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## WAIVERS AND EXEMPTIONS

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In preparation for the Listing, we have sought the following waivers from strict compliance with the Listing Rules and exemptions from 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 a sufficient management presence in Hong Kong. This will normally mean 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 Rule 8.12 of the Listing Rules.

Our Group's management headquarters, senior management, business operations and assets are primarily based outside Hong Kong, in the mainland China. The Directors consider that the appointment of executive Directors who will be ordinarily resident in Hong Kong would not be beneficial to, or appropriate for, our Group and therefore would not be in the best interests of our Company or the Shareholders as a whole.

Accordingly, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with 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 who shall act at all times as the principal channel of communication with the Stock Exchange. Each of our authorized representatives will be readily contactable by the Stock Exchange by telephone, facsimile and/or e-mail to deal promptly with enquiries from the Stock Exchange. Both of our authorized representatives are authorized to communicate on our behalf with the Stock Exchange. At present, our two authorized representatives are Mr. Saiyin Zhang, our executive Director, chief financial officer and executive vice president, and Ms. Hoi Ting Wong (“**Ms. Wong**”), our joint company secretary;
- (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 to 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) we will ensure that each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period;

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- (d) pursuant to Rule 3A.19 of the Listing Rules, we have retained the services of Haitong International Capital Limited as compliance adviser (the “**Compliance Adviser**”), who will act as an additional channel of communication with the Stock Exchange. The Compliance Adviser will provide us with professional advice on ongoing compliance with the Listing Rules. We will ensure that the Compliance Adviser has prompt access to our authorized representatives and Directors. In turn, they will provide the Compliance Adviser with such information and assistance as the Compliance Adviser may need or may reasonably request in connection with the performance of the Compliance Adviser’s duties. The Compliance Adviser 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 Adviser, 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 Adviser in accordance with the Listing Rules.

### JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary must be an individual who, by virtue of their 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).

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 they played;
- (b) familiarity with the Listing Rules and other relevant law and regulations including the Securities and Futures Ordinance, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code;

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- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (d) professional qualifications in other jurisdictions.

Our Company appointed Ms. Wong of TMF Hong Kong Limited and Mr. Jingjing Zhang (“**Mr. Zhang**”), our director of capital markets, as joint company secretaries. See the section headed “Directors and Senior Management – Company Secretaries” for their biographies.

Ms. Wong is an associate of both The Hong Kong Chartered Governance Institute (formerly “The Hong Kong Institute of Chartered Secretaries”) and The Chartered Governance Institute (formerly “The Institute of Chartered Secretaries and Administrators”) in the United Kingdom, and therefore meets the qualification requirements under Note 1 to Rule 3.28 of the Listing Rules and is in compliance with Rule 8.17 of the Listing Rules.

Our Company’s principal business activities are outside Hong Kong. Our Company believes that it would be in the best interests of our Company and the corporate governance of our Group to have as its joint company secretary a person such as Mr. Zhang, who is an employee of our Company and who has day-to-day knowledge of our Company’s affairs. Mr. Zhang has the necessary nexus to the Board and close working relationship with management of our Company in order to perform the function of a joint company secretary and to take the necessary actions in the most effective and efficient manner.

Accordingly, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 3.28 and 8.17 of the Listing Rules for a three year period from the Listing Date, in accordance with HKEX-GL108-20, on the conditions that: (i) Ms. Wong is appointed as a joint company secretary to assist Mr. Zhang in discharging his functions as a company secretary and in gaining the relevant experience under Rule 3.28 of the Listing Rules; the waiver will be revoked immediately if Ms. Wong, during the three-year period, ceases to provide assistance to Mr. Zhang as the joint company secretary; and (ii) the waiver can be revoked if there are material breaches of the Listing Rules by our Company. In addition, Mr. Zhang will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance his knowledge of the Listing Rules during the three-year period from the Listing Date. Our Company will further ensure that Mr. Zhang has access to the relevant training and support that would enhance his understanding of the Listing Rules and the duties of a company secretary of an issuer listed on the Stock Exchange. Before the end of the three-year period, the qualifications and experience of Mr. Zhang and the need for on-going assistance of Ms. Wong will be further evaluated by our Company. We will liaise with the Stock Exchange to enable it to assess whether Mr. Zhang, having benefited from the assistance of Ms. Wong for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

