
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM COMPLIANCE WITH THE COMPANIES (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 exemption from compliance with 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 normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 of the Listing Rules may be waived by having regard to, among other considerations, the new applicant’s arrangements for maintaining regular communication with the Stock Exchange, including but not limited to compliance by the new applicant with Rules 19A.05 to 19A.07 of the Listing Rules.

The Group’s daily operations and major assets are primarily located in the PRC, and the Group’s management members are, and expect to continue to be, based primarily in the PRC. The Company considers that the Group’s management members are best able to attend to its functions by being based in the PRC. The Company’s executive Director is not or will not be ordinarily resident in Hong Kong after the [REDACTED] of the Company. The Directors consider that relocation of the Company’s executive Director to Hong Kong will be burdensome and costly for the Company, and it may not be in the best interests of the Company and its Shareholders as a whole to appoint additional executive Directors who are ordinarily resident in Hong Kong. Furthermore, if the executive Director or the additional ones are not able to be physically present at the location where the Group’s daily operations take place, they may not be able to fully or promptly understand the daily business operation of the Group nor appreciate the circumstances affecting the business operations and development of the Group from time to time.

As such, the Company does not have, and for the foreseeable future will not have, sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 and Rule 19A.15 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted] us, a waiver from strict compliance with Rule 8.12 and Rule 19A.15 of the Listing Rules. The Company has made the following arrangements to maintain effective communication between the Stock Exchange and us:

- (i) The Company has appointed and will continue to maintain Dr. Zhou Pengfei and Dr. Zhou Hongfeng (周宏峰) as its authorised representatives (the “**Authorised Representatives**”) pursuant to Rules 3.05 and 19A.07 of the Listing Rules. The Authorised Representatives will act as the Company’s principal communication channel with the Stock Exchange. Each of the Authorised Representatives will be available to meet with the Stock Exchange within a reasonable time frame upon the

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request of the Stock Exchange and will be readily contactable by telephone, facsimile and email. The Company has provided the Stock Exchange with the contact details of the Authorised Representatives and the Company will inform the Stock Exchange promptly in respect of any change to the contact details of the Authorised Representatives;

- (ii) The Authorised Representatives have the means of contacting all Directors (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange proposes to contact a Director with respect to any matter. To enhance communication between the Stock Exchange and the Authorised Representatives or the Directors, the Company will implement a policy whereby (i) the executive Director will provide a valid phone number or other means of communication for the Authorised Representatives when he is traveling or out of office, and (ii) each Director will provide his or her mobile phone number, office phone number, e-mail address and, where available, fax number to the Stock Exchange and the Company will inform the Stock Exchange promptly in respect of any changes to the contact details of the Directors;
- (iii) All the Directors who are not ordinarily resident in Hong Kong have confirmed that they possess or can apply for valid travel documents to visit Hong Kong and will be able to meet with relevant members of the Stock Exchange in Hong Kong upon reasonable notice, when required; and
- (iv) The Company has appointed Gram Capital Limited as the Compliance Adviser upon [REDACTED] pursuant to Rules 3A.19 and 19A.05 of the Listing Rules. The Compliance Adviser will have access at all times to the Authorised Representatives, the Company's Directors and senior management, who will act as the additional channel of communication with the Stock Exchange when the Authorised Representatives are not available. The Company has provided the Stock Exchange with the contact details of the Compliance Adviser and will inform the Stock Exchange promptly in respect of any changes to the contact details of the Compliance Adviser.

The Company will inform the Stock Exchange as soon as practicable in respect of any change in the Authorised Representatives and/or the Compliance Adviser in accordance with the Listing Rules.

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WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary of an issuer must be an individual who, by virtue of his or her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary. Note 1 to Rule 3.28 of the Listing Rules further provides that the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (i) a member of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries);
- (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 the factors that the Stock Exchange will consider in assessing an individual’s “relevant experience”:

- (i) length of employment with the issuer and other issuers and the roles he or she played;
- (ii) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;
- (iii) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (iv) professional qualifications in other jurisdictions.

The Company considers that while it is important for the company secretary to be familiar with the relevant securities regulations in Hong Kong, he/she also needs to have experience relevant to the Company’s operations, a nexus to our Board and a close working relationship with the management of the 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 the Company to appoint a person who is familiar with the Company’s business and affairs as company secretary.

