
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTIONS FROM 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:

MANAGEMENT PRESENCE IN HONG KONG

Rule 8.12 of the Listing Rules requires that a new applicant applying for a primary listing on the Stock Exchange 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. Since our core business operations are principally located, managed and conducted in the PRC and will continue to be based in the PRC, our executive Director and senior management members are and will continue to be based in the PRC.

Accordingly, we have applied to the Stock Exchange for[, and the Stock Exchange has granted] a waiver from strict compliance with the requirements set out in Rule 8.12 of the Listing Rules. In order to maintain effective communication with the Stock Exchange, we have put in place the following measures in order to achieve regular communication with the Stock Exchange:

- (a) The Company has appointed Ms. Zong Wenhong, an executive Director and the chief executive officer of the Company, and Mr. Wong Wai Chiu, one of the joint company secretaries of the Company, as the authorized representatives (“**Authorized Representatives**”) for the purpose of Rule 3.05 of the Listing Rules. They will act as the Company’s principal channel of communication with the Stock Exchange. Each of them has confirmed that she or he can be readily contactable by phone, facsimile and email to deal promptly with enquiries from the Stock Exchange. The Company has provided contact details of the two Authorized Representatives to the Stock Exchange and will inform the Stock Exchange as soon as practicable in respect of any change in the Company’s authorized representatives. Ms. Zong have confirmed that she possesses 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;
- (b) Our Authorized Representatives have 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 matters;
- (c) All the Directors who are not ordinarily resident in Hong Kong are able to apply for valid travel documents to visit Hong Kong for business purposes and would be able to meet with the Stock Exchange upon reasonable notice;

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- (d) Our Company has appointed Somerley Capital Limited as its compliance advisor (the “**Compliance Advisor**”) in compliance with Rule 3A.19 of the Listing Rules. The Compliance Advisor will, among other things and in addition to the Authorized Representatives, provide our Company with professional advice on continuing obligations under the Listing Rules and act as additional channel of communication of our Company with the Stock Exchange during the period from the [REDACTED] to 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 immediately after the [REDACTED];
- (e) Meetings between the Stock Exchange and our Directors could be arranged through our Authorized Representatives or our Company’s Compliance advisor, or directly with our Directors within a reasonable period. 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 of the Company in accordance with the Listing Rules.

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, a new applicant for listing on the Stock Exchange must appoint a company secretary 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 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 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)).

In addition, 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 he/she played;
- (b) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, Companies Ordinance, Companies (Winding up and Miscellaneous Provisions) Ordinance, and the Takeovers Code;

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- (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.

We have appointed Ms. Wang Shuli, and Mr. Wong, as the joint company secretaries of our Company. Ms. Wang is currently the vice president and chief financial officer of the Company. She has extensive experience in financial and business management and corporate governance matters, as well as a sound understanding of the daily operations, internal administration and financial management of our Group. By virtue of Ms. Wang's experience and familiarity with our Group, our Company believe Ms. Wang is capable of discharging the duties as a joint company secretary of our Company and is a suitable person to act as a joint company secretary of our Company. Further, given that our main operation is in the PRC, we believe that it would be in the best interest of our Company and our corporate governance to have Ms. Wang with the relevant background and experience in the PRC to act as our joint company secretary. Ms. Wang presently does not possess the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to fulfill the requirements of the Listing Rules on her own. Therefore, our Company has appointed Mr. Wong, a fellow member of Hong Kong Institute of Chartered Secretaries, 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 provide assistance to Ms. Wang for an initial period of three years from the [REDACTED]. For further details about Ms. Wang's and Mr. Wong's qualifications and experience, please see "Directors and Senior Management" in this document.

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 on the basis of the proposed arrangements below:

- (a) Ms. Wang 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 our Hong Kong legal advisors on an invitation basis and seminars organized by the Stock Exchange for listed issuers from time to time;
- (b) Both Ms. Wang and Mr. Wong have confirmed that each of them 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 listed issuer during each financial year as required under Rule 3.29 of the Listing Rules;
- (c) Mr. Wong will assist Ms. Wang to enable her to acquire the relevant experience (as required under Rule 3.28 of the Listing Rules) to discharge the duties and responsibilities as our company secretary;

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- (d) Mr. Wong will communicate regularly with Ms. Wang on matters relating to corporate governance, the Listing Rules and any other laws and regulations which are relevant to our Company and its affairs. Mr. Wong will work closely with, and provide assistance for, Ms. Wang in the discharge of her duties as a company secretary, including organizing our Board meetings and Shareholders' general meetings;
- (e) Upon expiry of Ms. Wang's initial term of appointment as the company secretary of our Company, our Company will evaluate her experience in order to determine if she has acquired the qualifications required under Rule 3.28 of the Listing Rules, and whether on-going assistance should be arranged so that Ms. Wang'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;
- (f) The Company has appointed Somerley Capital Limited as its Compliance Advisor pursuant to Rule 3A.19 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) and provide professional guidance and advice to the Company and Ms. Wang as to the compliance with the Listing Rules and all other applicable laws and regulations; and
- (g) The waiver can be revoked with immediate effect if there are material breaches of the Listing Rules by the Company.

Before the end of the three-year period, we shall liaise with the Stock Exchange to revisit the situation in the expectation that we should then be able to demonstrate to the Stock Exchange's satisfaction that Ms. Wang, having had the benefit of Mr. Wong's assistance for three years, would then have acquired the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver would not be necessary.

WAIVER IN RESPECT OF CONTINUING CONNECTED TRANSACTIONS

We have entered into, and are expected to continue certain transactions which will constitute 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 (where applicable) (i) the announcement requirement, (ii) annual reporting requirement, (iii) independent Shareholders' approval requirement, (iv) the annual cap requirement and (v) the requirement of limiting the term of the continuing connected transactions to three years or less under Chapter 14A of the Listing Rules. For further details in this respect, see "Connected Transactions" in this document.

