

---

## WAIVERS AND EXEMPTIONS

---

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.

### **WAIVER IN RESPECT OF 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 residents 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. The Directors consider that the appointment of executive directors who will be ordinarily residents 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 the Stock Exchange and us 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 authorised representatives who shall act at all times as the principal channel of communication with the Stock Exchange. Each of our authorised representatives will be readily contactable by the Stock Exchange by telephone and/or e-mail to deal promptly with enquiries from the Stock Exchange. Both of our authorised representatives are authorised to communicate on our behalf with the Stock Exchange. At present, our two authorised representatives are Mr. Chen Min, our co-founder, chairman of the Board, chief executive officer and executive Director, and Mr. Lee Chung Shing (“**Mr. Lee**”), our joint company secretary;
- (b) pursuant to Rule 3.20 of the Listing Rules, each Director will provide his or her respective mobile phone number, office phone number, e-mail address and facsimile number (if available) to the Stock Exchange and to the authorised representatives. This will ensure that the Stock Exchange and the authorised representatives have the means for contacting all Directors promptly at all times as and when required;
- (c) we will endeavour to ensure that each Director who is not an ordinary 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; and
- (d) pursuant to Rules 3A.19 and 8A.33 of the Listing Rules, we have retained the services of Guotai Junan Capital Limited as compliance advisor, who will act as an additional channel of communication with the Stock Exchange.

---

## WAIVERS AND EXEMPTIONS

---

### WAIVER IN RESPECT OF 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 his 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:

- (i) a member of The Hong Kong Institute of Chartered Secretaries;
- (ii) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and
- (iii) 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:

- (i) length of employment with the issuer and other issuers and the roles he played;
- (ii) 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;
- (iii) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and
- (iv) professional qualifications in other jurisdictions.

Our Company appointed Mr. Lee of Computershare Hong Kong Investor Services Limited and Mr. Chen Zhe, head of investor relations centre of our Company, as joint company secretaries. See the section headed “Directors and Senior Management — Joint Company Secretaries” for their biographies.

Mr. Lee is a member of the Hong Kong Institute of Certified Public Accountants, 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 the Group to have as its joint company secretary a person such as Mr. Chen Zhe, who is an employee of the

---

## WAIVERS AND EXEMPTIONS

---

Company and who has day-to-day knowledge of our Company's affairs. Mr. Chen Zhe 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 on the conditions that: (i) Mr. Lee is appointed as a joint company secretary to assist Mr. Chen Zhe 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 Mr. Lee, during the three-year period, ceases to provide assistance to Mr. Chen Zhe 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. Chen Zhe 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. Chen Zhe 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. Chen Zhe and the need for on-going assistance of Mr. Lee will be further evaluated by our Company. We will liaise with the Stock Exchange to enable it to assess whether Mr. Chen Zhe, having benefited from the assistance of Mr. Lee for the preceding three years, will have acquired the skills necessary to carry out the duties of a company secretary and the relevant experience within the meaning of Rule 3.28 Note 2 of the Listing Rules so that a further waiver will not be necessary.

### **WAIVER IN RESPECT OF CONTINUING CONNECTED TRANSACTIONS**

We have entered into, and expect to continue, certain transactions under the Tencent Group Framework Agreement that will constitute partially-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 Chapter 14A of the Listing Rules. See the section headed "Connected Transactions" for further details.

### **WAIVER AND EXEMPTION IN RESPECT OF THE 2019 SHARE INCENTIVE PLAN**

Under Rule 17.02(1)(b) of the Listing Rules, our Company is 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.

Under paragraph 27 of Appendix 1A to the Listing Rules, our Company is required to disclose in this prospectus particulars of any capital of any member of the Group which is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted and the price and duration of the option, and the name and address of the grantees, or an appropriate negative statement.

---

## WAIVERS AND EXEMPTIONS

---

Under paragraph 10 of Part I of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance, our Company is required to disclose in this prospectus the number, description and amount of any Shares which any person has, or is entitled to be given, an option to subscribe for, together with certain particulars of the option, namely the period during which it is exercisable, the price to be paid for the Shares subscribed for under it, the consideration (if any) given or to be given for it and the names and addresses of the persons to whom it was given.