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### DEALINGS IN SHARES PRIOR TO LISTING

According to Rule 9.09(b) of the Listing Rules, there must be no dealing in the securities of a new applicant for which listing is sought by any core connected person of the issuer from four clear business days before the expected hearing date until listing is granted (the “**Relevant Period**”).

Our Company had over 100 subsidiaries as of February 28, 2022, and its ADSs are widely held, publicly traded and listed on the NYSE. Our Company considers that it is therefore not in a position to control the investment decisions of its shareholders or the investing public in the United States.

Solely based on public filings with the SEC as of the Latest Practicable Date, other than Mr. Ye (our Company’s Controlling Shareholder and an executive Director) and Ms. Yang (our Company’s vice president and spouse of Mr. Ye who makes joint decisions with Mr. Ye on the exercise of the voting power of the shares owned by them through their holding vehicles, and who is also a Controlling Shareholder of our Company), and the intermediary companies through which Mr. Ye and Ms. Yang have an interest in the Company, there were no Shareholders who controlled more than 10% of the voting rights of our Company.

For a company whose securities are listed and traded in the U.S., our Company notes that it is a common practice for substantial shareholders and corporate insiders, including directors, executives and other members of management, to set up trading plans that meet the requirements of Rule 10b5-1 under the U.S. Exchange Act (the “**Rule 10b5-1 Plan(s)**”) to buy or sell the company’s securities. A Rule 10b5-1 Plan must be in writing and meet certain conditions set forth in Rule 10b5-1 in order to be valid, and such conditions include, among other things, that the plan must (a) be entered into at a time when the person trading the securities is not aware of any material non-public information; (b) specify the amount of securities to be purchased or sold and the price at which and the date on which the securities were to be purchased or sold; and (c) not allow the person trading the securities to exercise any subsequent influence over how, when, or whether to effect purchases or sales. Persons who trade securities pursuant to a validly established Rule 10b5-1 Plan have an affirmative defense against insider trading allegations under U.S. securities law.

On the basis of the above, our Company considers that the following categories of persons (collectively, the “**Permitted Persons**”) should not be subject to the dealing restrictions set out in Rule 9.09(b) of the Listing Rules:

- (a) Mr. Ye and Ms. Yang, in respect of use of their Shares as security (including, for the avoidance of doubt, using Shares as security in connection with entering into financing transactions during the Relevant Period as well as satisfying any requirements to top-up security under the terms of financing transactions entered into prior to the Relevant Period), provided that there will be no change in the beneficial ownership of the Shares at the time of entering into any such transactions during the Relevant Period. (“**Category 1**”);

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- (b) our Directors other than Mr. Ye and Ms. Yang, and the directors and chief executives of our Company's significant subsidiaries (that is, subsidiaries that are not "insignificant subsidiaries" as defined under the Listing Rules, "**Significant Subsidiaries**"), in respect of (i) their respective use of the Shares as security (including, for the avoidance of doubt, using their respective shares as security in connection with entering into financing transactions during the Relevant Period as well as satisfying any requirements to top-up security under the terms of financing transactions entered into prior to the Relevant Period), provided that there will be no change in the beneficial ownership of the Shares at the time of entering into any such transactions during the Relevant Period and (ii) their respective dealings pursuant to Rule 10b5-1 Plans that have been set up prior to the Relevant Period ("**Category 2**");
- (c) directors, chief executives and substantial shareholders of our Company's insignificant subsidiaries (as defined under the Listing Rules) and their close associates ("**Category 3**"); and
- (d) any other person (whether or not an existing Shareholder) who may, as a result of dealings, become our Company's substantial shareholder and who is not its director or chief executive, or a director or chief executive of our Company's subsidiaries, or their close associates ("**Category 4**").

