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

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong. This normally means that at least two of its executive directors must be ordinarily resident in Hong Kong.

We do not have sufficient management presence in Hong Kong for the purposes of satisfying the requirements under Rule 8.12 of the Listing Rules. The Group's management, business operations and assets are primarily based outside Hong Kong. The headquarters and its business operations are based, managed and conducted in the PRC. Currently, the sole executive Director of the Company ordinarily resides in the PRC. The senior management team is based in the PRC and they manage the Group's business operations from the PRC. As our executive Director and the senior management team play very important roles in the Company's business operations, the Company considers that it is in the best interests of the Company for the executive Director and the senior management team to be based in the places where the Group has significant operations. As such, the Company does not, and will not for the foreseeable future, have a sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 of the Listing Rules. Accordingly, the Joint Sponsors have applied on behalf of our Company to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules. We will ensure that there is an effective channel of communication between us and the Stock Exchange by way of the following arrangements:

- (a) pursuant to Rule 3.05 of the Listing Rules, we have appointed and will continue to maintain two authorized representatives, namely Dr. Li, our executive Director and Ms. Suet Wing Leung, our company secretary, to be the principal communication channel at all times between the Stock Exchange and the Company. Each of our authorized representatives will be readily contactable by the Stock Exchange based on information provided to the Stock Exchange for the contact details of the authorized representatives. Both of our authorized representatives are authorized to communicate on our behalf with the Stock Exchange and shall be authorized to accept service of process and notices on behalf of our Company in Hong Kong under the Companies Ordinance;

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- (b) we will implement a policy to provide the latest contact details of each Director (such as mobile phone numbers and email addresses) to each of the authorized representatives and to the Stock Exchange. This will ensure that each of the authorized representatives and the Stock Exchange will have the means to contact all the Directors (including the independent non-executive Directors) promptly as and when required to address any urgent matters, including means to communicate with the Directors when they are travelling;
- (c) we will ensure that all Directors who are not ordinarily resident in Hong Kong have valid travel documents to visit Hong Kong and will be able to come to Hong Kong to meet with the Stock Exchange within a reasonable period of time when required;
- (d) we have retained the services of the Compliance Advisor, in accordance with Rule 3A.19 of the Listing Rules. The Compliance Advisor, among other things, will serve as an additional channel of communication in addition to the authorized representatives of our Company. The Compliance Advisor will provide our Company with professional advice on ongoing compliance with the Listing Rules and will be available to respond to enquiries from the Stock Exchange. We will ensure that the Compliance Advisor has prompt access to our Company's authorized representatives and Directors who will provide to the Compliance Advisor such information and assistance as the Compliance Advisor may need or may reasonably request in connection with the performance of the Compliance Advisor's duties. The Compliance Advisor will also provide advice in compliance with Rule 3A.23 of the Listing Rules; and
- (e) meetings between the Stock Exchange and the Directors could be arranged through the authorized representatives or the Compliance Advisor, or directly with the Directors within a reasonable time frame. Our Company 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.

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EXEMPTION IN RESPECT OF FINANCIAL INFORMATION IN THIS PROSPECTUS

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

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

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

Section 342A(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance provides that the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from the compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interests of the investing public and compliance with any or all of such requirements would be irrelevant or unduly burdensome, or would otherwise be unnecessary or inappropriate.

We are a leading clinical and pre-clinical stage cell therapy company in China. The Company is a biotech company as defined under Chapter 18A of the Listing Rules and is seeking the Listing under Chapter 18A of the Listing Rules. Rule 18A.03(3) of the Listing Rules requires that a biotech company must have been in operation in its current line of business for at least two financial years prior to listing under substantially the same management. Rule 18A.06 of the Listing Rules further requires that a biotech company must comply with Rule 4.04 of the Listing Rules, modified so that references to “three financial years” or “three years” in Rule 4.04 of the Listing Rules shall instead reference to “two financial years” or “two years”, as the case may be.

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Further, pursuant to Rule 8.06 of the Listing Rules, the latest financial period reported on by the reporting accountants for a new applicant must not have ended more than six months before the date of the listing document.