As of the Latest Practicable Date, our Company had granted outstanding options under the 2019 Share Incentive Plan to 931 grantees to subscribe for an aggregate of 43,870,703 Class A Shares (“**2019 Plan Options**”), representing approximately 5.40% of the total number of Shares in issue immediately after completion of the Global Offering (assuming none of the Offer Size Adjustment Option, the Over-allotment Option or any outstanding 2019 Plan Options are exercised), on the terms set out in the section headed “Statutory and General Information — D. Equity Incentive Schemes” in this prospectus. Our Company will not grant further options under the 2019 Share Incentive Plan after the Listing. The grantees of the outstanding 2019 Plan Options include current employees, former employees and external consultants of our Group. As of the date of this prospectus, seven grantees of 2019 Plan Options were Directors, senior management or connected persons of our Company.

Our Company has applied (i) to the Stock Exchange 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) to the SFC a certificate of exemption 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 and the exemption and waiver would not prejudice the interest of the investing public for the following reasons:

- (a) given that 931 grantees are involved, strict compliance with such disclosure requirements would be costly and unduly burdensome for our Company in light of a significant increase in cost and timing for information compilation, prospectus preparation and seeking consent from each grantee to disclose his/her personal information (including residential address) in this prospectus;
- (b) the disclosure of key information of the 2019 Share Incentive Plan and the outstanding 2019 Plan Options in this prospectus, has provided potential investors with sufficient information to make an informed assessment of the potential dilution effect and impact on earnings per Share of the outstanding 2019 Plan Options in their investment decision making process; and
- (c) the lack of full compliance with the above disclosure requirements would not prevent potential investors from making an informed assessment of the activities, assets, liabilities, financial position, management and prospects of the Group and will not prejudice the interest of potential investors.

---

## WAIVERS AND EXEMPTIONS

---

The Stock Exchange has granted us 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 subject to the following conditions:

- (a) the grant of a certificate of exemption 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;
- (b) on an individual basis, full details of all the outstanding 2019 Plan Options granted by our Company under the 2019 Share Incentive Plan to each of the Directors, senior management, connected persons of our Company (if any) and other grantees who have been granted Options to subscribe for 250,000 Class A Shares of the Company or more, including 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 I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, be disclosed in the prospectus;
- (c) disclosure in this prospectus of a summary of the principal terms of the 2019 Share Incentive Plan;
- (d) disclosure in this prospectus of the aggregate number of Class A Shares underlying the outstanding 2019 Plan Options and the percentage of our Company's total issued share capital represented by such number of Class A Shares as of the Latest Practicable Date;
- (e) in respect of the outstanding 2019 Plan Options granted by our Company to the remaining grantees other than those referred to in sub-paragraph (b) above, disclosure will be made on aggregate basis, categorised into lots based on the number of Shares underlying the outstanding 2019 Plan Options granted to each individual grantee, being (1) 1 to 49,999 Class A Shares, (2) 50,000 to 99,999 Class A Shares, (3) 100,000 to 149,999 Class A Shares, (4) 150,000 or more Class A Shares. For each lot, the following disclosure will be made on an aggregated basis: (1) the aggregate number of grantees and number of Shares underlying the outstanding 2019 Plan Options as of the Latest Practicable Date, (2) the exercise period and the exercise price of the outstanding 2019 Plan Options and (3) the approximate percentage of the total number of Shares in issue immediately after completion of the Global Offering (assuming none of the Offer Size Adjustment Option, the Over-allotment Option or any outstanding 2019 Plan Options are exercised);
- (f) disclosure in this prospectus of the dilution effect and impact on earnings per Share upon full exercise of the outstanding 2019 Plan Options;
- (g) the following details of the outstanding 2019 Plan Options be disclosed in this prospectus:
  - (i) the aggregate number of the grantees, (ii) the number of Shares underlying the outstanding 2019 Plan Options, (iii) the consideration paid for the grant of the outstanding 2019 Plan Options, and (iv) the exercise period and exercise price of the outstanding 2019 Plan Options;

---

## WAIVERS AND EXEMPTIONS

---

- (h) a full list of all the grantees with outstanding 2019 Plan Options containing all the particulars as required under Rule 17.02(1)(b) of, and paragraph 27 of Appendix 1A to, the Listing Rules be made available for public inspection in accordance with “Documents Delivered to the Registrar of Companies and Available on Display — Document Available for Inspection” in Appendix V to this prospectus; and
- (i) the particulars of the waiver and exemption be disclosed in this prospectus.

