
**WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND
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(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 and certificates of exemption from strict compliance with the relevant provisions of the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

MANAGEMENT PRESENCE IN HONG KONG

According to Rules 8.12 and 19A.15 of the Listing Rules, our Company 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.

Since all our business operations are not principally located, managed or conducted in Hong Kong, our Company does not, and, for the foreseeable future, will not, have two executive Directors who are ordinarily resident in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 and 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 Rules 8.12 and 19A.15 of the Listing Rules. We will ensure that there is a regular and effective communication between the Stock Exchange and us by way of the following arrangements:

- (a) both of our Company’s authorized representatives, Dr. GE Junyou (葛均友) (“**Dr. Ge**”), our Executive Director and general manager, and Ms. FUNG Wai Sum (馮慧森) (“**Ms. Fung**”), our joint company secretary, will act as our Company’s principal channels of communication with the Stock Exchange. Accordingly, the authorized representatives of our Company will be able to meet with the relevant members of the Stock Exchange on reasonable notice and will be readily contactable by telephone, facsimile and email;
- (b) each of the authorized representatives of our Company has means of contacting all Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange proposes to contact a Director with respect to any matter;
- (c) each Director has provided his or her mobile phone number, office phone number, fax number (if any) and e-mail address to the authorized representatives of our Company and the Stock Exchange, and in the event that any Director expects to travel or otherwise be out of the office, he or she will provide the phone number of the place of his or her accommodation to the authorized representatives;
- (d) each of our Directors not ordinarily residing in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and will be able to meet with the relevant members of the Stock Exchange within a reasonable period of time;

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- (e) we have appointed First Shanghai Capital Limited as our compliance adviser (the “**Compliance Adviser**”), in compliance with Rule 3A.19 of the Listing Rules, who will also act as an additional channel of communication with the Stock Exchange from the [REDACTED] to the date when our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately following the [REDACTED]. Pursuant to Rule 19A.05(2) of the Listing Rules, we shall ensure that the Compliance Adviser will have access at all times to our authorized representatives, our Directors and other officers. We shall also ensure that our authorized representatives, Directors and other officers will provide promptly such information and assistance as the Compliance Adviser may need or may reasonably require in connection with the performance of the Compliance Adviser’s duties as set forth in Chapter 3A and Rule 19A.06 of the Listing Rules. We shall ensure that there are adequate and efficient means of communication among our Company, our authorized representatives, our Directors, and other officers and the Compliance Adviser, and will keep the Compliance Adviser fully informed of all communications and dealings between us and the Stock Exchange;
- (f) any meeting between the Stock Exchange and our Directors will be arranged through the authorized representatives or the Compliance Adviser or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange promptly in respect of any changes in our authorized representatives and/or our Compliance Adviser; and
- (g) we will also retain legal advisers to advise on on-going compliance requirements as well as other issues arising under the Listing Rules and other applicable laws and regulations of Hong Kong after the [REDACTED].

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

Note 2 to Rule 3.28 of the Listing Rules further sets out that in assessing “relevant experience”, the Stock Exchange will consider the individual’s: (i) length of employment with the issuer and other listed companies and the roles he/she 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)

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Ordinance and the Takeovers Code, (iii) 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 (iv) professional qualifications in other jurisdictions.

Our Company considers that while it is important for the company secretary to be familiar with the relevant securities regulation in Hong Kong, he/she also needs to have experience relevant to our Company’s operations, nexus to the Board and close working relationship with the management of our Company in order to perform the function of a company secretary and to take the necessary actions in the most effective and efficient manner. It is for the benefit of our Company to appoint a person who has been a member of the senior management for a period of time and is familiar with our Company’s business and affairs as a company secretary.

We have appointed Mr. ZHOU Zejian (周澤劍) (“**Mr. Zhou**”) as one of our joint company secretaries. Mr. Zhou is our chief financial officer. His biographical information is set out in “Directors, Supervisors and Senior Management” section. Since Mr. Zhou does not possess a qualification stipulated in Rule 3.28 of the Listing Rules, he is not 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. 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 Mr. Zhou as our joint company secretary. In order to provide support to Mr. Zhou, we have appointed Ms. FUNG Wai Sum (馮慧森) (“**Ms. Fung**”), a Chartered Secretary, a Chartered Governance Professional and an Associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who meets the requirements under Rules 3.28 and 8.17 of the Listing Rules, as a joint company secretary to provide assistance to Mr. Zhou, for a three-year period from the [REDACTED] so as to enable him to acquire the relevant experience (as required under Note 2 to Rule 3.28 of the Listing Rules) duly discharge his duties.

