
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTIONS FROM COMPLIANCE WITH THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

In preparation for the Listing, we have sought the following waivers and exemptions from strict compliance with the relevant provisions of the Listing Rules or the Companies (Winding Up and Miscellaneous Provisions) Ordinance:

WAIVER IN RESPECT OF JOINT COMPANY SECRETARIES

Rule 8.17 of the Listing Rules provides that our Company must appoint a company secretary who satisfies the requirements under Rule 3.28 of the Listing Rules. According to Rule 3.28 of the Listing Rules, our Company must appoint 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.

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;
- (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. Lin Jiemin (林潔敏) (“**Ms. Lin**”) and Ms. Wong Wai Yee Ella (黃慧兒) (“**Ms. Wong**”), as the joint company secretaries of our Company. See “Directors and Senior Management — Joint Company Secretaries” for further biographical details of Ms. Lin and Ms. Wong.

Ms. Wong is a chartered secretary, chartered governance professional and fellow of The Hong Kong Chartered Governance Institute (HKCGI) (formerly known as The Hong Kong Institute of

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Chartered Secretaries) and a fellow of The Chartered Governance Institute (CGI) (formerly known as The Institute of Chartered Secretaries and Administrators). She fully meets the qualification requirements stipulated under Rule 3.28 of the Listing Rules and is in compliance with Rule 8.17 of the Listing Rules.

Accordingly, while Ms. Lin does not possess the qualification required of a company secretary under Rule 3.28 of the Listing Rules, 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 arrangements below:

- (a) Ms. Lin 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 advisers on an invitation basis and seminars organized by the Stock Exchange for listed issuers from time to time;
- (b) Both Ms. Lin and Ms. 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) Ms. Wong will assist Ms. Lin 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;
- (d) Ms. Wong will communicate regularly with Ms. Lin on matters relating to corporate governance, the Listing Rules and any other laws and regulations which are relevant to our Company and its affairs. Ms. Wong will work closely with, and provide assistance to, Ms. Lin in the discharge of her duties as a company secretary, including organizing our Board meetings and Shareholders' general meetings;
- (e) Upon expiry of Ms. Lin's initial term of appointment for an initial period of three years from the Listing Date 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. Lin'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) Our Company has appointed Haitong International Capital Limited as its compliance adviser on a permanent basis pursuant to Rules 3A.19 and 8A.33 of the Listing Rules which will act as the additional communication channel with the Stock Exchange and provide professional guidance and advice to our Company and Ms. Lin 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 Rules 3.28 and 8.17 of the Listing Rules by our Company.

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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. Lin, having had the benefit of Ms. 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.

NON-EXEMPT 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 Listing. 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, 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 the Contractual Arrangement; and (iii) the requirement of limiting the term of the Contractual Arrangement to three years or less under Rule 14A.52 of the Listing Rules. see "Connected Transactions."

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 Prospectus.

We have identified seven entities that we consider are the major subsidiaries and operating 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, as at the Latest Practicable Date, our Group has over 100 subsidiaries and Consolidated Affiliated Entities, across more than 10 different jurisdictions. 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, 2018, 2019 and 2020 and the six months ended June 30, 2021, (a) the aggregate revenue of the Principal Entities (after intra-group eliminations) represented approximately 98.6%, 98.5%, 86.3% and 92.6% of the Group's total revenue, respectively; and (b) the aggregate total assets of the Principal Entities (after intra-group eliminations) represented approximately 72.5%, 81.9%, 61.9% and 72.3% of the Group's total assets, respectively. In addition, substantially all of the major intellectual property rights of the Group are held by the Principal Entities. Our non-Principal Entities are not individually material to us in terms of its contribution to our total net income, total assets, total revenue or profits. Additionally, our non-Principal Entities do not hold material assets (save for passive financial products and equity investments of the Group) or other material proprietary technologies or material research and development functions of the Group.

