
WAIVERS

In preparation for the [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, our Company must have sufficient management presence in Hong Kong, which normally means that at least two executive directors must be ordinarily resident in Hong Kong. Since most of our Company’s core business operations are based, managed and conducted outside of Hong Kong, our Company does not have, and in the foreseeable future will not have, a sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 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 of the Listing Rules. We will ensure that there are adequate and efficient arrangements to achieve regular and effective communication between us and the Stock Exchange as well as compliance with the Listing Rules by way of the following arrangements:

1. **Authorized representatives:** we have appointed Mr. Li, our sole executive Director and Ms. Yin Shan Hui (“**Ms. Hui**”), our company secretary, as the authorized representatives (“**Authorized Representatives**”) for the purpose of Rule 3.05 of the Listing Rules. The Authorized Representatives will act as our principal channel of communication with the Stock Exchange and would be readily contactable by phone and email to deal promptly with enquiries from the Stock Exchange. Ms. Hui ordinarily resides in Hong Kong whereas Mr. Li ordinarily resides in the PRC, and Mr. Li possesses valid travel documents and is able to renew such travel documents when they expire in order to visit Hong Kong. Accordingly, the Authorized Representatives will be able to meet with the relevant members of the Stock Exchange to discuss any matters in relation to our Company within a reasonable period of time. The Company will also inform the Stock Exchange promptly in respect of any change in the Authorized Representatives. Please see “Directors and Senior Management” for more information about our Authorized Representatives.
2. **Directors:** to facilitate communication with the Stock Exchange, we have provided the Authorized Representatives and the Stock Exchange with the contact details (such as mobile phone numbers, office phone numbers, e-mail addresses, to the extent possible) of each of our Directors such that the Authorized Representatives would have the means for contacting all our Directors promptly at all times as and when the Stock Exchange wishes to contact our Directors on any matters. In the event that any Director expects to travel or otherwise be out of office, he or she will provide the phone number of the place of his/her accommodation to the Authorized Representatives. To the best of our knowledge and information, each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period after requested by the Stock Exchange.
3. **Compliance adviser:** we have appointed Somerley Capital Limited as our compliance adviser (the “**Compliance Adviser**”) in compliance with Rule 3A.19 and Rule 8A.33 of the Listing Rules. The Compliance Adviser will, among other things and in addition to the Authorized Representatives, provide us with professional advice on continuing obligations under the Listing Rules and act as additional channel of communication of the Company with the Stock Exchange. The Compliance Adviser will be available to answer enquiries from the Stock Exchange and will act as the principal channel of communication with the Stock Exchange when the Authorized Representatives are not available.

WAIVERS

4. **Hong Kong legal adviser:** we will retain a Hong Kong legal adviser to advise us on the on-going compliance requirements, any amendment or supplement to and other issues arising under the Listing Rules and other applicable laws and regulations in Hong Kong after the Listing.

WAIVER IN RELATION TO RULE 8A.12 OF THE LISTING RULES REGARDING MINIMUM ECONOMIC INTEREST AT [REDACTED]

Rule 8A.12 of the Listing Rules requires that the beneficiaries of weighted voting rights must beneficially own collectively at least 10% of the underlying economic interest in the applicant’s total issued share capital at the time of its initial listing.

The note to Rule 8A.12 further stipulates that the Stock Exchange may be prepared to accept a lower minimum shareholding percentage, on a case by case basis, if the lower underlying economic interest still represents a very large amount in absolute dollar terms (for example if the applicant has an expected market capitalization of over HK\$80 billion at the time of its initial listing) taking into account such other factors about the applicant as the Stock Exchange may in its discretion, consider appropriate.

In recognition of Mr. Li’s continuous contributions to the Company and to ensure further alignment of Mr. Li’s interests with those of the Company and its shareholders, the existing Shareholders of the Company unanimously agreed to issue 24,557,934 class B ordinary shares (the “**Founder Award Shares**”) at par value to Jumping Summit Limited, a company controlled by Mr. Li, on May 17, 2023. Such class B ordinary shares will be redesignated to Class A Shares following the Reclassification, Redesignation and Share Subdivision. Mr. Li has undertaken to proportionately relinquish the Founder Award Shares if he ceases to serve as Chairman of the Board, or as the Chief Executive Officer, or such other position equivalent to the Chief Executive Officer within the four year period commencing on the [REDACTED] (the “**Undertaking**”). See “History and Corporate Structure – Issuance of Founder Award Shares” for further details.