Pursuant to the Guidance Letter HKEX-GL108-20, such waiver [has been granted] on the conditions that:

- (a) Ms. Fung is appointed as a joint company secretary to assist Mr. Zhou in discharging his functions as a company secretary and in gaining the relevant experience under Rule 3.28 of the Listing Rules;
- (b) this waiver will be revoked immediately if and when Ms. Fung ceases to provide such assistance during the three-year period, and we undertake to re-apply to the Stock Exchange for a waiver in the event that Ms. Fung ceases to meet the requirements under Rule 3.28 of the Listing Rules or otherwise ceases to serve as a joint company secretary of the Company;

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- (c) our Company will further ensure that Mr. Zhou has access to the relevant training and support to enable him to familiarize himself with the Listing Rules and the duties required of a company secretary of an issuer [REDACTED] on the Stock Exchange. The Company’s Hong Kong legal advisors have provided training to Mr. Zhou on the principal requirements of the Listing Rules and the Hong Kong laws and regulations applicable to the Company after its [REDACTED]. In addition, Mr. Zhou will endeavor to familiarize himself with the Listing Rules, including any updates thereto, during the three-year period from the [REDACTED];
- (d) Mr. Zhou has confirmed that he will attend no less than 15 hours of training courses on the Listing Rules, corporate governance, information disclosure, investor relations as well as the functions and duties of a company secretary of a Hong Kong [REDACTED] issuer during each financial year as required under Rule 3.29 of the Listing Rules; and
- (e) the waiver can be revoked if there are material breaches of the Listing Rules by our Company.

We expect that Mr. Zhou will acquire the qualifications or relevant experience required under Rule 3.28 of the Listing Rules prior to the end of the three-year period after the [REDACTED]. We will liaise with the Stock Exchange before the end of the three-year period to enable it to assess whether Mr. Zhou, having had the benefit of Ms. Fung’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 the section headed “Directors, Supervisors and Senior Management” in this document further information regarding the qualifications of Mr. Zhou and Ms. Fung.

EXEMPTION FROM STRICT COMPLIANCE WITH SECTION 342(1)(B) OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE IN RELATION TO PARAGRAPH 27 OF PART I AND PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE TO THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

According to section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, this document shall include an accountants’ report which contains the matters specified in the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

According to paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to include in this document a statement as to the gross trading income or sales turnover (as the case may be) of our Company during each of the three financial years immediately preceding the issue of this document as well as an explanation of the method used for the computation of such income or turnover and a reasonable breakdown of the more important trading activities.

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According to paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to include in this document a report prepared by our Company’s auditor with respect to profits and losses of our Company in respect of each of the three financial years immediately preceding the issue of the document and the assets and liabilities of our Company at the last date to which the financial statements were prepared.

According to section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from strict compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interests of the investing public and strict compliance with any or all of such requirements would be irrelevant or unduly burdensome, or is otherwise unnecessary or inappropriate.

According to Rule 4.04(1) of the Listing Rules, the Accountants’ Report contained in this document must include, inter alia, the results of our Company in respect of each of the three financial years immediately preceding the issue of this document or such shorter period as may be acceptable to the Stock Exchange.

According to Rule 18A.06 of the Listing Rules, an eligible biotech company shall comply with Rule 4.04 of the Listing Rules modified so that references to “three financial years” or “three years” in that rule shall instead refer to “two financial years” or “two years”, as the case may be.

Accordingly, we applied to the SFC for a certificate of exemption from strict compliance with the requirements under section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and a certificate of exemption [has been granted] by the SFC under section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, on the conditions that (i) the particulars of the exemption are set forth in this document, and (ii) this document must be issued on or before [REDACTED] on the following grounds:

- (a) our Company is an integrated and innovative biopharmaceutical company committed to the R&D, manufacturing and commercialization of novel drugs to address medical needs in China and globally, and falls within the scope of biotech company as defined under Chapter 18A of the Listing Rules;
- (b) the Accountants’ Report for the two years ended December 31, 2022 has been disclosed in the document of the Company and is set out in Appendix I to this document in accordance with Rule 18A.06 of the Listing Rules;

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- (c) notwithstanding that the financial results set out in this document are only for the two years ended December 31, 2022 in accordance with Chapter 18A of the Listing Rules, other information required to be disclosed under the Listing Rules and requirements under the Companies (Winding up and Miscellaneous Provisions) Ordinance has been adequately disclosed in this document pursuant to the relevant requirements;
- (d) furthermore, as Chapter 18A of the Listing Rules provides track record period of two years for biotech companies in terms of financial disclosure, strict compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance would be unduly burdensome for our Company as this would require additional work to be performed by us and our reporting accountants; and
- (e) our Directors are of the view that the Accountants’ Report covering the two years ended December 31, 2022, together with other disclosures in this document, has already provided the potential [REDACTED] with adequate and reasonably up-to-date information in the circumstances to form a view on the track record of our Company, and our Directors confirm that all information which is necessary for the [REDACTED] public to make an informed assessment of our Company’s business, assets and liabilities, financial position, trading position, management and prospects has been included in this document. Therefore, the exemption would not prejudice the interests of the [REDACTED] public.

WAIVER FROM STRICT COMPLIANCE WITH CLASS MEETING REQUIREMENTS AND ADDITIONAL REQUIREMENTS REGARDING ARTICLES OF ASSOCIATION APPLICABLE TO PRC ISSUERS

Rule 19A.25(1) of the Listing Rules provides that the share repurchases of a PRC issuer shall be approved by special resolutions of shareholders in general meetings and holders of domestic and foreign shares (and, if applicable, H shares) at meetings of such holders conducted in accordance with the PRC issuer’s articles of association.

