

## **WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES**

In preparation for [REDACTED], our Company has applied for 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 a sufficient management presence in Hong Kong and, in normal circumstances, at least two of the issuer's executive directors must be ordinarily resident in Hong Kong.

Since our core operations are primarily based and conducted in the PRC, we do not have a sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rules. Our headquarters, senior management, business operations and assets are based in the PRC, our management is best able to attend its function by being based in the PRC. It would be practically difficult and commercially unnecessary for us to relocate two of our executive Directors to Hong Kong. We have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with Rule 8.12 of the Listing Rules subject to, among others, the following conditions:

- (a) pursuant to Rule 3.05 of the Listing Rules, we have appointed two authorized representatives, Mr. Xu, our executive Director, chief executive officer, president and chairman of our Board and Ms. Ho Yin Kwan (何燕群) our joint company secretary, who will act as our Company's principal channel of communication with the Stock Exchange. Ms. Ho is ordinarily resident in Hong Kong. Although Mr. Xu resides in the PRC, he possesses valid travel documents and is able to renew such travel documents when they expire to travel to Hong Kong. Each of our authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and/or email. Each of our authorized representatives is authorized to communicate on our behalf with the Stock Exchange. Our Company has been registered under Part 16 of the Companies Ordinance and Ms. Ho has also been authorized to accept service of legal process and notices in Hong Kong on behalf of our Company;
- (b) both our authorized representatives have means to contact all our Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact the members of our Board for any matters. Our Directors who are not ordinarily resident in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable period of time, when required. Each of our Directors has provided his/her mobile phone numbers, fax numbers and/or e-mail addresses (where available) to our authorized representatives. In the event that a Director expects to travel, he/she will endeavor to provide the phone number of the place of his/her accommodation to our authorized representatives or maintain an open line of communication via his/her mobile phone and each of our Directors and authorized representatives have provided his/her mobile numbers, office phone numbers, fax numbers and/or email addresses (where available) to the Stock Exchange;

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- (c) pursuant to Rule 3A.19 of the Listing Rules, our Company has appointed Dongxing Securities (Hong Kong) Company Limited as our compliance advisor (the “**Compliance Advisor**”), which shall have access at all times to our authorized representatives, Directors, senior management and other officers of our Company, and will act as an additional channel of communication with the Stock Exchange in addition to the authorized representatives of our Company; and
- (d) any meetings between the Stock Exchange and our Directors could be arranged through our authorized representatives or the Compliance Advisor, or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange of any changes of our authorized representatives and/or the Compliance Advisor in accordance with the Listing Rules.

### **JOINT COMPANY SECRETARIES**

According to Rules 3.28 and 8.17 of the Listing Rules and the Stock Exchange’s Guidance Letter HKEX-GL 108-20, the secretary of our Company must be a person who has the requisite knowledge and legal experience to discharge the functions of the company secretary and is either (i) a member of the Hong Kong Chartered Governance Institute, a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong) or a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong); or (ii) 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 company secretary.

We have appointed Ms. Ding Sujun (丁素君) (“**Ms. Ding**”) and Ms. Ho Yin Kwan (何燕群) (“**Ms. Ho**”) as our joint company secretaries. Ms. Ding is primarily responsible for our corporate governance matters, information disclosure pursuant to applicable regulatory requirements, investor relationship management and communication with the relevant competent regulatory authorities. Our Directors are of the view that, having regard to Ms. Ding’s experience in serving as the secretary of the board of Shandong Lcang since 2017 and corporate governance matters of our Group, she is considered as a suitable person to act as a company secretary of our Company. In addition, as our headquarters and principal business operations are located in the PRC, our Directors believe that it is necessary to appoint Ms. Ding as a company secretary whose presence in the PRC enables her to attend to the day-to-day corporate secretarial matters concerning our Group. However, Ms. Ding 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 listed issuer stipulated under Rules 3.28 and 8.17 of the Listing Rules. Therefore, our Company has appointed Ms. Ho, a member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who is qualified under Rule 3.28 of the Listing Rules to act as the other joint company secretary to work closely with and provide support to Ms. Ding on an ongoing basis.

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Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, 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. Ding as our joint company secretary on the condition that Ms. Ding will be assisted by Ms. Ho as our joint company secretary throughout the three-year period from the [REDACTED]. By virtue of her qualifications and experience in corporate secretarial practice, Ms. Ho is, in our Directors’ opinion, a person who is qualified and suitable to provide assistance to Ms. Ding for a three-year period from the [REDACTED] so as to enable her to acquire the relevant experience (as required under Rule 3.28(2) of the Listing Rules) to duly discharge her duties. In addition, Ms. Ding 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]. Our Company will further ensure that Ms. Ding 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 [REDACTED] on the Stock Exchange.

Such waiver will be revoked immediately if and when Ms. Ho ceases to provide such assistance or our Company commits any material breaches of the Listing Rules during the three-year period from the [REDACTED]. We will liaise with the Stock Exchange before the end of the three-year period to enable it to assess whether Ms. Ding, having had the benefit of Ms. Ho’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.

The biographical information of Ms. Ding and Ms. Ho is set out in “Directors and Senior Management” in this document.