Immediately following the completion of the [REDACTED], assuming the non-exercise of the [REDACTED], based on the [REDACTED] of HK\$[REDACTED], being the mid-point of the indicative [REDACTED] range, we expect to have a market capitalization of HK\$[REDACTED] billion (or US\$[REDACTED] billion). Without taking into account the Founder Award Shares and assuming the [REDACTED] is not exercised, Mr. Li is expected to beneficially own approximately [REDACTED]% of the underlying economic interest in the issued share capital of the Company upon [REDACTED].

We have applied to the Stock Exchange[, and the Stock Exchange has granted us,] a waiver from strict compliance with the requirements of Rule 8A.12 of the Hong Kong Listing Rules on the condition that:

- i. the Company will have an expected market capitalisation which is over HK\$80 billion at the time of the [REDACTED];
- ii. Mr. Li will beneficially own [REDACTED]% of the underlying economic interests that are not subject to the Undertaking in the Company’s total issued share capital at the time of [REDACTED];
- iii. the Undertaking would not result in a breach of the requirement under Rule 8A.13 of the Listing Rules; and

WAIVERS

- iv. the Company will make appropriate disclosure of such lower economic interests percentage in this document, including the details of the issuance of the Founder Award Shares, the class and number of Shares issued, the consideration received, the benefits to the Company and the terms of the Undertaking governing the Founder Award Shares, and any relinquishment of shares shall be effected in a manner that is in full compliance with the applicable Listing Rules.

WAIVER IN RELATION TO THE DISCLOSURE REQUIREMENTS WITH RESPECT TO CHANGES IN SHARE CAPITAL

We have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements of paragraph 26 of Part A of Appendix 1 to the Listing Rules in respect of disclosing the particulars of any alterations in the capital of any member of the Group within two years immediately preceding the issue of this document.

We have identified 14 entities that we consider are the major subsidiaries and Consolidated Affiliated Entities primarily responsible for the track record results of our Group (the "**Principal Entities**", and each a "**Principal Entity**"). For further details, see "History and Corporate Structure – Our Major Subsidiaries and Operating Entities." Globally, our Group has approximately 322 subsidiaries and Consolidated Affiliated Entities, across 22 different jurisdictions as at December 31, 2022. It would be unduly burdensome for our Company to disclose this information, which would not be material or meaningful to investors. By way of illustration, for the three years ended December 31, 2020, 2021 and 2022, the aggregate revenue of the Principal Entities represented approximately 87.6%, 83.1% and 73.4% of the Group's total revenues, respectively. Accordingly, the remaining subsidiaries and Consolidated Affiliated Entities in our Group are insignificant to the overall results of the Group.

Particulars of the changes in the share capital of the Company and the Principal Entities have been disclosed in "Statutory and General Information – 1. Further Information about our Group – 1.2 Changes in the share capital of our Company" and "Statutory and General Information – 1. Further Information about our Group – 1.3 Changes in the share capital of our major subsidiaries and operating entities" in Appendix V to this document.

WAIVER IN RELATION TO THE PRE-[REDACTED] SHARE INCENTIVE PLAN OF THE COMPANY

Rule 17.02(1)(b) of the Listing Rules requires a listing applicant to, inter alia, disclose in the document full details of all outstanding options and awards and their potential dilution effect on the shareholdings upon listing as well as the impact on the earnings per share arising from the issue of shares in respect of such outstanding options or awards.