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Particulars of the changes in the share capital of the Company and the Principal Entities have been disclosed in “Statutory and General Information — A. Further Information about our Group — 2. Changes in the share capital of our Company” and “Statutory and General Information — A. Further Information about our Group — 3. Changes in the share capital of our major subsidiaries and operating entities” in Appendix IV to this Prospectus.

WAIVER IN RESPECT OF COMPANIES AND BUSINESS TO BE ACQUIRED AFTER THE TRACK RECORD PERIOD

Pursuant to Rules 4.04(2) and 4.04(4)(a) of the Listing Rules, the accountants’ report to be included in a prospectus must include the income statements and balance sheets of any subsidiary or business acquired, agreed to be acquired or proposed to be acquired since the date to which its latest audited accounts have been made up in respect of each of the three financial years and six months immediately preceding the issue of this Prospectus.

Pursuant to Rule 4.02A, acquisitions of business include acquisitions of associates and any equity interest in another company. Pursuant to Note (4) to Rule 4.04 of the Listing Rules, the Stock Exchange may consider granting a waiver of the requirements under Rules 4.04(2) and 4.04(4) on a case-by-case basis, and having regard to all relevant facts and circumstances and subject to certain conditions set out thereunder.

Post-TRP Investments

Since June 30, 2021 (being the date to which our Group’s latest audited accounts have been made up) and up to the Latest Practicable Date, the Group has made or proposed to make 43 investments or acquisitions (“**Post-TRP Investments**”), details of which are set out in the below:

Name of the target company	Investment / acquisition amount	Percentage shareholding / equity interest in the target company after completion of the proposed investment / acquisition	Principal business of the target company	Basis for determining the investment amount
Company 1	RMB60 million	Not more than 6.98%	Server and related accessories	Based on target company’s funding needs, financial performance and comparable companies’ valuation
Company 2	RMB20 million	20%	Automotive networking	Based on target company’s funding needs, financial performance and comparable companies’ valuation

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Name of the target company	Investment / acquisition amount	Percentage shareholding / equity interest in the target company after completion of the proposed investment / acquisition	Principal business of the target company	Basis for determining the investment amount
Company 3	RMB5 million	10%	ODM for AIoT devices	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 4	RMB6.5 million	10%	Data centers EPC and operation	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 5	RMB10 million	1.40%	Automotive camera system	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 6	USD15 million	Not more than 2.3%	AR smart glasses	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 7	RMB5 million	3.33%	Beauty products focused new retail	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 8	RMB5 million	7.69%	Sports facilities' digitization	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 9	RMB10 million	0.40%	VR content producer	Based on target company's funding needs and valuation negotiated by the lead investor
Company 10	USD15 million	7.14%	Data privacy technology solutions	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 11	RMB20 million	1.75%	Media cloud services and solutions	Based on target company's funding needs, financial performance and comparable companies' valuation

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Name of the target company	Investment / acquisition amount	Percentage shareholding / equity interest in the target company after completion of the proposed investment / acquisition	Principal business of the target company	Basis for determining the investment amount
Company 12	RMB75 million	6.82%	Automotive safety and data services	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 13	RMB20 million	2.53%	3D imaging solutions	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 14	RMB193.15 million	1.36%	IoT technology platform for logistics	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 15	RMB50 million	6.25%	AR data platform	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 16	RMB120 million	1.39%	Printed Circuit Board (PCB)-focused flexible supply chain solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 17	RMB100 million	2.45%	AR hardware and software	Based on target company's funding needs and valuation negotiated by lead investors
Company 18	RMB260 million	0.90%	B2B platform for textile supply chain	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 19	RMB200 million	6.70%	Computer vision related semiconductor design	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 20	RMB100 million	3.57%	Computer vision chip products and solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation

