
WAIVERS AND EXEMPTION FROM STRICT COMPLIANCE WITH THE LISTING RULES AND 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 the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

MANAGEMENT PRESENCE

Rule 8.12 of the Listing Rules requires that a new applicant applying for a primary [REDACTED] 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. The business operations of our Group are located in China. Due to the business requirements of our Group, none of the executive Directors (save for Mr. Xiaojie Xi) has been, is or will be based in Hong Kong. Our Company considers that it would be impracticable and commercially infeasible to appoint two Hong Kong residents as executive Directors or to relocate the existing executive Directors to Hong Kong considering that the operations of our Group are based outside of Hong Kong. Accordingly, we have applied to the Stock Exchange for [, and the Stock Exchange has granted,] a waiver from strict compliance with the requirement of Rule 8.12 of the Listing Rules. In order to maintain effective communication with the Stock Exchange, we will adopt the following measures:

- (a) pursuant to Rule 3.05 of the Listing Rules, we have appointed two authorized representatives who will act as our principal communication channel with the Stock Exchange and will ensure that we comply with the Listing Rules at all times. These two authorized representatives appointed are Mr. Jerry Jingwei Zhang and Mr. Xiaojie Xi. Mr. Xiaojie Xi is ordinarily resident in Hong Kong. Each of the authorized representatives will be available to meet with the Stock Exchange within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone, e-mail and fax. Each of the two authorized representatives has been duly authorized to communicate on our Company’s behalf with the Stock Exchange. Our Company will inform the Stock Exchange promptly in respect of any change in its authorized representatives;
- (b) pursuant to Rule 3.20 of the Listing Rules, each Director will provide his/her contact details, including mobile phone numbers, office phone numbers, residential phone numbers, e-mail addresses and facsimile numbers to the Stock Exchange and 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) all our executive Directors, non-executive Directors and independent non-executive 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;
- (d) pursuant to Rule 3A.19 of the Listing Rules, we have appointed Somerley Capital Limited as our compliance advisor (the “**Compliance Advisor**”), who will act as our additional communication channel with the Stock Exchange and will be available to respond to enquiries from the Stock Exchange. The Compliance Advisor will provide us with professional advice on ongoing compliance with the Listing Rules. We will ensure that the Compliance Advisor has prompt access to our authorized representatives and Directors. In turn, they will provide the Compliance Advisor with such information and assistance as the Compliance Advisor may need

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or may reasonably request in connection with the performance of the Compliance Advisor’s duties. The Compliance Advisor will also provide advice to us when consulted by us in compliance with Rule 3A.23 of the Listing Rules; and

- (e) meetings between the Stock Exchange and our Directors can be arranged through the authorized representatives or the Compliance Advisor, or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange as soon as practicable in respect of any change in the authorized representatives and/or the Compliance Advisor in accordance with the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

Our Group has entered into certain transactions which would constitute non-exempt continuing connected transactions under Chapter 14A of the Listing Rules after the [REDACTED]. Further particulars about such transactions together with the application for a waiver from strict compliance with the relevant requirements under Chapter 14A of the Listing Rules are set out in “Connected Transactions” in this document.

WAIVER AND EXEMPTION IN RELATION TO [REDACTED] SHARE OPTION SCHEMES

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 (the “Share Option Disclosure Requirements”):

- (a) pursuant to Rule 17.02(1)(b) of the Listing Rules, a new [REDACTED] applicant must disclose in the document full details of all outstanding options and their potential dilution effect on the shareholdings upon [REDACTED] as well as the impact on the earnings per share arising from the exercise of such outstanding options under the [REDACTED] Share Option Schemes;
- (b) paragraph 27 of Appendix 1A to the Listing Rules also requires the disclosure of particulars of any capital of any member of our Group which 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 grantees; and
- (c) further, under paragraph 10 of Part I of the Third Schedule to Companies (Winding Up and Miscellaneous Provisions) Ordinance, this document is required to include details of the number, description and amount of any Shares 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 the Shares subscribed for under it, the consideration (if any) given or to be given for it or for the right to it and the name and address of the person to whom it was given.