For the avoidance of doubt:

- (a) as the foreclosure, enforcement or exercise of other rights by the lenders in respect of a security interest over the Shares (including, for the avoidance of doubt, any security interest created pursuant to any top-up of security) will be subject to the terms of the financing transaction underlying such security and not within the control of the pledgor, any change in the beneficial owner of the Shares during the Relevant Period resulting from the foreclosure, enforcement or exercise of other rights by the lenders in respect of such security interest will not be subject to Rule 9.09(b) of the Listing Rules; and
- (b) persons in Category 1 and Category 2 who (i) use their respective Shares other than as described in this section headed "Dealings in Shares prior to Listing" and/or (ii) who are not dealing in our Company's securities according to Rule 10b5-1 Plans set up before the Relevant Period are subject to the restrictions under Rule 9.09(b) of the Listing Rules.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 9.09(b) of the Listing Rules on the following conditions:

- (a) where Categories 1 and 2 of the Permitted Persons use the Shares as security, there will be no change in the beneficial ownership of the Shares during the Relevant Period;

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- (b) Category 2 of the Permitted Persons who entered into Rule 10b5-1 Plans have no discretion over dealings in our Company's ADSs after the plans have been entered into;
- (c) Categories 3 and 4 of the Permitted Persons do not have any influence over the Global Offering and do not possess any non-public inside information of our Company given that such persons are not in a position with access to information that is considered material to our Company taken as a whole. Given the large number of our Company's subsidiaries and its vast ADS holder base, our Company and our management do not have effective control over the investment decisions of Categories 3 and 4 of the Permitted Persons in the ADSs;
- (d) our Company will promptly release any inside information to the public in the United States and Hong Kong in accordance with the relevant laws and regulations of the U.S. and Hong Kong. Accordingly, the Permitted Persons (other than Category 1 and Category 2 persons) are not in possession of any non-public inside information of which our Company is aware and will not have any influence over the Global Offering;
- (e) our Company will notify the Stock Exchange of any breaches of the dealing restrictions by any of its core connected persons during the Relevant Period when we become aware of the same other than dealings by the core connected persons who are Permitted Persons within the permitted scopes set out above; and
- (f) prior to the Listing Date, other than within the permitted scopes set out above, our Directors and chief executive and the directors and chief executives of our Significant Subsidiaries and their close associates will not deal in the Shares or the ADSs during the Relevant Period provided that such prohibited dealing in the Shares shall not include the granting, vesting, payment or exercise (as applicable) of incentive and non-statutory options, restricted shares, dividend equivalents, and share payments under our Group's share incentive plans.

We believe that the circumstances relating to this waiver align with those set out in the Stock Exchange's Guidance Letter HKEX-GL42-12 and the Note to Rule 9.09 of the Listing Rules and the grant of this waiver will not prejudice the interests of potential investors.

### **SUBSCRIPTION FOR SHARES BY EXISTING SHAREHOLDERS**

Rule 2.03(2) of the Listing Rules provides that the issue and marketing of securities should be conducted in a fair and orderly manner.

Rule 10.04 of the Listing Rules requires that existing shareholders may only subscribe for or purchase any securities for which listing is sought that 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 Rule 10.03 of the Listing Rules are fulfilled. Paragraph 5(2) of Appendix 6 to the Listing Rules

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states that, without the prior written consent of the Stock Exchange, no allocations will be permitted to be made to directors, existing shareholders of a listing applicant or their close associates, unless the conditions set out in Rules 10.03 and 10.04 are fulfilled.

The conditions in Rules 10.03(1) and (2) of the Listing Rules are as follows:

- (a) that no securities are offered to the purchasers on a preferential basis and no preferential treatment is given to them in the allocation of the securities; and
- (b) that the minimum prescribed percentage of public shareholders required by Rule 8.08(1) of the Listing Rules is achieved.