The SFC has granted us a certificate of exemption 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 subject to the following conditions:

- (a) full details of the 2019 Plan Options granted by our Company under the 2019 Share Incentive Plan to each of the Directors, senior management, connected persons of our Company and other grantees who have been granted Options to subscribe for 250,000 Class A Shares of our Company or more are disclosed in the prospectus, such details to include all the particulars required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (b) in respect of the 2019 Plan Options granted by our Company under the 2019 Share Incentive Plan to the remaining grantees other than those referred to in sub-paragraph (a) above, disclosures are made in this prospectus on an aggregate basis, categorised into lots based on the number of Class A Shares underlying the options granted to each individual grantee, being (1) 1 to 49,999 Class A Shares, (2) 50,000 to 99,999 Class A Shares, (3) 100,000 to 149,999 Class A Shares, (4) 150,000 or more Class A Shares. For each lot, the following details are disclosed in this prospectus: (1) the aggregate number of grantees and number of Class A Shares underlying the 2019 Plan Options, (2) the consideration paid for the grant of the options under the 2019 Share Incentive Plan, and (3) the exercise period and the exercise price of the 2019 Plan Options;
- (c) a full list of all the grantees (including the persons referred to sub-paragraph (a) above) who have been granted Options to subscribe for Class A Shares under the 2019 Share Incentive Plan, containing all the details as required under paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance be made available for public inspection in accordance with “Documents Delivered to the Registrar of Companies and Available on Display — Document Available for Inspection” in Appendix V to this prospectus; and
- (d) the particulars of the exemption are set out in this prospectus, and this prospectus will be issued on or before 14 September 2023.

---

## WAIVERS AND EXEMPTIONS

---

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

We have identified six 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, Reorganisation, and Corporate Structure — Corporate Development of Our Group — Our Major Subsidiaries”. Our Group has a total of 249 subsidiaries as of the date of this document. It would be unduly burdensome to disclose particulars of any alternations in the share capital of all our subsidiaries, which would not be material or meaningful to investors. By way of illustration, for each of the four years ended 31 December 2019, 2020, 2021 and 2022, and the three months ended 31 March 2023, respectively, the aggregate revenue of the Principal Entities represented 96.77%, 96.82%, 96.52%, 95.33% and 96.27% of our Group’s total revenues, for each of the four years ended 31 December 2019, 2020, 2021 and 2022 the aggregate net loss of the Principal Entities represented 103.63%, 15.65%, 21.31%, and 23.00% of our Group’s total net loss, and the aggregate assets of the Principal Entities represented 55.74%, 61.16%, 48.72%, 56.68% and 56.32% of our Group’s total asset as at 31 December 2019, 2020, 2021 and 2022, and 31 March 2023, respectively. In addition, for the three months ended 31 March 2023, the Principal Entities, in aggregate, recorded net profit while the Group recorded net loss, and the aggregate gross profit of the Principal Entities represented 95.40% of our Group’s total gross profit for the same period. The reason for the aggregate net loss of the Principal Entities represented low ratios to our Group’s total net loss over the four years ended 31 December 2022 is that the fair value changes of convertible redeemable preferred shares were recorded at our Company after the completion of the Reorganisation, but not at the Principal Entities. Further, the reason for the aggregate assets of the Principal Entities represented moderately lower ratios to our Group’s total asset over the Track Record Period is that certain cash and bank balances and financial assets at fair value through profit or loss are kept at the offshore level of our Group. The funds in connection with the Pre-IPO Investments after the completion of the Reorganisation were received by our Company and such funds will be transferred to the Principal Entities or other subsidiaries within our Group at the onshore level when needs arise.

Accordingly, the remaining subsidiaries in our Group are not significant to the overall operations and financial results of our Group. Additionally, our non-Principal Entities do not hold any major or material assets (save for passive financial products and equity investments of our Group), intellectual property rights or other major proprietary technologies or major research and development functions of our Group.

---

## WAIVERS AND EXEMPTIONS

---

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 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” in Appendix IV to this document.

### WAIVER IN RESPECT OF INVESTMENTS AND ACQUISITIONS 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 listing document 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 an issuer’s latest audited accounts have been made up in respect of each of the three financial years immediately preceding the issue of the listing document.

Pursuant to Rule 4.02A of the Listing Rules, 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.