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Name of the target company	Investment / acquisition amount	Percentage shareholding / equity interest in the target company after completion of the proposed investment / acquisition	Principal business of the target company	Basis for determining the investment amount
Company 21	RMB20 million	7.00%	Physics simulation engine for gaming	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 22	RMB65 million	10.00%	Graphics rendering game engine	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 23	RMB40 million	10.00%	Building Information Modeling (BIM) design software	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 24	RMB50 million	10.00%	Geographic Information System (GIS) platform	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 25	RMB150 million	5.00%	VR technology products and services	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 26	RMB40 million	10.00%	VR solutions and content producer	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 27	RMB10 million	3.00%	Smart city-focused system integrator	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 28	RMB30 million	1.00%	Dental-related imaging solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 29	RMB30 million	4.00%	Internet-based supply chain management platform for pharmaceutical industry	Based on target company's funding needs, financial performance and comparable companies' valuation

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Name of the target company	Investment / acquisition amount	Percentage shareholding / equity interest in the target company after completion of the proposed investment / acquisition	Principal business of the target company	Basis for determining the investment amount
Company 30	RMB30 million	1.88%	Smart Mining integrated solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 31	RMB30 million	1.00%	Interventional diagnosis and treatment solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 32	RMB80 million	Not more than 0.75%	Solid-state lithium battery provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 33	RMB80 million	Not more than 1.00%	Logistics automation and robotics solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 34	USD3 million	2.50%	Natural language processing algorithmic solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 35	RMB30 million	8.57%	Smart IoT systems solutions	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 36	RMB10 million	6.67%	AI-assisted drug screening solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 37	RMB30 million	1.30%	Collaborative robots	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 38	RMB30 million	2.50%	Intelligent manufacturing solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation

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Name of the target company	Investment / acquisition amount	Percentage shareholding / equity interest in the target company after completion of the proposed investment / acquisition	Principal business of the target company	Basis for determining the investment amount
Company 39	RMB50 million	3.30%	Smart Industry solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 40	RMB21.75 million	15.00%	Data center operator and infrastructure maintenance provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 41	RMB64 million	8.00%	Smart Industry solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 42	RMB50 million	7.00%	Digital twin solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation
Company 43	RMB25 million	5.00%	Digital rendering solutions provider	Based on target company's funding needs, financial performance and comparable companies' valuation

Each of the above Post-TRP Investments in Company 5, Company 6, Company 10, Company 11, Company 12, Company 14, Company 15 and Company 16 has been fully or partly settled in cash as of Latest Practicable Date, and the other Post-TRP Investments will be settled in cash. To the best of our Directors' knowledge, information and belief, having made all reasonable enquiries, the counterparties to the Post-TRP Investments and their ultimate beneficial owners are third parties independent from the Company and its connected persons.

The reasons for the Post-TRP Investments are to invest in companies with principal businesses related to the Group's core business with a view to creating synergies with the Group's existing core business and improve the Group's services and products to its customers.

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Conditions to the waivers granted by the Stock Exchange

We have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 4.04(2) and 4.04(4) of the Listing Rules in respect of the Post-TRP Investments on the following grounds:

1. *Ordinary and usual course of business*

The Post-TRP Investments are essential to the ordinary and usual course of business of our Group as it is one of our principal business strategies to grow and expand by investing in companies with principal businesses related to the Group's core business. The Company believes that the terms of each of the Post-TRP Investments are fair and reasonable and in the interests of the Shareholders as a whole.

2. *The percentage ratios of each investment are all less than 5% by reference to the most recent financial year of our Company's Track Record Period*

The applicable percentage ratios for each of the Post-TRP Investments are all less than 5% by reference to the most recent financial year of our Company's Track Record Period. To the best knowledge of our Company, the Post-TRP Investments are not subject to aggregation under Rule 14.22 of the Listing Rules.

Accordingly, we consider that the Post-TRP Investments are immaterial compared to the scale of the Group's operations as a whole and do not expect them to have any material effect on the financial condition of the Group.

3. *The Company is neither able to exercise any control, nor has any significant influence, over the underlying companies or business*

We only hold or propose to acquire minority equity interests in each of the target companies of the Post-TRP Investments and do not control their boards of directors. Given that our Group is neither able to exercise any control nor have any significant influence over each of the target companies of the Post-TRP Investments, we would not be able to compel or request the target companies of the Post-TRP Investments to cooperate with its audit work in order for us to comply with the relevant requirements under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules.