In compliance with the above-mentioned requirements under the Listing Rules, the Accountants' Report of the Company set out in Appendix I to this prospectus is currently prepared to cover the two financial years ended December 31, 2018 and 2019 and the six months ended June 30, 2020.

As such, the Joint Sponsors have applied on behalf of our Company to the SFC for a certificate of exemption from strict compliance with section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the requirements of paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance regarding the inclusion of the Accountants' Report covering the full three financial years immediately preceding the issue of this prospectus on the following grounds:

- (a) we are a leading clinical and pre-clinical stage cell therapy company in China focused on the development of cell therapies for the treatment of cancer. The Company is a Biotech Company as defined under Chapter 18A of the Listing Rules. Our Company will fulfill the additional conditions for Listing applicable to a company seeking the Listing under Chapter 18A of the Listing Rules;
- (b) as at the Latest Practicable Date, we had not commercialized any products and therefore did not generate any revenue from product sales. Major financing activities conducted by us since our incorporation include our Pre-IPO Investments, the details of which have been fully disclosed in the section headed "History, Development and Corporate Structure" in this prospectus;
- (c) the Accountants' Report for each of the two financial years ended December 31, 2018 and 2019 and the six months ended June 30, 2020 has been prepared and is set out in Appendix I to this prospectus in accordance with Rule 18A.06 of the Listing Rules;

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- (d) notwithstanding that the financial results set out in this prospectus are only for the two financial years ended December 31, 2018 and 2019 and the six months ended June 30, 2020 in accordance with Chapter 18A of the Listing Rules, other information required to be disclosed under the Listing Rules and requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance has been adequately disclosed in this prospectus pursuant to the relevant requirements. Therefore, strict compliance with section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the requirements of paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance would be unduly burdensome as this would require additional work to be performed by our Company and the Company's reporting accountants; and

- (e) the Accountants' Report covering the two financial years ended December 31, 2018 and 2019 and the six months ended June 30, 2020 as set out in Appendix I to this prospectus, together with other disclosure in this prospectus, has already provided adequate and reasonable up-to-date information in the circumstances for the potential investors to make an informed assessment of the business, assets and liabilities, financial position, management and prospects and to form a view on the track record of our Company. Therefore, the exemption would not prejudice the interest of the investing public.

The SFC has granted a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance exempting our Company from strict compliance with section 342(1)(b) in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that particulars of the exemption are set out in this prospectus, and this prospectus will be issued on or before October 22, 2020.

WAIVER AND EXEMPTION IN RELATION TO THE PRE-IPO INCENTIVIZATION SCHEME

Under Rule 17.02(1)(b) of, and paragraph 27 of Appendix 1A to, the Listing Rules, and the paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, this prospectus 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 and the names and addresses of the persons to whom it was given (the "**Share Incentive**

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Disclosure Requirements”). According to the Guidance Letter HKEX-GL11-09 (July 2009) (Updated in March 2014), the Stock Exchange would normally grant waivers from disclosing the names and addresses of certain grantees if the issuer could demonstrate that such disclosures would be irrelevant and unduly burdensome, subject to certain conditions specified therein.

As of the Latest Practicable Date, our Company had granted options under the Pre-IPO Incentivization Scheme to 126 grantees, including three members of the senior management and 123 other employees and consultants of our Group (who were granted options to subscribe for 3,853,580 Shares and 5,458,320 Shares, respectively), to subscribe for an aggregate of 9,311,900 Shares, representing approximately 2.48% of the total number of Shares in issue immediately after completion of the Global Offering (assuming the Over-allotment Option is not exercised, no additional Shares are issued pursuant to the Share Incentivization Schemes and no Syracuse Holdback Shares and Juno Settlement Shares are issued). No option is granted to any of our Directors. For further details on the terms, please see the section headed “Appendix V — Statutory and General Information — D. Share Incentivization Schemes — 1. Pre-IPO Incentivization Scheme” to this prospectus.

