Company held options that represent an aggregate of [50,574,490] underlying Shares (after taking into account the [REDACTED]) that were still outstanding and unexercised. These [50,574,490] options will be exercisable in accordance with their vesting schedules after [REDACTED]. For further details of our [REDACTED] Share Option Plan, see “Statutory and General Information—D. [REDACTED] Share Option Plan”.

Note:

As of the Latest Practicable Date and taking into account the [REDACTED] :

- (1) three grantees comprising (i) [one] Director, namely, Ms. Liu, who is also a member of the senior management, and (ii) [two] connected persons, namely, Mr. He, who was our Director in the last 12 months and Ms. Zhou, who is an employee of our Company and the spouse of Mr. Wang have been granted the options. Among these three grantees, [4,460,600] options, [2,843,150] options, and [2,060,570] options have been granted to Mr. He, Ms. Liu and Ms. Zhou, respectively, and 4,460,600 options, 1,730,990 options and 783,410 options have been exercised by Mr. He, Ms. Liu and Ms. Zhou, respectively. Accordingly, 460,600 Shares, 1,730,990 Shares and 783,410 Shares will be issued to an Employee Shareholding Platform, upon [REDACTED], pursuant to the terms and conditions of the [REDACTED] Share Option Plan. [398] grantees who are not Directors, members of senior management or other connected persons of the Company have been granted [67,361,280] options. Amongst these options, [16,786,790] options have been exercised and [16,786,790] Shares will be issued to an Employee Shareholding Platform, upon [REDACTED] according to the number of Shares underlying the options which they have exercised. The remaining [50,574,490] options remained outstanding and unexercised and will be exercisable in accordance with their vesting schedules after [REDACTED].

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, and paragraph 27 of Appendix 1A to, the Listing Rules; and (ii) a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our 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, on the grounds that strict compliance with the above requirements would be unduly burdensome for our Company for the following reasons:

- (a). since the outstanding options under the [REDACTED] Share Option Plan were granted to a total of [403] grantees involved, strict compliance with the relevant disclosure requirements to disclose names, addresses, and entitlements on an individual basis in the Document will require substantial number of pages of additional disclosure that does not provide any material information to the [REDACTED] and would significantly increase the cost and timing for information compilation and Document preparation;
- (b). key information of the options granted under the [REDACTED] Share Option Plan to the Directors, members of senior management and connected persons of our Company has already been disclosed in the section headed “Statutory and General Information—D. [REDACTED] Share Option Plan” in Appendix IV to this Document;
- (c). the key information of the [REDACTED] Share Option Plan as disclosed in the section headed “Statutory and General Information—D. [REDACTED] Share Option Plan” in Appendix IV to this Document is sufficient to provide [REDACTED] with information to make an informed assessment of the potential dilution effect and impact on earnings per share of the options granted under the [REDACTED] Share Option Plan in their [REDACTED] decision making process;

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- (d). with respect to the other grantees, such number of Shares (representing only approximately [REDACTED]% of the total issued share capital of our Company immediately following the completion of the [REDACTED] and the [REDACTED], assuming (i) [REDACTED] is not exercised, (ii) 23,761,790 Shares will be issued pursuant to the exercised options under the [REDACTED] Share Option Plan immediately after the completion of the [REDACTED] and the [REDACTED], and (iii) no other Shares are issued pursuant to the [REDACTED] Share Option Plan) is not material in the circumstances of our Company, and the exercise in full of such share options will not cause any material adverse change in the financial position of our Company; and
- (e). the lack of full compliance with such disclosure requirements will not prevent potential [REDACTED] from making an informed assessment of the activities, assets and liabilities, financial position, management and prospects of our Group and will not prejudice the interest of the [REDACTED].

The Stock Exchange [has granted] us 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 on the conditions that:

- (a). the following information will be clearly disclosed in this Document:
 - i. on individual basis, full details of all the options granted by our Company under the [REDACTED] Share Option Plan to each of the Directors, members of the senior management and connected persons, including all the particulars required under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix 1A to the Listing Rules;
 - ii. in respect of the options granted by our Company to the grantees other than those referred to in sub-paragraph (i) above:
 - a. the aggregate number of the grantees and the number of Shares subject to the options;
 - b. the consideration paid for and the date of the grant of the options; and
 - c. the exercise period and the exercise price for the options;
 - iii. the dilution effect and impact on earnings per Share upon full exercise of the [50,574,490] outstanding options granted (taking into account the [REDACTED]) under the [REDACTED] Share Option Plan;
 - iv. the aggregate number of Shares subject to the outstanding options granted by our Company under the [REDACTED] Share Option Plan and the percentage of our Company’s issued share capital of which such number represents;
 - v. a summary of the [REDACTED] Share Option Plan;
 - vi. the particulars of the waiver will be disclosed in this Document;
 - vii. 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; and
 - viii. the list of all the grantees (including the persons referred to in paragraph (ii) above), containing all details as required under Rule 17.02(1)(b), paragraph 27 of Appendix 1A to the Listing Rules and paragraph 10(d) of Part I of the Third Schedule to the

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Companies (Winding Up and Miscellaneous Provisions) Ordinance be made available for public inspection in accordance with the section headed “Documents Delivered to the Registrar of Companies and Available on Display—Documents Available on Display” in Appendix V to this Document.

The SFC [has agreed] to grant to our Company a certificate of exemption under Section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, subject to the conditions that:

- (a). full details of all the options granted under the [REDACTED] Share Option Plan to each of (i) the Directors, (ii) members of senior management, and (iii) connected persons of our Company be disclosed in this Document, such details include all the particulars required under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b). in respect of the options granted by our Company to the grantees other than those referred to in sub-paragraph (a), the following details be disclosed in this Document:
 - i. the aggregate number of the grantees and the number of Shares subject to the options;
 - ii. the consideration paid for the grant of the options; and
 - iii. the exercise period and the exercise price for the options;
- (c). a list of all the grantees (including the persons referred to in sub-paragraph (b) above) who have been granted options to subscribe for Shares under the [REDACTED] Share Option Plan, containing all details as required under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, be made available for public inspection in accordance with the section headed “Documents Delivered to the Registrar of Companies and Available on Display—Documents Available on Display” in Appendix V to this Document; and
- (d). the particulars of the exemption be disclosed in this Document and that this Document will be issued on or before [REDACTED].

See “Statutory and General Information—D. [REDACTED] Share Option Plan” in Appendix IV to this Document for further details.