
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

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

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have 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 sufficient management presence in Hong Kong for the purposes of satisfying the requirements under Rule 8.12 of the Listing Rules. Our Group’s management, headquarters, assets and business operations are primarily based, managed and conducted in the PRC. Currently, none of our executive Directors ordinarily resides in Hong Kong. The senior management of the Group are also primarily based in the PRC and they manage the Group’s business operations from the PRC. As our executive Directors and the senior management team play important roles in the Company’s business operations, our Directors consider that it is in the best interests of the Company for the executive Directors and the senior management team to be based in places where the Group has significant operations. As such, we do not, and will not for the foreseeable future, have 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 Dr. Li Xinmei (李欣梅), our executive Director and Ms. Kwan Sau In (關秀妍) (“**Ms. Kwan**”), one of our joint company secretaries, 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 authorized representatives and will be available to meet with the Stock Exchange within a reasonable period of time upon request of the Stock Exchange. Both of our authorized representatives are authorized to communicate on our behalf with the Stock Exchange. Ms. Kwan shall be authorized to accept service of process and notices on behalf of our Company in Hong Kong under the Companies Ordinance;
- (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, our company secretaries and the Stock Exchange will have the means to contact all the Directors (including the independent non-executive Directors) promptly as and when required. In the event that a Director expects to travel or is otherwise out of office, he/she will

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

endeavor to provide his/her phone number of the place of his/her accommodation to the authorized representatives or maintain an open line of communication via his/her mobile phone;

- (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 appointed TC Capital International Limited as our compliance advisor (the “**Compliance Advisor**”) upon [REDACTED], in accordance with Rule 3A.19 of the Listing Rules. The Compliance Advisor will serve as an additional channel of communication with the Stock Exchange in addition to the authorized representatives of our Company. The Compliance Advisor will provide our Company with professional advice on ongoing compliance with the Listing Rules. We have ensured that the Compliance Advisor has prompt access to our Company’s authorized representatives and Directors who will provide to the Compliance Advisor such information and assistance as the Compliance Advisor may need or may reasonably request in connection with the performance of the Compliance Advisor’s duties. The Compliance Advisor will also provide advice in compliance with Rule 3A.24 of the Listing Rules;
- (e) we will appoint other professional advisors (including legal advisors in Hong Kong) after the [REDACTED] to assist us in dealing with any questions which may be raised by the Stock Exchange and to ensure that there will be prompt and effective communication with the Stock Exchange;
- (f) our Company has designated one of our staff members as the communication officer at our headquarters after the [REDACTED] who will be responsible for maintaining day-to-day communication with Ms. Kwan and our Company’s professional advisors in Hong Kong, including our legal advisors in Hong Kong and the Compliance Advisor, to keep abreast of any correspondences and/or enquiries from the Stock Exchange and report to our executive Directors to further facilitate communication between the Stock Exchange and our Company; and
- (g) meetings between the Stock Exchange and the Directors could be arranged through the authorized representatives or the Compliance Advisor, 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, the Directors and/or the Compliance Advisor in accordance with the Listing Rules.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

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 or her academic or professional qualifications or relevant experiences, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (a) a member of The Hong Kong Chartered Governance Institute;
- (b) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); or
- (c) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing “relevant experience,” the Stock Exchange will consider the individual’s:

- (a) length of employment with the issuer and other [REDACTED] companies and the roles he or she played;
- (b) familiarity with the Listing Rules and other relevant law and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;
- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (d) professional qualifications in other jurisdictions.

Our Company has appointed Mr. Yang Chun (楊春) (“**Mr. Yang**”) as one of the joint company secretaries of our Company. Mr. Yang has extensive experience in our business operations and corporate governance matters but presently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules. While Mr. Yang may not be able to solely fulfill the requirements 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 Mr. Yang as our joint company secretary due to his thorough understanding of the internal administration and business operations of our Group. Our Company has also appointed Ms. Kwan Sau In (關秀妍) (“**Ms. Kwan**”) to act as the other joint company secretary. Ms. Kwan is a manager of corporate services of Tricor Services Limited. She has over nine years of experience in the corporate secretarial field and has been providing professional corporate services to Hong Kong listed companies as well as multinational, private and offshore companies. Ms. Kwan is a Chartered Secretary, a Chartered Governance Professional and an associate member of each of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as the other joint company secretary and to provide assistance to Mr.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

Yang for an initial period of three years from the [REDACTED] to enable Mr. Yang to acquire the “relevant experience” under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules.

Since Mr. Yang 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 Mr. Yang may be appointed as a joint company secretary of our Company. Pursuant to the Guidance Letter HKEX-GL108–20, the waiver will be for a fixed period of time (“**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 of the Listing Rules (“**Qualified Person**”) 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 the issuer. The waiver is valid for an initial period of three years from the [REDACTED], and is granted on the condition that Ms. Kwan, as a joint company secretary of our Company, will work closely with, and provide assistance to, Mr. Yang in the discharge of his duties as a joint company secretary and in gaining the relevant company secretary 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. Kwan’s professional qualifications and experience, she will be able to explain to both Mr. Yang and our Company the relevant requirements under the Listing Rules. Ms. Kwan will also assist Mr. Yang 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. She is expected to work closely with Mr. Yang, and will maintain regular contact with Mr. Yang, the Directors and the senior management of our Company. The waiver will be revoked immediately if Ms. Kwan ceases to provide assistance to Mr. Yang as a joint company secretary for the three-year period after the [REDACTED] or where there are material breaches of the Listing Rules by our Company. In addition, Mr. Yang will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance his knowledge of the Listing Rules during the three-year period from the [REDACTED].

In the course of preparation of the [REDACTED], Mr. Yang 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 adviser and has been provided with the relevant training materials. Our Company will further ensure that Mr. Yang has access to the relevant training and support that would enhance his understanding of the Listing Rules and the duties of a company secretary of an issuer [REDACTED] 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 Mr. Yang and Ms. Kwan will seek and have access to advice from our Company’s Hong Kong legal and other professional advisers as and when required. Our Company has appointed TC Capital International Limited as the Compliance Advisor upon our [REDACTED] pursuant to Rule 3A.19 of the Listing Rules, which will

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

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 as to compliance with the Listing Rules and all other applicable laws and regulations.

Before the expiration of the three-year period, the qualifications and experience of Mr. Yang will be further evaluated by our Company to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied and whether the need for ongoing assistance of Ms. Kwan will continue. We will liaise with the Stock Exchange to enable it to assess whether Mr. Yang, having benefited from the assistance of Ms. Kwan 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 Mr. Yang and Ms. Kwan.

WAIVER IN RESPECT OF CONTINUING CONNECTED TRANSACTIONS

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