
WAIVERS AND EXEMPTIONS

In preparation for the Listing, we have sought the following waivers from strict compliance with the Listing Rules and exemptions from the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

WAIVER IN RESPECT OF 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 will normally mean 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 Rule 8.12 of the Listing Rules.

Our Group’s management headquarters, senior management, business operations and assets are primarily based outside Hong Kong. The Directors consider that the appointment of executive directors who will be ordinarily resident in Hong Kong would not be beneficial to, or appropriate for, our Group and therefore would not be in the best interests of our Company or the Shareholders as a whole.

Accordingly, we have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with Rule 8.12 of the Listing Rules.

We will ensure that there is an effective channel of communication between the Stock Exchange and us 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 who shall act at all times as the principal channel of communication with the Stock Exchange. Each of our authorized representatives will be readily contactable by the Stock Exchange by telephone and/or e-mail to deal promptly with enquiries from the Stock Exchange. Both of our authorized representatives are authorized to communicate on our behalf with the Stock Exchange. At present, our two authorized representatives are Mr. Wang and Mr. Huang Weibo (黃偉波) (as the designated primary authorized representative).
- (b) pursuant to Rule 3.20 of the Listing Rules, each Director has provided their contact information to the Stock Exchange and to the authorized representatives. This will ensure that the Stock Exchange and the authorized representatives should have means for contacting all Directors promptly at all times as and when required;
- (c) we will endeavor to ensure that each Director who is not ordinarily resident in Hong Kong must possess or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period; and
- (d) pursuant to Rules 3A.19 of the Listing Rules, we have retained the services of Guotai Junan Capital Limited as compliance adviser (the “**Compliance Adviser**”), who will act as an additional channel of communication with 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 of a listed company must be an individual who, by virtue of their academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

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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 Institute of Chartered Secretaries;
- (b) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and
- (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 issuers and the roles they played;
- (b) 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) 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 appointed Mr. Huang Weibo (黃偉波) and Ms. Lai Siu Kuen (黎少娟) (“**Ms. Lai**”), as joint company secretaries. See “Directors and Senior Management—Joint Company Secretaries” for their biographies.

Ms. Lai is a Chartered Secretary and a Fellow of both The Hong Kong Chartered Governance Institute (formerly The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute (formerly The Institute of Chartered Secretaries and Administrators) in the United Kingdom, and therefore meets the qualification requirements under Rule 3.28 Note 1 of the Listing Rules and is in compliance with Rule 8.17 of the Listing Rules.

As set out in Code Provision C.6 in Part 2 of the Corporate Governance Code under Appendix 14 to the Listing Rules, the company secretary should be an employee of the Company and have day-to-day knowledge of the Company’s affairs. The Company’s principal business activities are outside Hong Kong. There are practical difficulties finding persons who possesses Mr. Huang Weibo’s day-to-day knowledge of the Company’s affairs while also having the academic and professional qualifications required. The Company believes that Mr. Huang Weibo, by virtue of his knowledge and past experience in handling corporate administrative matters of the Company, is capable of discharging the functions of a joint company secretary. Further, the Company believes that it would be in the best interests of the Company and the corporate governance of the Group to have as its joint company secretary a person such as Mr. Huang Weibo, who is an employee of the Company and who has day-to-day knowledge of the Company’s affairs. Mr. Huang Weibo has the necessary nexus to the Board and close working relationship with management of the Company in order to perform the function of a joint company secretary and to take the necessary actions in the most effective and efficient manner.

Accordingly, while Mr. Huang Weibo does not possess the formal qualifications required of a company secretary, we have applied 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.

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Pursuant to Guidance Letter HKEX-GL108-20 issued by the Stock Exchange, the waiver [is granted] on two conditions:

- (a) Mr. Huang Weibo must be assisted by Ms. Lai, who possesses all the requisite qualifications and experience required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the three-year waiver period; and
- (b) the waiver will be revoked if there are material breaches of the Listing Rules by our Company.

Prior to the end of the three-year period, the qualifications and experience of Mr. Huang Weibo and the need for on-going assistance of Ms. Lai will be further evaluated by our Company and our Company will liaise with the Stock Exchange to enable it to assess whether Mr. Huang Weibo, having benefited from the assistance of Ms. Lai 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 Rule 3.28 Note 2 of the Listing Rules so that a further waiver will not be necessary.

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 the Listing Rules upon Listing. 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 details, including the conditions for the waiver.

WAIVER AND EXEMPTION IN RESPECT OF THE PRE-[REDACTED] SHARE INCENTIVE PLANS

The Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance prescribes certain disclosure requirements in relation to the share options granted by our 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. Our Company is also required to disclose in this document full details of all outstanding shares 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 shares.
- (b) Paragraph 27 of Part A of Appendix 1 to the Listing Rules requires our Company to set out in this document particulars of any capital of any member of our 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 our Company to set out in this document, among other things, details of the number, description and amount of any shares in or debentures of our 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 or 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.