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As of August 24, 2023, our Company has granted outstanding options under the [REDACTED] Share Option Schemes to 278 grantees (including Directors, members of senior management of our Company and other employees of our Group) to subscribe for an aggregate of [REDACTED] Shares. As of August 24, 2023, among the outstanding options, [REDACTED] were held by three Directors, [REDACTED] were held by two members of senior management and [REDACTED] were held by 273 employees of our Group (who are not Directors, members of senior management or connected persons of our Company). The Shares underlying the granted options represent approximately [REDACTED]% of the total number of issued and outstanding Shares immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no further Shares are issued under the [REDACTED] Share Option Schemes). No further options will be granted pursuant to the [REDACTED] Share Option Schemes on or after the [REDACTED]. For further details of our [REDACTED] Share Option Schemes, see the section headed “Statutory and General Information — E. [REDACTED] Share Option Schemes” in Appendix IV in this document.

We have applied to (i) the Stock Exchange for a waiver from strict compliance with the requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix 1A to the Listing Rules and (ii) the SFC for an exemption from strict compliance with paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance regarding certain options granted under the [REDACTED] Share Option Schemes on the following grounds:

- (a) as of August 24, 2023, we have granted outstanding options to a total of 278 grantees under the [REDACTED] Share Option Schemes to acquire an aggregate of [REDACTED] Shares, representing approximately [REDACTED]% of the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no further Shares are issued under the [REDACTED] Share Option Schemes). The grantees under the [REDACTED] Share Option Schemes include three Directors, two members of senior management and 273 employees of our Group (who are not Directors, members of senior management or connected persons of our Company);
- (b) our Directors consider that it would be unduly burdensome to disclose in this document full details of all the options granted by us to each of the grantees, which would significantly increase the cost and time required for information compilation and document preparation for strict compliance with such disclosure requirements. For example, we would need to collect and verify the addresses of over 250 grantees to meet the disclosure requirement. Further, the disclosure of the personal details of each grantee, including their names, addresses and the number of options granted, may require obtaining consent from the grantees in order to comply with personal data privacy laws and principles and it would be unduly burdensome for our Company to obtain such consents given the number of grantees;

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- (c) material information on the options has been disclosed in this document to provide prospective [REDACTED] with sufficient information to make an informed assessment of the potential dilutive effect and impact on earnings per Share of the options in making their [REDACTED] decision, and such information includes:
- (i) a summary of the latest terms of the [REDACTED] Share Option Schemes;
 - (ii) the aggregate number of Shares subject to the options and the percentage of our Shares of which such number represents;
 - (iii) the dilutive effect and the impact on earnings per Share upon full exercise of the options immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no further Shares are issued under the [REDACTED] Share Option Schemes);
 - (iv) full details of the options granted to Directors, members of senior management and connected persons (if any) of our Company, on an individual basis, under the [REDACTED] Share Option Schemes are disclosed in this document, and such details include all the particulars required under Rule 17.02(1)(b) of the Listing Rules, paragraph 27 of Appendix 1A to the Listing Rules and paragraph 10 of Part 1 of the Third Schedule to the Companies Ordinance;
 - (v) with respect to the options granted to other grantees (other than those referred to in (iv) above) under the [REDACTED] Share Option Schemes, disclosure are made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grantees, being (1) 1-500,000; (2) 500,001-1,000,000; (3) 1,000,001-2,000,000; and (4) 2,000,001-3,000,000 for each lots of Share, the following details are disclosed in this document, including (1) the aggregate number of such grantees and the number of Shares subject to the options; (2) the consideration paid for the grant of the options; and (3) the exercise period and the exercise price for the options;
 - (vi) the particulars of the waiver and exemption granted by the Stock Exchange and the SFC, respectively; and
 - (vii) a full list of all the grantees under the [REDACTED] Share Option Schemes, containing all the particulars as required under the applicable Share Option Disclosure Requirements be made available for public inspection in accordance with the section headed “Documents Delivered to the Registrar of Companies in Hong Kong and on Display” in Appendix V in this document.

the above disclosure is consistent with the conditions ordinarily expected by the Stock Exchange in similar circumstances as set out in Guidance Letter HKEX-GL11-09 issued in July 2009 and updated in March 2014 by the Stock Exchange.

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- (d) the 273 grantees who are not Directors, members of senior management or connected persons (if any) of our Company, have been granted options under the [REDACTED] Share Option Schemes to acquire an aggregate of [REDACTED] Shares, which is not material in the circumstances of our Company, and the exercise in full of such options will not cause any material adverse change in the financial position of our Company; and
- (e) our Directors consider that non-compliance with the above disclosure requirements would not prevent our Company from providing potential [REDACTED] with sufficient information for an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Group. Strict adherence to the disclosure requirements, including to disclose the names, addresses, and entitlements on an individual basis of over 250 grantees without reflecting the materiality of the information does not provide any additional meaningful information to the [REDACTED].