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WAIVER AND EXEMPTION IN RELATION TO THE PRE-[REDACTED] SOS

Under Rule 17.02(1)(b) of the Listing Rules, paragraph 27 of Appendix 1A to the Listing Rules, and paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, this document is required to include, 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 certain particulars of each 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, the names and addresses of the persons to whom it was given, and their potential dilution effect on the shareholding upon [REDACTED] as well as the impact on the earnings per share arising from the exercise of such outstanding options (the “**Share Option Disclosure Requirements**”).

Under our Pre-[REDACTED] SOS, as of the Latest Practicable Date, we have granted options to 428 persons (“**Grantees**” and each a “**Grantee**”), comprising of: (a) one Director, three members of senior management of the Company; and (b) 424 other participants (including, among others, employees and supervisors of our Group) who are not our Directors or members of senior management of the Company, to subscribe for an aggregate of 16,320,000 underlying Shares (or [81,600,000] Shares immediately following the Share Subdivision) on the terms summarised in “Statutory and General Information – D. Share Option Schemes – 1. Pre-[REDACTED] SOS” of Appendix IV to this document. All the remaining Pre-[REDACTED] SOS Options will be granted prior to the [REDACTED].

We have applied for (i) a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix 1A to the Listing Rules; and (ii) an exemption under Section 342A of the Companies (Winding Up and Miscellaneous Provisions) from strict compliance with the disclosure requirements of paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions), on the grounds that the waiver and exemption approval would not prejudice the interests of the investing public and that strict compliance with the Share Option Disclosure Requirements would be unduly burdensome for our Company for the following reasons:

- (a) given that 428 Grantees are involved, strict compliance with the Share Option Disclosure Requirements, including setting out full details of the Grantees (including names, addresses and particulars of the granted options) on an individual basis would require substantial number of pages of additional disclosure and would be unduly burdensome for our Company in light of the significant increase in cost and timing for information compilation, and preparing of this document;

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- (b) key information of the options granted under the Pre-[REDACTED] SOS to our Director and members of senior management of our Company has already been disclosed in "Statutory and General Information – D. Share Option Schemes – 1. Pre-[REDACTED] SOS" in Appendix IV to this document;
- (c) the key information mentioned in (b) above and set out in "Statutory and General Information – D. Share Option Schemes – 1. Pre-[REDACTED] SOS" in Appendix IV to this document is sufficient to provide potential investors with information, to aid their investment decision making process, to make an informed assessment of the potential dilution effect and impact on earnings per Share underlying the options granted under the Pre-[REDACTED] SOS;
- (d) the grant and exercise in full of the options granted under the Pre-[REDACTED] SOS will not cause any material adverse impact on the financial positions of our Company; and
- (e) the lack of full compliance of the Share Option Disclosure Requirements would not prevent potential investors from making an informed assessment of the activities, assets and liabilities, financial position, management and prospects of our Group and would not prejudice the interest of the investing public.

The Stock Exchange [has granted] to us a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix 1A to the Listing Rules, on the condition that:

- (a) the following information are disclosed in this document:
 - (i) on individual basis, full details of all options granted by our Company under the Pre-[REDACTED] SOS to each of our Director and members of senior management of our Company, including all the particulars required under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix 1A to the Listing Rules;
 - (ii) in respect of the options granted by our Company to the Grantees other than those referred to in (a)(i) above:
 1. the aggregate number of Grantees;
 2. the number of Shares underlying the options granted;
 3. the consideration paid for the options granted;
 4. the exercise period of each option granted; and
 5. the exercise price for the options granted;

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- (iii) the dilution effect and impact on earnings per Share upon full exercise of the options granted under the Pre-[REDACTED] SOS;
 - (iv) the aggregate number of Shares underlying all outstanding options granted by our Company under the Pre-[REDACTED] SOS and the percentage of our Company's issued share capital of which this represents;
 - (v) a summary of the material terms of the Pre-[REDACTED] SOS;
 - (vi) the particulars of the waiver;
- (b) a list of all the Grantees (including the persons referred to in (a)(i) above), containing all the details required by the Share Option Disclosure Requirements be made available for public inspection in accordance with the details set out in "Documents Delivered to the Registrar of Companies and Available on Display" in Appendix V to this document; and
- (c) the SFC grants us a certificate of exemption from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions).

The SFC [has granted] a certificate of exemption under Section 342A of the Companies (Winding Up and Miscellaneous Provisions) exempting our Company from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) on the condition that:

- (a) the following information are disclosed in this document:
 - (i) on an individual basis, full details of all options granted by our Company under the Pre-[REDACTED] SOS to each of our Director and members of senior management of our Company, including all the particulars required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions);
 - (ii) in respect of the options granted by our Company to the Grantees other than those referred to in (a)(i) above:
 1. the aggregate number of Grantees;
 2. the number of Shares underlying the options granted;
 3. the consideration paid for the options granted;

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4. the exercise period of each option granted; and
 5. the exercise price for the options granted;
- (iii) the particulars of the exemption;
- (b) a list of all the Grantees (including the persons referred to in (a)(i) above), containing all the details required by the Share Option Disclosure Requirements be made available for public inspection in accordance with the details set out in "Documents Delivered to the Registrar of Companies and Available for Inspection" in Appendix V to this document; and
- (c) this document be issued on or before [REDACTED].

For further details of the Pre-[REDACTED] SOS, see "Statutory and General Information – D. Share Option Schemes – 1. Pre-[REDACTED] SOS" in Appendix IV to this document.