### Investments since 31 March 2023

#### *Background*

Since 31 March 2023 (being the date to which our latest audited accounts in the final prospectus have been made up as at the date of the final prospectus) and up to the Latest Practicable Date, our Group proposes to make a number of investments (the “**Investments**”), details of which are set out below.

<u>Target company</u>	<u>Approximate investment amount</u>	<u>Expected date of completion of the investment</u>	<u>Percentage of shareholding / equity interest<sup>(1)</sup></u>	<u>Principal business activities</u>
Company A <sup>(2)</sup> . . . . .	RMB26 million	September 2023	83%	Operate regional aftermarket chain stores
Company B <sup>(3)</sup> . . . . .	RMB2.9 million	June 2024	20%	Operate regional aftermarket chain stores

---

#### *Notes:*

- (1) The percentage of shareholding/equity interest represents our Company’s total pro forma shareholding in each of the target companies after the completion of Investments.



---

## WAIVERS AND EXEMPTIONS

---

- (2) Company A is a company established in the PRC in 2014 which principally engages in the operation of regional aftermarket chain stores, such as in Southern China region in the PRC. Company A currently runs approximately 50 self-operated and franchised stores, and it has strong offline store operation experience. After the completion of the proposed investment, our Company will own 83% of equity interest in Company A. We became acquainted with Company A through our market knowledge in the automobile aftermarket industry. Our Directors believe that the investment in Company A will further grow our store network in tier 2 and below cities and expand the scale of our integrated platform. The sellers in respect of Company A are individuals, investment firms and corporate entities.
- (3) Company B is a company established in the PRC in September 2022, which principally engages in the operation of regional aftermarket chain stores. Company B is building its store network in Northern China region in the PRC, and our Directors believe that by investing in Company B, our Group will build a store network with a higher density of stores covering a wider range of cities as they will become our franchised stores. We became acquainted with Company B through our market knowledge in the automobile aftermarket industry. The fellow shareholders of Company B are corporate entities, and there is no seller in the Investment since our Company subscribes for the equity interest of Company B through equity increase.

The consideration for the Investments are the result of commercial arm's length negotiations, based on factors including market dynamics, mutually agreed valuation, and/or capital required for the target companies' operations. To the best of the knowledge, information and belief of the Directors, all of the target companies set out above and their ultimate beneficial owners are third parties independent from our Group and our connected persons. The consideration has been or will be paid by instalments. Our Group intends to use internal resources to satisfy the consideration for the Investments. As of the Latest Practicable Date, we have signed a sale and purchase agreement with the shareholders of Company A, and have signed equity increase agreement with Company B, respectively.

According to the unaudited management accounts of Company A, as at and for the two years ended 31 December 2021 and 2022, (i) its revenue was approximately RMB72,998,000 and RMB61,336,000, respectively; (ii) its net loss was approximately RMB2,846,000 and RMB7,942,000, respectively; and (iii) its net asset was approximately RMB36,703,000 and RMB28,704,000, respectively.

Since Company B was established in September 2022, its management account for the year ended 31 December 2022 is not available as of the Latest Practicable Date.

Our Company has 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)(a) of the Listing Rules in respect of the Investments on the following grounds:

*Ordinary and usual course Investment since 31 March 2023*

During the Track Record Period, we have made equity investments in sectors relating to our business in our ordinary and usual course of business to further our strategic objectives. Since 31 March 2023 and up to the Latest Practicable Date, we have made and intend to make equity investment in companies that engage in sectors relating to our business. Our Directors confirm that the investment amount for such Investments is the result of commercial arm's length negotiations,

---

## WAIVERS AND EXEMPTIONS

---

based on factors including market dynamics, mutually agreed valuation, and/or capital need of the relevant target companies' operations.

*The percentage ratio of the Investments is less than 5% by reference to the most recent fiscal year of our Company's Track Record Period*

Based on the financial information of the target companies available to us, each of the assets ratio, revenue ratio and profits ratio (if applicable) pursuant to Rule 14.07 of the Listing Rules in relation to the Investments is, individually or in aggregate, below 5%.

Accordingly, our Company considers that the Investments, individually and in aggregate, are immaterial and does not expect them to have any material effect on the business, financial condition or operations of our Group. As such, an exemption from compliance with the requirements under Rules 4.04(2) and 4.04(4) of the Listing Rules would not prejudice the interests of the investing public.