The Stock Exchange's Guidance Letter HKEX-GL85-16 provides that the Stock Exchange will consider granting a waiver from Rule 10.04 and consent pursuant to paragraph 5(2) of Appendix 6 to the Listing Rules allowing an applicant's existing shareholders or their close associates to participate in an initial public offering if any actual or perceived preferential treatment arising from their ability to influence the applicant during the allocation process can be addressed.

Our Company has been listed on the NYSE since October 2020 and has a wide and diverse shareholder base. There is a robust level of trade in our Company's securities, with significant daily trading volume resulting in daily changes to its existing shareholders. Our Company is not in a position to prevent any person or entity from acquiring its listed securities prior to the allocation of shares in connection with the Global Offering. It would therefore be unduly burdensome for our Company to seek the prior consent of the Stock Exchange for each of its existing shareholders or their close associates who subscribe for Offer Shares in the Global Offering.

We confirm that any person (whether or not an existing Shareholder) who may, as a result of dealings, become the Shareholder and who is not a director or chief executive of our Company or its subsidiaries, or any of their close associates (the "**Permitted Existing Shareholders**"), has no influence over the Global Offering and is not in possession of any non-public inside information and are effectively in the same position as any other public investors of our Company.

Solely based on public filings with the SEC available as of December 31, 2021, our Company had no shareholder who was not a director and who controlled 5% or more of our Company's voting rights. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 10.04 and Paragraph 5(2) of Appendix 6 to the Listing Rules in respect of the restriction on each Permitted Existing Shareholder, subject to the following conditions:

- (a) each Permitted Existing Shareholder is interested in less than 5% of our Company's voting rights immediately before the Listing;

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- (b) each Permitted Existing Shareholder is neither a director nor member of the senior management of our Company or its subsidiaries or any of their close associates;
- (c) the Permitted Existing Shareholders do not have the power to appoint directors of, or any other special rights in, our Company;
- (d) the Permitted Existing Shareholders do not have influence over the offering process and will be treated the same as other applicants and placees in the Global Offering;
- (e) the Permitted Existing Shareholders will be subject to the same book-building and allocation process as other investors in the Global Offering;
- (f) no preferential treatment will be given to the Permitted Existing Shareholders in the allocation process by virtue of their relationship with our Company. Each of our Company, the Joint Bookrunners and the Joint Sponsors (based on its discussions with our Company, the Joint Bookrunners and the Joint Sponsors and the confirmations required to be submitted to the Stock Exchange by our Company, the Joint Bookrunners and the Joint Sponsors), will or have confirmed to the Stock Exchange in writing that, to the best of its knowledge and belief, that no preferential treatment has been, nor will be, given to the Permitted Existing Shareholders as a placee in the International Offering by virtue of their relationship with our Company; and
- (g) the minimum prescribed percentage of public shareholders required by Rule 8.08(1) of the Listing Rules is achieved.

We expect to satisfy all the conditions set out in paragraph 4.20 of Guidance Letter HKEX-GL85-16 so that no actual or perceived preference will be given to the Permitted Existing Shareholders due to their existing shareholdings in our Company.

Allocation to the Permitted Existing Shareholders will not be disclosed in our Company's allotment results announcement (other than to the extent that such Permitted Existing Shareholders subscribe for shares as cornerstone investors) unless such Permitted Existing Shareholders are interested in 5% or more of the issued share capital of our Company after the Global Offering as disclosed in any public filings with the SEC, as it would be unduly burdensome for our Company to disclose such information given that there is no requirement to disclose interests in equity securities under the U.S. Exchange Act unless the beneficial ownership of such person (including directors and officers of the company concerned) reaches more than 5% of equity securities registered under Section 12 of the U.S. Exchange Act.