As of the Latest Practicable Date, our Company had granted outstanding restricted share units ("**RSUs**") under the Pre-[REDACTED] Share Incentive Plan to a total of 674 participants (the "**Awardee(s)**") to subscribe for an aggregate of 6,368,100 class A ordinary shares (31,840,500 Class B Shares, following completion of the Reclassification, Redesignation and Share Subdivision), representing approximately [REDACTED]% of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised). Among the outstanding RSUs, no connected persons of our Company were granted RSUs. 674 other Awardees (who are not Directors or connected persons of the Company) were granted RSUs for 6,368,100 class A ordinary shares (31,840,500 Class B Shares, following completion of the Reclassification, Redesignation and Share Subdivision). No awards (including options, RSUs and restricted shares) under the Pre-[REDACTED] Share Incentive Plan will be further granted upon [REDACTED]. For more details of our Pre-[REDACTED] Share Incentive Plan, see "Statutory and General information – 4. Pre-[REDACTED] Share Incentive Plan" in Appendix V to this document.

WAIVERS

Our Company has applied to the Stock Exchange for a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules, on the grounds that strict compliance with the above requirements would be unduly burdensome for our Company for the following reasons:

- (a) since the outstanding RSUs under the Pre-[REDACTED] Share Incentive Plan were granted to a total of 674 Awardees involved, strict compliance with the relevant disclosure requirements in this document will require substantial number of pages of additional disclosure that does not provide any material information to the investing public and would significantly increase the cost and timing for information compilation and document preparation;
- (b) key information of the outstanding RSUs granted under the Pre-[REDACTED] Share Incentive Plan to the Directors, senior management and connected persons of our Company has already been disclosed in "Statutory and General Information – 4. Pre-[REDACTED] Share Incentive Plan" in Appendix V to this document;
- (c) the key information of the Pre-[REDACTED] Share Incentive Plan as disclosed in "Statutory and General Information – 4. Pre-[REDACTED] Share Incentive Plan" in Appendix V to this document is sufficient to provide potential investors with information to make an informed assessment of the potential dilution effect and impact on earnings per share of the RSUs granted under the Pre-[REDACTED] Share Incentive Plan in their investment decision making process;
- (d) given the nature of the business of the Company, it is extremely important for the Company to incentivize and reward its regional sponsors, network partners and franchisees, and the success of the Company's long-term development plan will very much depend on the loyalty and contribution of the grantees, whereas the information relating to the RSUs granted to the grantees is highly sensitive and confidential, and disclosure of such information may adversely affect the Company's cost and ability to recruit and retain such valuable network partners and franchisees;
- (e) with respect to the other Awardees, such number of Class B Shares (in aggregate representing approximately [REDACTED]% of the total issued share capital of our Company immediately following the completion of the [REDACTED], assuming the [REDACTED] is not exercised) is not material in the circumstances of our Company, and the vesting of such RSUs will not cause any material adverse change in the financial position of our Company; and
- (f) the lack of full compliance with such disclosure requirements will not prevent potential investors from making an informed assessment of the activities, assets and liabilities, financial position, management and prospects of our Group and will not prejudice the interest of the investing public.

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

- (a) full details of all the RSUs granted under the Pre-[REDACTED] Share Incentive Plan to each of the Directors, senior management and connected persons of our Company (if any) be disclosed in this document, such details include all the particulars required under Rule 17.02(1)(b) of the Listing Rules;

WAIVERS

- (b) in respect of the RSUs granted by our Company to the Awardees other than those referred to in sub-paragraph (a), the following details be disclosed in this document:
 - (i) the aggregate number of the Awardees and the number of Shares subject to the RSUs; and
 - (ii) the vesting period for the RSUs;
- (c) the particulars of the waiver granted by the Stock Exchange be disclosed in this document.

Further details of the Pre-[REDACTED] Share Incentive Plan are set forth in "Statutory and General Information – 4. Pre-[REDACTED] Share Incentive Plan" in Appendix V to this document.

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

We have entered into, and are expected to continue, certain transactions that will constitute non-exempt continuing connected transactions of our Company under the Listing Rules upon [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; (ii) the requirement of setting an annual cap set out in Chapter 14A of the Listing Rules for certain continuing connected transactions; and (iii) the requirement of limiting the term of certain continuing connected transactions to three years or less under Rule 14A.52 of the Listing Rules. For further details in this respect, see "Continuing Connected Transactions".

[REDACTED]

WAIVERS

[REDACTED]