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As of [June 12], 2023, we had granted [23,101,075] options that remain outstanding under the Pre-[REDACTED] Share Incentive Plans to [376] grantees to subscribe for an aggregate of [23,101,075] Shares, representing approximately [REDACTED]% of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the Presumptions). See “Statutory and General Information—Pre-[REDACTED] Share Incentive Plans” in Appendix IV for details.

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 the condition to make available a full list of grantees with all the particulars required under 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 Pre-[REDACTED] Share Incentive Plans (the “**ESOP Waiver**”); 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 Pre-[REDACTED] Share Incentive Plans (the “**ESOP Exemption**”) for the following reasons:

- (a) as of [June 12], 2023, (i) our Company has granted options that remain outstanding under the Pre-[REDACTED] Share Incentive Plans to [376] grantees, of which [365] grantees who are not (i) Directors, members of senior management and other connected person of our Company, (ii) consultants, or (iii) other grantees holding options representing at least [340,000] Shares each have interests in an aggregate of [17,331,075] Shares underlying the outstanding granted options. Strict compliance with such disclosure requirements in setting out full details of all the grantees under the Pre-[REDACTED] Share Incentive Plans in this document would be costly and unduly burdensome for our Company in light of a significant increase in cost and timing for information compilation, preparation and printing of this document;
- (b) the grant and exercise in full of the shares under the Pre-[REDACTED] Share Incentive Plans would not cause any material adverse impact in the financial position of our Company;
- (c) non-compliance with the above disclosure requirements would not prevent our Company from providing its [REDACTED] with an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Company; and
- (d) material information relating to the options (and underlying shares) under the Pre-[REDACTED] Share Incentive Plans will be disclosed in this document, including the total number of Shares subject to the Pre-[REDACTED] Share Incentive Plans, the exercise price per Share, the potential dilution effect on the shareholding and impact on earnings per Share upon full exercise of the share options granted under the Pre-[REDACTED] Share Incentive Plans. Our Directors consider that the information that is reasonably necessary for the potential investors to make an informed assessment of our Company in their investment decision making process has been included in this document.

In light of the above, the Directors are of the view that the grant of the ESOP Waiver and the ESOP Exemption will not prejudice the interests of the [REDACTED].

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

- (a) for grants under the Pre-[REDACTED] Share Incentive Plans to (i) our Directors and the senior management and other connected persons of our Company, (ii) our consultants, and (iii)

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other grantees holding options representing at least [340,000] Shares each, disclosure be made on an individual basis, including all the particulars required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix 1A to, the Listing Rules in the section headed “Statutory and general information Pre-[REDACTED] Share Incentive Plans” in Appendix IV;

- (b) in respect of the options granted under the Pre-[REDACTED] Share Incentive Plans to other grantees (being other than those set out in (a) above), disclosure be made, on an aggregate basis, according to the ranges of number of Shares underlying outstanding options in: (i) 0 Share to 27,999 Shares, and (ii) 28,000 Shares or above, of (1) their aggregate number of grantees; (2) the consideration paid for the grant of the options under the Pre-[REDACTED] Share Incentive Plans; and (3) the exercise period and the exercise price of the options granted under the Pre-[REDACTED] Share Incentive Plans;
- (d) the dilutive effect and impact on earnings per Share upon the full exercise of the options granted under the Pre-[REDACTED] Share Incentive Plans be disclosed;
- (e) a summary of the major terms of the Pre-[REDACTED] Share Incentive Plans be disclosed;
- (f) the particulars of the waiver be disclosed in this document; and
- (g) the grant of the ESOP Exemption.

The SFC [has granted] the ESOP Exemption on the conditions that:

- (a) for grants under the Pre-[REDACTED] Share Incentive Plans to (i) our Directors and the senior management and other connected persons of our Company, (ii) our consultants, and (iii) other grantees holding options representing at least [340,000] Shares each, disclosure be made on an individual basis, including all the particulars required under 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 Pre-[REDACTED] Share Incentive Plans to other grantees (being other than those set out in (a) above), disclosure be made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grant, being: (i) 0 Share to 27,999 Shares, and (ii) 28,000 Shares or above. For each lot of Shares, the following disclosures will be made on the aggregate basis: (1) the aggregate number of grantees and number of Shares underlying the outstanding and unexercised options under the Pre-[REDACTED] Share Incentive Plans; (2) the consideration paid for the grant of options under the Pre-[REDACTED] Share Incentive Plans; and (3) the exercise period and exercise price of the options granted under the Pre-[REDACTED] Share Incentive Plans; and
- (c) a full list of the grantees under the Pre-[REDACTED] Share Incentive Plans, containing full particulars required under Rule 17.02(1)(b) and paragraph 27 of Appendix 1A of the Listing Rules and paragraph 10 of Part 1 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, will be made available for public inspection in person in accordance with “Documents delivered to the Registrar of Companies and available on display—Document available for inspection” in Appendix V;
- (d) the particulars of the exemption will be disclosed in this document and this document will be issued on or before [REDACTED].