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The Company has appointed Zheng Jianhua (鄭建華) (“**Mr. Zheng**”), as one of the joint company secretaries. Mr. Zheng serves as the senior manager of our strategic development department and is primarily responsible for corporate financing and legal affairs. The Company believes that Mr. Zheng has extensive experience in business management and corporate governance matters, as well as a thorough understanding of the daily operations, internal administration and financial management of the Group accumulated since his joining the Group in August 2021. However, Mr. Zheng currently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, the Company [has appointed] Lai Janette Tin Yun (賴天恩) (“**Ms. Lai**”), a chartered secretary, a chartered governance professional, and a member of both The Hong Kong Chartered Governance Institute (HKCGI) (formerly known as The Hong Kong Institute of Chartered Secretaries (HKICS)) and The Chartered Governance Institute (CGI) (formerly known as The Institute of Chartered Secretaries and Administrators) 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. Zheng for an initial period of three years from the [REDACTED] to enable Mr. Zheng 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.

The following arrangements have been, or will be, put in place to assist Mr. Zheng in acquiring the qualifications and experience required under Rule 3.28 of the Listing Rules:

- (i) Mr. Zheng will endeavor to attend relevant training courses, including briefings on the latest changes to the relevant applicable Hong Kong laws and regulations and the Listing Rules which will be organized by the Company’s Hong Kong legal advisors on an invitation basis and seminars organized by the Stock Exchange for [REDACTED] issuers from time to time;
- (ii) Mr. Zheng has confirmed that he will be attending a total of no less than 15 hours of training courses on the Listing Rules, corporate governance, information disclosure, investors relation as well as the functions and duties of the company secretary of a Hong Kong [REDACTED] issuer during each financial year as required under Rule 3.29 of the Listing Rules;
- (iii) Ms. Lai will assist Mr. Zheng to enable him to acquire the relevant experience (as required under Rule 3.28 of the Listing Rules) to discharge the duties and responsibilities as the company secretary of the Company;

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- (iv) Ms. Lai will communicate regularly with Mr. Zheng on matters relating to corporate governance, the Listing Rules and any other laws and regulations which are relevant to the Company and its affairs. Ms. Lai will work closely with, and provide assistance for, Mr. Zheng in the discharge of his duties as a company secretary, including organizing the Company's Board meetings and Shareholders' general meetings;
- (v) Upon expiry of Mr. Zheng's initial term of appointment as the company secretary of the Company, the Company will evaluate his experience in order to determine if he has acquired the qualifications required under Rule 3.28 of the Listing Rules, and whether on-going assistance should be arranged so that Mr. Zheng's appointment as the company secretary of the Company continues to satisfy the requirements under Rules 3.28 and 8.17 of the Listing Rules. The waiver will be revoked immediately if Ms. Lai ceases to provide assistance to Mr. Zheng as a joint company secretary for the three-year period after the [REDACTED] or where there are material breaches of the Listing Rules by the Company; and
- (vi) The Company has appointed Gram Capital Limited as the Compliance Adviser pursuant to Rules 3A.19 and 19A.05 of the Listing Rules which will act as the additional communication channel with the Stock Exchange (for a period commencing on the [REDACTED] and ending on the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year after the date of [REDACTED], or until the engagement is terminated, whichever is earlier). Gram Capital Limited will provide professional guidance and advice to the Company as to the compliance with the Listing Rules and all other applicable laws and regulations.

EXEMPTION FROM STRICT COMPLIANCE WITH SECTION 342(1) 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 IN RESPECT OF THE FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020

Section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires all document to include matters specified in Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and set out the reports specified in Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires a company to include in its document a statement as to the gross trading income or sales turnover (as the case may be) of the company during each of the three financial years immediately preceding the issue of the document, including an explanation of the method used for the computation of such income or turnover and a reasonable breakdown between the more important trading activities.

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Paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance further requires the company to include in its document a report by the auditors of the company with respect to (i) the profits and losses of the company and (ii) the assets and liabilities of the company for each of the three financial years immediately preceding the issue of the document.

Section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance provides that the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from the 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 compliance with any or all of such requirements would be irrelevant or unduly burdensome, or would otherwise be unnecessary or inappropriate.

Rule 4.04(1) of the Listing Rules requires that the consolidated results of an issuer and its subsidiaries in respect of each of the three financial years immediately preceding the issue of the [REDACTED] document or such shorter period as may be acceptable to the Stock Exchange be included in the accountants' report to the document.

Rule 18A.03(3) of the Listing Rules requires that an eligible biotech company must have been in operation in its current line of business for at least two financial years prior to [REDACTED] under substantially the same management. Rule 18A.06 of the Listing Rules requires that an eligible biotech company must comply with Rule 4.04 of the Listing Rules modified so that references to "three financial years" or "three years" in Rule 4.04 shall instead reference to "two financial years" or "two years", as the case may be. Further, pursuant to Rule 8.06 of the Listing Rules, the latest financial period reported on by the reporting accountants for a new applicant must not have ended more than six months from the date of the [REDACTED] document.