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### WAIVER AND EXEMPTION IN RELATION TO THE 2020 SHARE INCENTIVE PLAN

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) Rule 17.02(1)(b) of the Listing Rules stipulates that all the terms of a scheme must be clearly set out in this document. Our Company is also required to disclose in this document 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;
- (b) Paragraph 27 of Appendix 1A to the Listing Rules requires our Company to set out in this document 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; and
- (c) Under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the number, description and amount of any shares in or debentures of the company which any person has, or is entitled to be given, an option to subscribe for, together with the particulars of the option, that is to say, (a) the period during which it is exercisable; (b) the price to be paid for shares or debentures subscribed for under it; (c) the consideration (if any) given or to be given for it or for the right to it; and (d) the names and addresses of the persons to whom it or the right to it was given or, if given to existing shareholders or debenture holders as such, the relevant shares or debentures must be specified in the prospectus.

As of the Latest Practicable Date, our Company had granted outstanding options under the 2020 Share Incentive Plan to 239 grantees (including Directors and senior management of our Company and other employees of our Group) to subscribe for an aggregate of 11,449,336 Shares. As of the Latest Practicable Date, among the outstanding options, 58,436 were held by two Directors, 280,000 were held by three consultants and 11,110,900 were held by 234 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 0.90% of the total number of issued and outstanding Shares immediately after completion of the Global Offering (assuming the Over-allotment Option is not exercised and no further Shares are issued under 2020 Share Incentive Plan). No further options will be granted pursuant to the 2020 Share Incentive Plan between the Latest Practicable Date and the Listing. For further details of our 2020 Share Incentive Plan, see the section headed “Statutory and General Information – D. 2020 Share Incentive Plan” in Appendix V to this document.

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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 pursuant to section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in connection with the disclosure of certain details relating to the options and certain grantees in this document on the ground that the waiver and the exemption will not prejudice the interest of the investing public and strict compliance with the above requirements would be unduly burdensome for our Company for the following reasons, among others:

- (a) as of the Latest Practicable Date, we had granted outstanding options to a total of 239 grantees under the 2020 Share Incentive Plan to acquire an aggregate of 11,449,336 Shares, representing approximately 0.90% of the total number of Shares in issue immediately after completion of the Global Offering (assuming the Over-allotment Option is not exercised and no further Shares are issued under the 2020 Share Incentive Plan). The grantees under the 2020 Share Incentive Plan include two Directors, three consultants and 234 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 prospectus preparation for strict compliance with such disclosure requirements. For example, we would need to collect and verify the addresses of over two hundred 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;
- (c) material information on the options has been disclosed in this document to provide prospective investors 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 investment decision, and such information includes:
  - (i) a summary of the latest terms of the 2020 Share Incentive Plan;
  - (ii) the aggregate number of Shares subject to the options and the percentage of our Shares of which such number represents;

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- (iii) the dilutive effect and the impact on earnings per Share upon full exercise of the options immediately following completion of the Global Offering (assuming the Over-allotment Option is not exercised and no further Shares are issued under the 2020 Share Incentive Plan);
- (iv) full details of the options granted to (1) Directors and members of the senior management and connected persons (if any) of our Company; (2) consultants of our Group; and (3) other grantees who have been granted options to subscribe for 200,000 or more Shares, on an individual basis, 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), disclosure are made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grantees, being (1) 1-50,000; (2) 50,001-100,000; and (3) 100,001-200,000 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;
- (vii) a full list of all the grantees under the 2020 Share Incentive Plan, 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 Available on Display – Document Available for Inspection” in Appendix VI to 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.

- (d) the 237 grantees who are not Directors, members of the senior management or connected persons of our Company, have been granted options under the 2020 Share Incentive Plan to acquire an aggregate of 11,390,900 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

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- (e) our Directors consider that non-compliance with the above disclosure requirements would not prevent our Company from providing potential investors 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 two hundred grantees without reflecting the materiality of the information does not provide any additional meaningful information to the investing public.