Subject to any alterations set out under the Pre-IPO Incentivization Scheme in the event of any capitalization issue, rights issue, open offer, sub-division, consolidation of shares, or reduction of capital of our Company that may take place after the Listing, the total number of shares subject to the options and RSUs granted under the Pre-IPO Incentivization Scheme and Restricted Share Unit Scheme shall in aggregate be no more than 36,031,500 Shares (being a shared common pool), representing approximately 9.58% of the issued share capital of our Company immediately upon completion of the Global Offering (excluding any Share which may fall to be allotted and issued upon the exercise of the Over-allotment Option or under the Pre-IPO Incentivization Scheme and Restricted Share Unit Scheme, and assuming Syracuse Holdback Shares and Juno Settlement Shares are not issued). As such, taking into account the Shares to be allotted and issued under the Pre-IPO Incentivization Scheme and Restricted Share Unit Scheme, the shareholding of our Shareholders immediately following completion of the Global Offering (assuming the Over-allotment Option is not exercised and without taking into account any additional Shares which may be issued under the Share Incentivization Schemes, the Syracuse Holdback Shares and Juno Settlement Shares) will be diluted by 32,736,840 Shares, being approximately 8.01%. The consequent impact on the earnings per ordinary Share for the years ended December 31, 2018 and 2019 and six months ended June 30, 2020 is nil, nil and nil, respectively, being the incremental impact to diluted earnings per share, since the options would not be included in the calculation of diluted earnings per share due to anti-dilution.

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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 (ii) a certificate of exemption under section 342A(1) 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, on the ground that strict compliance with the above requirements would be unduly burdensome for our Company for the following reasons:

- (a) material information relating to the options under the Pre-IPO Incentivization Scheme will be disclosed in this prospectus, including the total number of Shares subject to the Pre-IPO Incentivization Scheme and the exercise price per Share (if applicable);
- (b) given that 126 option grantees are involved, strict compliance with such disclosure requirements in setting out full details of all the option grantees under the Pre-IPO Incentivization Scheme in this Prospectus would be costly and unduly burdensome for the Company in light of a significant increase in cost and timing for information compilation, prospectus preparation and printing;
- (c) as of the Latest Practicable Date, among all the option grantees, there are three members of the senior management and the remaining 123 option grantees are only employees and consultants of our Group who are Independent Third Parties, and strict compliance with the Share Incentive Disclosure Requirements to disclose names, addresses, and entitlements on an individual basis in this prospectus will therefore require substantial number of pages of additional disclosure that does not provide any meaningful information to the investing public;
- (d) the grant and exercise in full of the options under the Pre-IPO Incentivization Scheme will not cause any material adverse impact to the financial position of our Company; and
- (e) the lack of full compliance with the above disclosure requirements would not prevent the potential investors from making an informed assessment of the activities, assets, liabilities, financial position, management and prospects of the Company.

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The Directors consider that the information available as of the Latest Practicable Date that is reasonably necessary for potential investors to make an informed assessment of the Company in their investment decision making process has been included in this prospectus. 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.

The Stock Exchange has agreed to grant to our Company a waiver under the Listing Rules on the conditions that:

- (a) full details of the options granted under the Pre-IPO Incentivization Scheme to the senior management and consultant with over 200,000 outstanding Shares of the Company will be disclosed in the section headed “Appendix V — Statutory and General Information — D. Share Incentivization Scheme — 1. Pre-IPO Incentivization Scheme” to 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;
- (b) with respect to the options granted by the Company under the Pre-IPO Incentivization Scheme to the remaining option grantees (being the other option grantees who are not Director, the senior management or consultant with over 200,000 outstanding Shares of the Company), disclosure will be made, on an aggregate basis, of (i) the aggregate number of such option grantees and the number of Shares underlying the options under the Pre-IPO Incentivization Scheme, (ii) any consideration paid for the grant of the options under the Pre-IPO Incentivization Scheme and (iii) the exercise period and the exercise price for the options granted under the Pre-IPO Incentivization Scheme;
- (c) there will be disclosure in this prospectus for the aggregate number of Shares underlying the Pre-IPO Incentivization Scheme and the percentage of our Company’s total issued share capital represented by such number of Shares as of the Latest Practicable Date;
- (d) the dilutive effect and impact on earnings per Share upon full exercise of the options under the Pre-IPO Incentivization Scheme shall be disclosed in this prospectus;
- (e) a summary of the major terms of the Pre-IPO Incentivization Scheme will be disclosed in the section headed “Appendix V — Statutory and General Information — D. Share Incentivization Scheme — 1. Pre-IPO Incentivization Scheme” to this prospectus;