As such, we have applied to the SFC for, and the SFC has [granted], a certificate of exemption from strict compliance with section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the requirements of paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance regarding the inclusion of the accountants' report covering the full three financial years immediately preceding the issue of this document on the following grounds:

- (i) The Company is a biotechnology company dedicated to developing BsAb-based therapies, and falls within the scope of a biotech company as defined under Chapter 18A of the Listing Rules. The Company is seeking a [REDACTED] under Chapter 18A and will fulfill the additional conditions for [REDACTED] required under Chapter 18A of the Listing Rules;

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- (ii) In compliance with the above-mentioned requirements under the Listing Rules, the Accountants’ Report of the Company set out in Appendix I to this document has been prepared to cover the two financial years ended December 31, 2021 and 2022;
- (iii) As of the Latest Practicable Date, the Company had not commercialized any drug candidates or generated any revenue from sales of its drug candidates. Major financing activities conducted by the Company since its incorporation include the [REDACTED] Investments, the details of which have been fully disclosed in the paragraphs headed “History, Development and Corporate Structure – [REDACTED] Investments” in this document;
- (iv) Notwithstanding that the financial results set out in this document are only for the two financial years ended December 31, 2021 and 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; and
- (v) The Accountants’ Report covering the two financial years ended December 31, 2021 and 2022 (as set out in Appendix I to this document), together with other disclosures in this document, have already provided adequate and reasonable up-to-date information in the circumstances for the potential investors to make an informed assessment of the business, assets and liabilities, financial position, management and prospects and to form a view on the track record of the Company. Therefore, the exemption would not prejudice the interest of the investing public.

The SFC [has granted] a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting the Company 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 on the condition that particulars of the exemption are set out in this document.

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

Rules relating to class meeting and other requirements relating to issuance and repurchase of shares by 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 [REDACTED] 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 (i) shares, (ii) securities convertible into shares, or (iii) options, warrants or similar rights to subscribe for shares or such convertible securities.

Paragraphs 56 and 65(a) of Rule 19A.42 of the Listing Rules provide that the content of a [REDACTED] document for the [REDACTED] of equity securities of a PRC issuer no part of whose share capital is already [REDACTED] 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).

Rules relating to requirements relating to articles of association and [REDACTED] document

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 [REDACTED] is or is to be on the Stock Exchange must include the Mandatory Provisions of the Articles of Association for Companies Listing Overseas (the “Mandatory Provisions”) and other ancillary provisions.

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Latest development of New PRC Regulations and its implications

On February 14, 2023, the State Council announced 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》) and five relevant guidelines (collectively, the “**New PRC Regulations**”), which both took effect from March 31, 2023, and repealed the Special Regulations of the State Council 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的特別規定》) and the Mandatory Provisions of the Articles of Association for Companies Listing Overseas (《到境外上市公司章程必備條款》) (the “**Mandatory Provisions**”), respectively.

Pursuant to the New PRC Regulations, PRC issuers should formulate their articles of association by reference to the Guidelines for Articles of Association of Listed Companies (《上市公司章程指引》) (the “**Guidelines on Articles**”) issued by CSRC. Given the above and that the Mandatory Provisions have been repealed and are no longer applicable, 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. Accordingly, the requirements in relation to (i) class meetings for holders of domestic shares and H shares and relevant disclosure requirements in the [REDACTED] documents under Rules 19A.25(1), 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 and relevant disclosure requirements in the [REDACTED] documents 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 and relevant disclosure requirements in the [REDACTED] documents, insofar as PRC issuers are concerned.

As a PRC issuer, we have formulated the Articles of Association by reference to the Guidelines on Articles. Pursuant to the Articles of Association, our [REDACTED] Shares (comprising Domestic Shares and [REDACTED] Foreign Shares) and H Shares are considered as one class of Shares, and there are no requirements for separate meetings of holders of [REDACTED] Shares and H Shares to be conducted. Further, the Mandatory Provisions, having been repealed, have not been adopted in the Articles of Association.

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

- (i) the Articles of Association are not inconsistent with the Guidelines on Articles and other applicable PRC laws and regulations;
- (ii) the Articles of Association are not inconsistent with (a) the Proposed Amendments as set out in the Consultation Paper, and (b) the other provisions of the Listing Rules that are not subject to the Proposed Amendments; and
- (iii) this document will be issued on or before [REDACTED].