In light of the above, our Directors are of the view that the grant of the waiver and exemption sought under this application and the non-disclosure of the required information will not prejudice the interests of the [REDACTED].

The Stock Exchange [has granted] to our Company 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 with respect to the options granted under the [REDACTED] Share Option Schemes on the condition that:

- (a) on an individual basis, full details of the options granted under the [REDACTED] Share Option Schemes to each of the Directors, members of senior management and connected persons (if any) of our Company are disclosed in the section headed “Statutory and General Information — E. [REDACTED] Share Option Schemes” in Appendix IV in this document as required under Rule 17.02(1)(b) of, and 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;
- (b) in respect of the options granted under the [REDACTED] Share Option Schemes to other grantees (other than those set out in (a) above), disclosure are made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grantees, being (1) 1-500,000; (2) 500,001-1,000,000; (3) 1,000,001-2,000,000; and (4) 2,000,001-3,000,000 for each lots of Share, the following details are disclosed in this document, including (1) the aggregate number of the grantees other than those set out in (a) above and the number of Shares subject to the options granted to them under the [REDACTED] Share Option Schemes; (2) the consideration paid for the grant of the options under the [REDACTED] Share Option Schemes; and (3) the exercise period and the exercise price for the options granted under the [REDACTED] Share Option Schemes;
- (c) the aggregate number of Shares underlying the outstanding options granted under the [REDACTED] Share Option Schemes and the percentage of our Company’s total issued share capital represented by such number of Shares as of the Latest Practicable Date are disclosed in this document;

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- (d) the dilutive effect and impact on earnings per Share upon the full exercise of the options under the [REDACTED] Share Option Schemes are disclosed in the section headed “Statutory and General Information — E. [REDACTED] Share Option Schemes” in Appendix IV in this document;
- (e) a summary of the major terms of the [REDACTED] Share Option Schemes are disclosed in the section headed “Statutory and General Information — E. [REDACTED] Share Option Schemes” in Appendix IV in this document;
- (f) the particulars of this waiver are disclosed in this document;
- (g) the grant of certificate of exemption under the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC exempting our Company from the disclosure requirements provided in paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance; and
- (h) a full list of all the grantees under the [REDACTED] Share Option Schemes, containing all the particulars as required under the applicable Share Option Disclosure Requirements will be made available for public inspection in accordance with the section headed “Documents Delivered to the Registrar of Companies in Hong Kong and on Display” in Appendix V to this document.

The SFC [has agreed to grant] to our Company the certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance with respect to the options granted under the [REDACTED] Share Option Schemes 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) Ordinance on the conditions that:

- (a) full details of the options under the [REDACTED] Share Option Schemes granted to each of the Directors, members of senior management and connected persons (if any) of our Company are disclosed in the section headed “Statutory and General Information — E. [REDACTED] Share Option Schemes” in Appendix IV in this document as required by 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 [REDACTED] Share Option Schemes to grantees (other than those referred to in (a) above), disclosure are made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grantees, being (1) 1-500,000; (2) 500,001-1,000,000; (3) 1,000,001-2,000,000; and (4) 2,000,001-3,000,000 for each lots of Share, the following details are disclosed in this document: (1) the aggregate number of the grantees and the number of Shares subject to the options granted to them under the [REDACTED] Share Option Schemes; (2) the consideration paid for the grant of the options under the [REDACTED] Share Option Schemes; and (3) the exercise period and the exercise price for the options granted under the [REDACTED] Share Option Schemes;

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- (c) a full list of all the grantees under the [REDACTED] Share Option Schemes, containing all the particulars as required under the applicable Share Option Disclosure Requirements will be made available for public inspection in accordance with the section headed “Documents Delivered to the Registrar of Companies in Hong Kong and on Display” in Appendix V to this document; and
- (d) the particulars of this exemption are disclosed in this document and that this document will be issued on or before [REDACTED].

Further details of the [REDACTED] Share Option Schemes are set forth in the section headed “Statutory and General Information — E. [REDACTED] Share Option Schemes” in Appendix IV in this document.

[REDACTED]

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[REDACTED]