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- (f) a list of all the option grantees (including those persons whose details have already been disclosed in this prospectus) who have been granted the options under the Pre-IPO Incentivization Scheme, containing all the particulars as required under the Share Incentive Disclosure Requirements, will be made available for public inspection in the section headed “Appendix VI — Documents Delivered to the Registrar of Companies and Available for Inspection — 2. Documents Available for Inspection” to this prospectus;
- (g) the grant of certificate of exemption under the Companies (Winding Up and Miscellaneous Provisions) Ordinance from the SFC exempting the 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) the particulars of the waiver will be disclosed in this prospectus.

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 on condition that:

- (a) a list of all the option grantees (including those persons whose details have already been disclosed in this prospectus) who have been granted the options under the Pre-IPO Incentivization Scheme, containing all the particulars as required in paragraph 10(d) of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, will be made available for public inspection, as described in the section headed “Appendix VI — Documents Delivered to the Registrar of Companies and Available for Inspection — 2. Documents Available for Inspection” to this prospectus;
- (b) the particulars of the exemption will be disclosed in this prospectus, and this prospectus will be issued on or before October 22, 2020;
- (c) on an individual basis, full details of the options granted under the Pre-IPO Incentivization Scheme relating to (i) three senior management including Mr. Xin Fu, Dr. Su Yang and Mr. Qiong Wu and (ii) one consultant with over 200,000 outstanding Shares i.e. Dr. Patrick Y. Yang will be disclosed in the section headed “Appendix V — Statutory and General Information — D. Share Incentivization Scheme — 1. Pre-IPO Incentivization Scheme” to this prospectus; and

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- (d) with respect to the options granted by the Company under the Pre-IPO Incentivization Scheme to the remaining option grantees (being the other option grantees who are not Director, the senior management or consultant with over 200,000 outstanding Shares of the Company), disclosure will be made, on an aggregate basis, of (i) the aggregate number of such option grantees and the number of Shares underlying the options under the Pre-IPO Incentivization Scheme, (ii) any consideration paid for the grant of the options under the Pre-IPO Incentivization Scheme and (iii) the exercise period and the exercise price for the options granted under the Pre-IPO Incentivization Scheme.

For further details of the Pre-IPO Incentivization Scheme, please see the section headed “Appendix V — Statutory and General Information — D. Share Incentivization Scheme — 1. Pre-IPO Incentivization Scheme” to this prospectus.

CONTINUING CONNECTED TRANSACTIONS

We have entered into certain transactions which would potentially constitute continuing connected transactions for our Company under the Listing Rules following completion of the Global Offering. We have applied to the Stock Exchange for, and the Stock Exchange has granted us, waivers from strict compliance with certain requirements set out in Chapter 14A of the Listing Rules for certain continuing connected transactions. For further details of such potential non-exempt continuing connected transactions and the waivers, please see the section headed “Connected Transactions — Non-exempt Continuing Connected Transactions” in this prospectus.

WAIVER FROM PRINTED PROSPECTUSES

Pursuant to Rules 12.04(3), 12.07 and 12.11 of the Listing Rules, we are required to make available copies of the Prospectus in printed form.

The waiver from the requirements to make available printed copies of the Prospectus is in line with recent amendments to the Hong Kong Listing Rules relating to environmental, social and governance (“ESG”) matters. As the Hong Kong Stock Exchange noted on page 1 of its Consultation Conclusions on Review of the Environmental, Social and Governance Reporting Guide and Related Listing Rules dated December 2019, such amendments relating to ESG matters “*echo the increasing international focus on climate change and its impact on business*”. Electronic, in lieu of printed, prospectuses and application forms will help mitigate the environmental impact of printing, including the exploitation of precious natural resources such as trees and water, the handling and disposal of hazardous materials, air pollution, among others.