4. *Alternative disclosure of the Post-TRP Investments in this Prospectus*

We have provided in this section alternative information in connection with the Post-TRP Investments. Such information include, where applicable, those that would be required for a disclosable transaction under Chapter 14 of the Listing Rules, including, for example, the reasons

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for the Post-TRP Investments, the description of the principal businesses of the target companies for the Post-TRP Investments, the proposed investment amounts and the basis for determining the investment amounts as set out above, and a confirmation that the counterparties and their respective ultimate beneficial owners are independent of the Company and the Company's connected persons. Since the applicable percentage ratios for the each of the Post-TRP Investments are significantly less than 5% by reference to the most recent financial year of the Track Record Period, we believe the current disclosure in this Prospectus is adequate for potential investors to form an informed assessment of the Group.

For the avoidance of doubt, the names of the subject of the Post-TRP Investments are not disclosed in this Prospectus because (i) disclosure of the names of the relevant companies in the Prospectus is commercially sensitive and may jeopardize our ability to consummate the proposed investments; (ii) in respect of certain Post-TRP Investments, the Group is under contractual obligations not to disclose our investments in such target companies; and (iii) given the competitive nature of the industry in which we operate, it is commercially sensitive to disclose the identities of the companies we invested or propose to invest in to avoid our competitors anticipating our plans of business growth.

Proposed Investment in Company 44

The Group has proposed to subscribe for convertible securities of Company 44 convertible into a maximum of 40% of equity interest in Company 44 on a fully diluted basis (the "**Proposed Investment**") for a total consideration of JPY1,760 million, which is expected to be settled in cash. The consideration is based on arm's length negotiations between Company 44 and the Company, taking into account the valuation of comparable companies in the market. The Company intends to use its internal resources to satisfy the cash consideration. As at the Latest Practicable Date, no definitive agreement has been entered into between Company 44 and the Company.

Company 44 commenced operations in 2019 and is principally engaged in hardware and software distributorship. We confirm that the Proposed Investment is in line with the Group's business and growth strategy, and is related to the Group's core businesses. Completion of the Proposed Investment is expected to take place after the Listing.

The Directors believe that the terms of the Proposed Investment are fair and reasonable and in the interest of the Shareholders as a whole. Company 44 is an associate of a core connected person of the Company at the Company level.

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Conditions to the waivers granted by the Stock Exchange

We have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 4.04(2) and 4.04(4) of the Listing Rules in respect of the Proposed Investment on the following grounds:

1. Ordinary and usual course of business

The Proposed Investment is essential to the ordinary and usual course of business of our Group as it is one of our principal business strategies to grow and expand by investing in companies with principal businesses related to the Group's core business. The Company believes that the terms of the Proposed Investment are fair and reasonable and in the interests of the Shareholders as a whole.

2. The percentage ratios of the Proposed Investment are all less than 5% by reference to the most recent financial year of the Company's Track Record Period

The applicable percentage ratios for the Proposed Investment are all less than 5% by reference to the most recent financial year of the Company's Track Record Period. To the best of the knowledge of the Company, the Proposed Investment is not subject to aggregation with any of the Post-TRP Investments under Rule 14.22 of the Listing Rules. In addition, unless and until the Company elects to exercise its conversion rights under the convertible securities, the Company will not hold any equity interest in Company 44.

Accordingly, the Company believes that the Proposed Investment is immaterial compared to the scale of the Group's operations as a whole, and is not expected to have any material effect on the financial condition of the Group. As set out in the paragraph headed "—Alternative Disclosure in this Prospectus" below, all information that is reasonably necessary for the potential investors to make an informed assessment of the Group's activities or financial position has been included in the Prospectus. Accordingly, the Company believes that a waiver from compliance with Rules 4.04(2) and 4.04(4)(a) of the Listing Rules would not prejudice the interests of the investors.