Rule 19A.38 of the Listing Rules provides that except in certain circumstances, the directors of a PRC issuer shall obtain the approval by a special resolution of shareholders in general meeting, and the approvals by special resolutions of holders of domestic shares and overseas listed foreign shares (and, if applicable, H shares) (each being otherwise entitled to vote at general meetings) at separate class meeting conducted in accordance with the PRC issuer’s articles of association, prior to authorizing, allotting, issuing or granting shares, securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities.

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Paragraphs 56 and 65(a) of Rule 19A.42 of the Listing Rules provide that the content of a listing document for the listing of equity securities of a PRC issuer no part of whose share capital is already listed on the Stock Exchange shall include the quorum and voting for general meetings of shareholders and for separate meetings of holders of domestic shares and foreign shares (and, if applicable, H shares).

Rule 19A.45 of the Listing Rules provides that a PRC issuer shall not at any time permit or cause any amendment to its articles of association which would cause the same to cease to comply with the provisions of Appendix 3 or Section 1 of Part D of Appendix 13 to the Listing Rules.

Section 1 of Part D of Appendix 13 to the Listing Rules provides that the articles of association of a PRC issuer whose primary listing is or is to be on the Stock Exchange must include the Mandatory Provisions for Companies Listing Overseas (到境外上市公司章程必備條款) (the “**Mandatory Provisions**”) and other ancillary provisions.

On February 14, 2023, the State Council announced the implementation of the Decision of the State Council to Repeal Certain Administrative Regulations and Documents (國務院關於廢止部分行政法規和文件的決定) and on February 17, 2023, the CSRC announced the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境內企業境外發行證券和上市管理試行辦法) (collectively, the “**New PRC Regulations**”), which both took effect from March 31, 2023, and repealed the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (國務院關於股份有限公司境外募集股份及上市特別規定) and the Mandatory Provisions for Companies Listing Overseas (到境外上市公司章程必備條款), respectively.

Pursuant to the New PRC Regulations, PRC issuers shall formulate their articles of association in line with the Guidelines for Articles of Association of Listed Companies (上市公司章程指引) (the “**Guidelines on Articles**”) issued by CSRC in place of the Mandatory Provisions, and as a result holders of domestic shares and H shares (which are both ordinary shares of the same class) are no longer deemed as different classes of shareholders and the Mandatory Provisions are no longer applicable. Accordingly, the requirements in relation to (i) class meetings for holders of domestic shares and H share under Rules 19A.25(1) and 19A.38 and paragraphs 56 and 65(a) of Rule 19A.42 of the Listing Rules, and (ii) inclusion of the Mandatory Provisions and relevant ancillary provisions in the articles of association under Rule 19A.45 and Section 1 of Part D of Appendix 13 to the Listing Rules, are no longer necessary.

The Stock Exchange has published in February 2023 a consultation paper titled “Rule Amendments Following Mainland China Regulation Updates and Other Proposed Rule Amendments Relating to PRC Issuers” (the “**Consultation Paper**”) setting out the proposed amendments to the Listing Rules in light of the implementation of the New PRC Regulations (the “**Proposed Amendments**”), which have the effect of, among others, abolishing (i) the class meeting requirements for holders of domestic shares and H shares, and (ii) the requirement of including the Mandatory Provisions and relevant ancillary provisions in the articles of association, insofar as PRC issuers are concerned.

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As a PRC issuer, we have formulated our Articles of Association in line with the Guidelines on Articles under the New PRC Regulations. Pursuant to our Articles of Association, our Domestic Shares and H Shares are considered as one class of Shares, and there are no requirements for separate meetings of holders of Domestic Shares and H Shares to be conducted. Further, the Mandatory Provisions, having been repealed, have not been adopted in our Articles of Association.

As of the Latest Practicable Date, the Proposed Amendments had yet to be effective. Accordingly, we applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with Rules 19A.25(1), 19A.38 and 19A.45, paragraphs 56 and 65(a) of Rule 19A.42, and Section 1 of Part D of Appendix 13 to the Listing Rules, on the conditions that:

- (a) our Articles of Association are not inconsistent with the Guidelines on Articles and other applicable PRC laws and regulations; and
- (b) our Articles of Association are not inconsistent with (i) the Proposed Amendments as set out in the Consultation Paper, and (ii) the other provisions of the Listing Rules that are not subject to the Proposed Amendments.

CONTINUING CONNECTED TRANSACTIONS

We have entered into, and are expected to continue to engage in certain transactions which will constitute partially exempt continuing connected transactions and non-exempt continuing connected transactions of our Company under the Listing Rules upon the [REDACTED]. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], waivers from strict compliance with (i) the announcement, circular and independent Shareholders’ approval requirements under Rule 14A.105 of the Listing Rules; and (ii) the requirement of setting a monetary annual cap set out in Rule 14A.53 of the Listing Rules. Please see “Connected Transactions” of this document for further details of these transactions.