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 investing public.

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 2020 Share Incentive Plan on the condition that:

- (a) on an individual basis, full details of the options granted under the 2020 Share Incentive Plan to (1) each of the Directors and the senior management and connected persons (if any) of our Company; (2) consultants of our Group; and (3) other grantees who have been granted options to subscribe for 200,000 or more Shares, are disclosed in the section headed “Statutory and General Information–2020 Share Incentive Plan” in Appendix V 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 2020 Share Incentive Plan to other grantees (other than those set out in (a) above), disclosure will be made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grantees, being (1) 1-50,000; (2) 50,001-100,000; and (3) 100,001-200,000 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 2020 Share Incentive Plan; (2) the consideration paid for the grant of the options under the 2020 Share Incentive Plan; and (3) the exercise period and the exercise price for the options granted under the 2020 Share Incentive Plan;
- (c) the aggregate number of Shares underlying the outstanding options granted under the 2020 Share Incentive Plan 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 2020 Share Incentive Plan are disclosed in the section headed “Statutory and General Information–2020 Share Incentive Plan” in Appendix V;
- (e) a summary of the major terms of the 2020 Share Incentive Plan are disclosed in the section headed “Statutory and General Information–2020 Share Incentive Plan” in Appendix V;
- (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 2020 Share Incentive Plan, 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 Available on Display – Document Available for Inspection” in Appendix VI 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 2020 Share Incentive Plan 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 2020 Share Incentive Plan granted to (1) each of the Directors and the senior management and connected persons (if any) of our Company; (2) consultants of our Group; and (3) other grantees who have been granted options to subscribe for 200,000 or more Shares, are disclosed in the section headed “Statutory and General Information–2020 Share Incentive Plan” in Appendix V 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 2020 Share Incentive Plan to grantees (other than those referred to in (a) above), disclosure will be made on an aggregate basis, categorized into lots based on the number of Shares underlying each individual grantees, being (1) 1-50,000; (2) 50,001-100,000; and (3) 100,001-200,000 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 2020 Share Incentive Plan; (2) the consideration paid for the grant of the options under the 2020 Share Incentive Plan; and (3) the exercise period and the exercise price for the options granted under the 2020 Share Incentive Plan;

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- (c) a full list of all the grantees under the 2020 Share Incentive Plan, 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 Available on Display – Document Available for Inspection” in Appendix VI 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 June 30, 2022.

Further details of the 2020 Share Incentive Plan are set forth in the section headed “Statutory and General Information–2020 Share Incentive Plan” in Appendix V.

### **EXERCISE PRICE OF OPTIONS TO BE GRANTED PURSUANT TO THE 2020 SHARE INCENTIVE PLAN AFTER THE LISTING**

Note (1) to Rule 17.03(9) of the Listing Rules states that the exercise price of an option must be at least the higher of: (i) the closing price of the securities as stated in the Stock Exchange’s daily quotations sheet on the date of grant, which must be a business day; and (ii) the average closing price of the securities as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the date of grant.

Since the listing of our Company’s ADSs on the NYSE in October 2020, it has been our Company’s practice to issue options exercisable into ADSs (each of which represents four underlying Shares) under the 2020 Share Incentive Plan and our Company will continue to issue options exercisable into ADSs after the Listing. By definition, ADSs are denominated in U.S. dollars, and the exercise price for options with respect to ADSs will necessarily be presented in U.S. dollars.

On the basis that (a) the method for determining the exercise price of the options based on the market price of ADSs substantially replicates the requirement in Note (1) to Rule 17.03(9) of the Listing Rules, and (b) it has been our Company’s practice to issue options exercisable into ADSs with exercise prices denominated in U.S. dollars, our Company will continue to grant options under the 2020 Share Incentive Plan with exercise prices based on the market price of its ADSs which are denominated in U.S. dollars after the Listing, our Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Note (1) to Rule 17.03(9) of the Listing Rules such that our Company be able to determine the exercise price for grants under its share option schemes based on the higher of: (i) the per-share closing price of our Company’s ADSs on the NYSE on the date of grant, which must be a NYSE trading day; and (ii) the average per-share closing price of our Company’s ADSs on the NYSE for the five NYSE trading days immediately preceding the date of grant, subject to the condition that our Company shall not issue any share options with an exercise price denominated in Hong Kong dollars unless such exercise price complies with Note (1) to Rule 17.03(9) of the Listing Rules.