3. The historical financial information of Company 44 fulfilling the disclosure requirement under Rule 4.04 of the Listing Rules would be unduly burdensome to prepare

Note 2 to Rule 4.04 of the Listing Rules requires that "the financial information on the business or subsidiary acquired, agreed to be acquired or proposed to be acquired must normally be drawn up in conformity with accounting policies adopted by the new applicant and be disclosed in the form of a note to the accountants' report or in a separate accountants' report."

Company 44 is a private company with limited liability incorporated under the laws of Japan. The historical financial information of Company 44 was prepared in accordance with Japanese

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GAAP, as opposed to IFRS adopted by the Group. In addition, Company 44 adopted a financial year end date of March 31 while the Group adopted a financial year end date of December 31. It would require significant time and resources of the Group and its reporting accountant to familiarize themselves with the management accounting policies of Company 44 and compile the necessary financial information to bring them in conformity with the Group's accounting policies (including accounting standards and financial year-end date) and to comply with Rule 4.04 of the Listing Rules for disclosure in the Prospectus.

In addition, given that the Company does not hold any equity interest prior to the exercise of its conversion rights under the convertible securities, it would be impractical for the Company to request Company 44 to cooperate with the audit work of the Group, even if the Company and its reporting accountants were to expend the time and resources to bring Company 44's financial information in conformity with the Group's accounting policies.

Against the significant additional work and expenses involved, the benefit of disclosure of the financial information of Company 44 may not justify such work, given that: (i) as at the Latest Practicable Date, the Company did not hold any equity interest in Company 44, and in any event, upon full conversion of the convertible securities into a maximum of 40% equity interest in Company 44, the financial results of Company 44 will not be consolidated; and (ii) the percentage ratios of the investment in Company 44 are all less than 5% by reference to the most recent financial year of our Company's Track Record Period. The investment in Company 44 is therefore considered to be immaterial compared to the Group's operations as a whole and the Company does not expect it to have any material effect on the financial condition of the Group.

Accordingly, the Company believes that it is impractical and unduly burdensome for us to disclose the audited financial information of Company 44 as required under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules.

4. Alternative disclosure of the Proposed Investment in the Prospectus

The Company has provided alternative information on the Proposed Investment in the Prospectus. These include the information which would be required for a disclosable transaction under Chapter 14 of the Listing Rules that the Directors consider to be material, including, for example, the reasons for the Proposed Investments (as disclosed above), the descriptions of Company 44's principal business activities, the investment amount and the basis for determining the investment amounts as set out above, and that Company 44 is an associate of a core connected person of the Company at the Company level.

The name of Company 44 is not disclosed in the Prospectus because (i) disclosure of the name of Company 44 in the Prospectus is commercially sensitive and may jeopardize the Company's ability to consummate the Proposed Investment; (ii) the Group is under contractual obligations not to disclose the Proposed Investment; and (iii) given the competitive nature of the industry in which the Company operates, it is commercially sensitive to disclose the identity of Company 44 to avoid competitors anticipating the Company's plans of business growth.

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The Company does not expect to use any proceeds from the Proposed Listing to fund such Post-TRP Investments and the Proposed Investment.

WAIVER AND EXEMPTION IN RELATION TO THE PRE-IPO ESOP OF THE COMPANY

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**”):

- (i) Rule 17.02(1)(b) of the Listing Rules stipulates that all the terms of a scheme must be clearly set out in this Prospectus. Our Company is also required to disclose in this Prospectus full details of all outstanding options and their potential dilution effect on the shareholdings upon listing as well as the impact on the earnings per share arising from the exercise of such outstanding options.
- (ii) Paragraph 27 of Part A of Appendix 1 to the Listing Rules requires our Company to set out in this Prospectus particulars of any capital of any member of our Group that 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 grantee.
- (iii) Paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires our Company to set out in this Prospectus, 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 the 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 and the names and addresses of the persons to whom it was given.