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We also note that in light of the uncertain situation of the ongoing COVID-19 pandemic, an electronic application process with a paperless prospectus will reduce the need for prospective investors to gather in public, including branches of the receiving bank and other designated points of collection, in connection with the Hong Kong Public Offering.

Accordingly, we have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rule 12.04(3), Rule 12.07 and Rule 12.11 of the Hong Kong Listing Rules in respect of the availability of copies of the prospectus in printed form.

We have adopted a fully electronic application process for the Hong Kong Public Offering and we will not provide printed copies of this prospectus or printed copies of any application forms to the public in relation to the Hong Kong Public Offering.

Our Hong Kong Share Registrar has implemented enhanced measures to support **White Form eIPO** service, including increasing its server capacity and making available a telephone hotline to answer investors' queries in connection with the fully electronic application process. For details of the telephone hotline and the application process, please see "How to Apply for the Hong Kong Offer Shares."

We will adopt additional communication measures to inform potential investors that they can only subscribe for the Hong Kong Offer Shares electronically, including: (i) publishing a formal notice of the Global Offering on the websites of the Stock Exchange and our Company and in selected English and Chinese local newspapers describing the fully electronic application process including the available channels for share subscription; (ii) advertising through the **White Form eIPO** Service Provider the electronic methods for subscription of the Hong Kong Offer Shares; (iii) the enhanced support provided by our Hong Kong Share Registrar and **White Form eIPO** Service Provider in relation to the Hong Kong Public Offering; and (iv) issuing a press release to remind investors that no printed prospectuses or application forms will be provided.

CORNERSTONE SUBSCRIPTION BY EXISTING SHAREHOLDERS AND/OR THEIR CLOSE ASSOCIATES DURING A LISTING APPLICATION PROCESS

Rule 10.04 of the Listing Rules provides that a person who is an existing shareholder of the applicant may only subscribe for or purchase securities for which listing is sought if no securities will be offered to them on a preferential basis and no preferential treatment will be given to them in the allocation of securities.

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Paragraph 5(2) of Appendix 6 to the Listing Rules provides, inter alia, that without the prior written consent of the Stock Exchange, no allocations will be permitted to directors or existing shareholders of the applicant or their close associates, whether in their own names or through nominees, unless any actual or perceived preferential treatment arising from their ability to influence the applicant during the allocation process can be addressed.

Guidance Letter HKEx-GL92-18 (Suitability for Listing of Biotech Companies) and paragraph 4.27 of Guidance Letter HKEx-GL85-16 (Placing to connected clients, and existing shareholders or their close associates, under the Rules), read together, provide that the Stock Exchange permits existing shareholders or their close associates to participate in the IPO of a Biotech Company provided that the issuer complies with Rules 8.08(1) and 18A.07 of the Listing Rules in relation to shares held by the public.

Our Company has applied for a waiver from strict compliance with the requirements under Rule 10.04 of, and a consent under paragraph 5(2) of Appendix 6 to, the Listing Rules, to allow (i) AVICT Global Holdings Limited (an existing Shareholder of our Company), (ii) LVC Mi Holding Limited (a close associate of Loyal Valley Capital Advantage Fund LP and Golden Valley Global Limited, each an existing Shareholder of our Company), and (iii) Aranda Investments Pte. Ltd. (a close associate of TLS Beta Pte. Ltd., an existing Shareholder of our Company) (collectively, the “**Participating Shareholders**”) to subscribe for Shares in the Global Offering ((i)-(iii) above subscribing as cornerstone investors).

The Stock Exchange has granted the requested waiver and consent subject to the conditions that:

- (a) the Company will comply with the public float requirements of Rules 8.08(1) and 18A.07 of the Listing Rules; and
- (b) there will be no preferential treatment given to such Participating Shareholders, other than the preferential treatment of assured entitlement under the cornerstone investment (in respect of Participating Shareholders subscribing as cornerstone investors) which follows the principles set out in the Guidance Letter HKEX-GL51-13, and the terms will be substantially the same as other cornerstone investors.