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### 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 our Group within two years immediately preceding the issue of this document.

We have identified 12 entities that we consider are the major subsidiaries primarily responsible for the track record results of our Group (the “**Principal Entities**,” and each a “**Principal Entity**”). For further details, see the section headed “History and Corporate Structure – Our Major Subsidiaries”. Globally, our Group has over 100 subsidiaries as of the Latest Practicable Date. It would be unduly burdensome for our Company to disclose particulars of any alternations in the share capital of all our subsidiaries, which would not be material or meaningful to investors. None of the non-Principal Entities is individually material to us in terms of its contribution to our Company’s total net revenues or total assets or holds any major assets and intellectual property rights. By way of illustration, for each of the fiscal years ended June 30, 2019, 2020 and 2021 and for the six months ended December 31, 2021, the aggregate revenue of the Principal Entities represented approximately 74%, 96%, 96% and 97% of our Group’s total revenues, respectively, the aggregate assets of the Principal Entities represented approximately 91%, 88%, 83% and 89% of our Group’s total assets, respectively. Accordingly, the remaining subsidiaries in our Group are not significant to the overall operations and financial results of our Group.

Particulars of the changes in the share capital of our Company and the Principal Entities have been disclosed in the section headed “Statutory and General Information – A. Further Information about Our Company and Our Subsidiaries – 2. Changes in share capital of our Company” and “Statutory and General Information – A. Further Information about Our Company and Our Subsidiaries – 3. Changes in the share capital of our Major Subsidiaries” in Appendix V to this document.

### DISCLOSURE OF OFFER PRICE

Paragraph 15(2)(c) of Part A of Appendix 1 to the Listing Rules provides that the issue price or offer price of each security must be disclosed in the listing document.

The Public Offer Price will be determined by reference to, among other factors, the closing price of the ADS on NYSE on the last trading date on or before the price determination date and we have no control on the market price of the ADSs traded on NYSE. The latest market price of our Company’s ADSs is accessible to the Shareholders and potential investors at <https://www.nyse.com/quote/XNYS:MNSO>. Given the ADSs of our Company are freely tradable on NYSE, there may be price fluctuations in the ADSs as a result of market volatility and other factors during the period from the bulk-printing of this document until the pricing of the Global Offering.

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Setting a fixed price or a price range with a low end offer price per Offer Share may adversely affect the market price of the ADSs and the Hong Kong Offer Shares considering, among other factors, that this may indicate an arbitrary floor price and may potentially prejudice our ability to price in the best interest of us and our Shareholders.

A maximum Public Offer Price will be disclosed in this document and the Application Form. This alternative disclosure approach would not prejudice the interests of the investing public in Hong Kong.

This document will also disclose (i) the time for determination and announcement of the International Offer Price and the Public Offer Price, (ii) the historical prices of the ADSs and the trading volume on the NYSE, (iii) the determinants of the pricing of the Offer Shares and (iv) the source for the potential investors to access the latest market price of the ADSs, which will provide the potential investors with sufficient information to form informed decisions of their investment.

Given in no circumstances will the Public Offer Price for the Hong Kong Offer Shares be greater than the maximum Public Offer Price as stated in this document and the Application Form, the disclosure of the maximum Public Offer Price in this document will be in compliance with the requirement to disclose the “amount payable on application and allotment on each share” as required by paragraph 9 of the Third Schedule of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with paragraph 15(2)(c) of Part A of Appendix 1 to the Listing Rules.