As of the Latest Practicable Date, our Company had granted options under the Pre-IPO ESOP to 1,466 grantees, including six connected persons (three Directors and three directors of subsidiaries of our Company), 1,441 employees and 19 consultants of our Company, to subscribe for an aggregate of 2,783,404,575 Shares, all of which have been issued and are held by SenseTalent, representing 8.36% of the total number of Shares in issue immediately after completion of the Global Offering (assuming (i) the Over-allotment Option is not exercised and (ii) each Ordinary Share held by Amind, XWorld, Infinity Vision and Vision Worldwide is converted into one Class A Share and each Ordinary Share held by Shareholders other than Amind, XWorld, Infinity Vision and Vision Worldwide, and each Preferred Share is converted into one Class B Share immediately upon the completion of the Global Offering) on the terms set out in “Statutory and General Information — D. Share Incentive Schemes — 2. Pre-IPO ESOP” in Appendix IV to this Prospectus.

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Our Company has applied to the Stock Exchange and the SFC respectively for (i) a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of, and paragraph 27 of Appendix 1A to, the Listing Rules and the condition to make available a full list of grantees with all the particulars required under paragraph 10(d) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and Rule 17.02(1)(b) of, and paragraph 27 of Part A of Appendix 1 to, the Listing Rules in relation to the options granted under the Pre-IPO ESOP; and (ii) a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting the Company from strict compliance with the disclosure requirements under paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the options granted under the Pre-IPO ESOP, on the ground that strict compliance with the above requirements would be unduly burdensome for our Company for the following reasons:

- (i) given that 1,466 grantees are involved, strict compliance with the Share Option Disclosure Requirements in setting out full details of all the grantees who held options under the Pre-IPO ESOP in this Prospectus would be costly and unduly burdensome for our Company in light of a significant increase in cost and timing for information compilation and prospectus preparation;
- (ii) the disclosure of the personal details of each grantee, including the number of options granted and addresses, may require obtaining consent from all 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;
- (iii) the grant and exercise in full of the options under the Pre-IPO ESOP will not cause any material adverse impact to the financial position of our Group;
- (iv) there is no potential dilution effect on the shareholding as the Shares underlying the options granted under the Pre-IPO ESOP are already in issue and held by SenseTalent;
- (v) non-compliance with the Share Option Disclosure Requirements would not prevent our Company from providing its potential investors with an informed assessment of the activities, assets, liabilities, financial position, management and prospects of our Company; and
- (vi) material information relating to the options under the Pre-IPO ESOP will be disclosed in this Prospectus, including the total number of Shares subject to the Pre-IPO ESOP, the exercise price per Share and impact on earnings per Share upon full exercise of the options granted under the Pre-IPO ESOP. Our Directors consider that the information that is reasonably necessary for the potential investors to make an informed assessment of our Company in their investment decision making process has been included in this Prospectus.

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In light of the above, our Directors are of the view that the grant of the waiver and exemption sought under this application will not prejudice the interests of the investing public.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Part A of Appendix 1 to the Listing Rules with respect to the options granted under the Pre-IPO ESOP on the condition that:

- (i) on an individual basis, full details of the options granted under the Pre-IPO ESOP to each of our Directors, members of senior management, other connected persons of our Company and grantees who have been granted 70,000,000 Options or more are disclosed in this Prospectus 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;
- (ii) in respect of the options granted under the Pre-IPO ESOP to the remaining grantees (other than those referred to in paragraph (i) above), disclosure will be made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grant, being: (1) 1 to 99,999 Shares; (2) 100,000 to 399,999 Shares; and (3) 400,000 or more Shares. For each lot of Shares, the following disclosures will be made on an aggregated basis: (i) the aggregate number of grantees and number of Shares underlying the options granted under the Pre-IPO ESOP; (ii) the consideration paid for and the dates of grant of the options under the Pre-IPO ESOP; and (iii) the exercise period and exercise price of the options granted under the Pre-IPO ESOP;
- (iii) the aggregate number of Shares underlying the options granted under the Pre-IPO ESOP and the percentage to our Company's total issued share capital represented by such number of Shares as of the Latest Practicable Date will be disclosed in this Prospectus;
- (iv) a summary of the major terms of the Pre-IPO ESOP will be disclosed in "Statutory and General Information — D. Share Incentive Schemes — 2. Pre-IPO ESOP" in Appendix IV to this Prospectus;
- (v) the particulars of the waiver are disclosed in this Prospectus; and
- (vi) 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.

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We have applied for, and the SFC has granted, the certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance with respect to the options granted under the Pre-IPO ESOP on the condition that:

- (i) on an individual basis, full details of the options granted under the Pre-IPO ESOP granted to each of our Directors, members of senior management, other connected persons of our Company and grantees who have been granted 70,000,000 Options or more are disclosed in this Prospectus as required by paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (ii) in respect of the options granted under the Pre-IPO ESOP to the remaining grantees (other than those referred to in paragraph (i) above), disclosure will be made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grant, being: (1) 1 to 99,999 Shares; (2) 100,000 to 399,999 Shares; and (3) 400,000 or more Shares. For each lot of Shares, the following disclosures will be made on an aggregated basis: (i) the aggregate number of grantees and number of Shares underlying the options granted under the Pre-IPO ESOP; (ii) the consideration paid for and the dates of grant of the options under the Pre-IPO ESOP; and (iii) the exercise period and exercise price of the options granted under the Pre-IPO ESOP;
- (iii) the particulars of the exemption are disclosed in this Prospectus; and
- (iv) the prospectus is issued on or before December 7, 2021.

Further details of the Pre-IPO ESOP are set out in “Statutory and General Information — D. Share Incentive Schemes — 2. Pre-IPO ESOP” in Appendix IV to this Prospectus.

WAIVER IN RELATION TO SUBSCRIPTION FOR CLASS B SHARES BY EXISTING SHAREHOLDERS AND/OR THEIR CLOSE ASSOCIATES

Rule 10.04 of the Listing Rules provides that a person who is an existing shareholder of the issuer may only subscribe for or purchase any securities for which listing is sought which are being marketed by or on behalf of a new applicant either in his or its own name or through nominees if the conditions in Rules 10.03(1) and (2) of the Listing Rules are fulfilled.

The conditions in Rules 10.03(1) and (2) are that (i) no securities are offered to the existing shareholders on a preferential basis and no preferential treatment is given to them in the allocation of the securities; and (ii) the minimum prescribed percentage of public shareholders required by Rule 8.08(1) of the Listing Rules is achieved.

Paragraph 5(2) of Appendix 6 to the Listing Rules provides that, without the prior written consent of the Stock Exchange, no allocations will be permitted to directors or existing shareholders

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of the applicant or their close associates, whether in their own names or through nominees unless the conditions set out in Rules 10.03 and 10.04 of the Listing Rules are fulfilled.

Subscription of Class B Shares by Participating Shareholders and/or their close associates

As part of the International Offering, we may allocate Offer Shares at the Offer Price to certain of our existing shareholders (the “**Participating Shareholders**”) and/or their close associates, each of which holds less than 5% of our voting rights as at the date of this Prospectus and before the Listing, as cornerstone investors or placees, in compliance with all applicable requirements under the Listing Rules and guidance letters issued by the Stock Exchange.

We have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 10.04 of the Listing Rules and a written consent under paragraph 5(2) of Appendix 6 to the Listing Rules for the subscription of Class B Shares by the Participating Shareholders and/or their close associates as cornerstone investors or placees, subject to the following conditions:

- (a) each Participating Shareholder is interested in less than 5% of the Company’s voting rights immediately before the Listing;
- (b) each Participating Shareholder is not a core connected person of the Company or its close associate;
- (c) the allocation to the Participating Shareholders or their close associates will not affect the Company’s ability to satisfy the public float requirement under Rule 8.08(1) of the Listing Rules;
- (d) the Participating Shareholders do not have the power to appoint directors of the Company or any other special rights in the Company;
- (e) no preferential treatment has been, nor will be given to the Participating Shareholders or their close associates in the allocation process either as cornerstone investors or placees by virtue of their relationship with the Company, other than, in the case of participation as cornerstone investors, the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in HKEX-GL51-13;
- (f) the Company, the Joint Sponsors and the Joint Bookrunners (if applicable) will provide a written confirmation in accordance with the requirements set out in HKEX-GL85-16 as following:
 - (i) the Joint Sponsors shall confirm that, based on (i) their discussions with the Company and the Joint Bookrunners; and (ii) the confirmations provided to the Stock

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Exchange by the Company and the Joint Bookrunners (confirmation (ii) and/or (iii) mentioned below), and to the best of their knowledge and belief, they have no reason to believe that the Participating Shareholders or their close associates received any preferential treatment in the allocation either as a cornerstone investor or as a placee by virtue of their relationship with the Company other than the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in HKEXGL51-13, and details of the allocation will be disclosed in the Prospectus and/or the allotment results announcement, as the case may be;

(ii) the Company shall confirm that:

(A) in the case of participation as cornerstone investors, no preferential treatment has been, nor will be, given to the Participating Shareholders or their close associates by virtue of their relationship with the Company other than the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in HKEX-GL51-13, that none of the Participating Shareholders or their close associates' cornerstone investment agreement contains any material terms which are more favorable to the Participating Shareholders or their close associates than those in other cornerstone investment agreements; or

(B) in the case of participation as placees, no preferential treatment has been, nor will be, given to the Participating Shareholders or their close associates by virtue of their relationship with the Company in any allocation in the placing tranche; and

(iii) in the case of participation as placees, the Joint Bookrunners shall confirm, to the best of their knowledge and belief, to the Stock Exchange in writing that no preferential treatment has been, nor will be, given to the Participating Shareholders or their close associates by virtue of their relationship with the Company in any allocation in the placing tranche; and

(g) details of the allocation to the Participating Shareholders and their close associates will be disclosed in the Prospectus and/or the allotment results announcement of the Company, as the case may be.

**CONSENT IN RESPECT OF ALLOCATION OF OFFER SHARES TO CONNECTED CLIENT
OF A JOINT BOOKRUNNER**

Paragraph 5(1) of Appendix 6 to the Listing Rules provides that no allocations will be permitted to "connected clients" of the lead broker or any distributors without the prior written consent of the Stock Exchange.

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The Mixed-Ownership Reform Fund (as defined in “Cornerstone Investors”) has agreed to be a cornerstone investor in the Global Offering. For the purpose of the cornerstone investment, the Mixed-Ownership Reform Fund has engaged China Merchants Securities Asset Management Co., Ltd., an asset manager that is a qualified domestic institutional investor as approved by the relevant PRC authority (the “**QDII Manager**”), to subscribe for and hold the relevant Offer Shares on behalf of the Mixed-Ownership Reform Fund. As the QDII Manager and China Merchants Securities (HK) Co., Limited, which is the Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager, are members of a group of companies controlled by Central Huijin, the QDII Manager is a “connected client” of China Merchants Securities (HK) Co., Limited under paragraph 13(7) of Appendix 6 to the Listing Rules.

We have applied to the Stock Exchange for, and the Stock Exchange has granted, a written consent under paragraph 5(1) of Appendix 6 to the Listing Rules to permit the QDII Manager, which is a connected client of China Merchants Securities (HK) Co., Limited, to subscribe for and hold the Offer Shares on behalf of the Mixed-Ownership Reform Fund as a cornerstone investor. For further details, please see “Cornerstone Investors” in this Prospectus.

WAIVER IN RESPECT OF CLAWBACK MECHANISM

We have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with paragraph 4.2 of Practice Note 18 of the Listing Rules such that, provided that the initial allocation of Class B Shares under the Hong Kong Public Offering shall not be less than approximately 10% of the Global Offering, in the event of over-subscription, the Joint Representatives shall apply an alternative clawback mechanism to the provisions under paragraph 4.2 of Practice Note 18 of the Listing Rules, following the closing of the application lists. See “Structure of the Global Offering — The Hong Kong Public Offering — Reallocation.”