*Historical financial information is not available and it will be unduly burdensome to prepare audited financial information*

In respect of target companies set out above, as the proposed investments have yet to be consummated, it is not reasonably practicable to complete the audit work before the Latest Practicable Date. None of the target companies in respect of the Investments has available financial statement which is readily available for disclosure in this document or for our Company's reporting accountants to conduct audit before the issue of this document in accordance with the Listing Rules. Given the immateriality of the target companies (individually and in aggregate) to the business, financial condition or operations of our Group, it would also be unduly burdensome and would require considerable time and resources for our Company and our reporting accountants to prepare the necessary information and supporting documents for the purpose of audit and disclosure of their audited financial information in this document as required under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules.

*We are not able to exercise any control over certain underlying company or business*

Our Company only holds a minority equity interest in Company B set out above, has minority shareholder rights which are proportionate to its shareholding interests in Company B, does not control the board of directors of Company B and therefore, is not able to exercise any control, nor have any significant influence, over Company B. Given that our Group is not able to exercise any control, or have any significant influence, over Company B, our Company is not able to compel or it is not reasonably practicable to request Company B to cooperate with the audit work in order for our Company to comply with the relevant requirements under Rules 4.04(2) and 4.04(4)(a) of the Listing Rules.

---

## WAIVERS AND EXEMPTIONS

---

### *Alternative disclosure of the Investments in this document*

We have provided in this section alternative information in connection with the Investments. Such information includes, where applicable, those which would be required for a disclosable transaction under Chapter 14 of the Listing Rules including, for example, reasons for the Investments and a confirmation that the counterparties and the ultimate beneficial owners of the counterparties are Independent Third Parties of our Company and our connected persons, the basis for determining the considerations of the Investments, how the consideration of the Investments will be satisfied by our Group, and the reasons for and the benefits of the Investments. For the avoidance of doubt, the names of the target companies that are the subject of the Investments and the respective sellers are not disclosed in the waiver application or this document because (i) we have entered into a confidentiality undertaking in connection with the investment in Company A, (ii) we do not have consent from the target companies or the respective sellers for such disclosure, (iii) given the competitive nature of the industry in which we operate, it is commercially sensitive for our Company to disclose the identity of such companies that we acquire an interest as such disclosure may allow our competitors to anticipate our plans of business growth and (iv) the disclosure of the identities of the target companies (to the extent applicable) may jeopardize our Company's ability to consummate the Investments. Our Directors believe that the non-disclosure of these information will not impact public investors to form and make decisions.

Our Company will not use any proceeds from the Global Offering to fund such Investments.

### **WAIVER AND CONSENT IN RELATION TO SUBSCRIPTION OF OFFER SHARES BY IMAGE FRAME INVESTMENT (HK) LIMITED AS A CORNERSTONE INVESTOR**

Rule 9.09(b) of the Listing Rules provides that there must be no dealing in the securities for which listing is sought by any core connected person of an issuer (except as permitted by Rule 7.11 of the Listing Rules) from 4 clear business days before the expected hearing date until listing is granted.

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 securities for which listing is sought if the conditions in Rule 10.03(1) and (2) are satisfied. The requirements of Rule 10.03 of the Listing Rules are that (1) no securities are offered to the existing shareholder on a preferential basis and no preferential treatment is given to the existing shareholder in the allocation of the securities; and (2) 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 Rule prohibits allocation of shares in a global offering to existing shareholders of the applicant or their close associates, whether in their own names or through nominees, unless the conditions in Rules 10.03 and 10.04 are fulfilled or prior written consent of the Stock Exchange has been obtained.

---

## WAIVERS AND EXEMPTIONS

---

As of the Latest Practicable Date, Cool Dragon Holding Limited and Image Frame Investment (HK) Limited (collectively referred to as “**Tencent Entities**”) held in aggregate approximately 19.7% of the total issued shares of our Company. Immediately following the completion of the Global Offering (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised and no Shares are issued under the Equity Incentive Schemes) and without taking into account the Exercise of the Tencent Anti-Dilution Right (as defined below), Tencent’s shareholding in the total issued share capital of the Company will decrease to approximately 18.7% immediately following the completion of the Global Offering, subject to adjustment to the size of the Global Offering. Each of the Tencent Entities is ultimately controlled by Tencent Holdings Limited, a global technology company listed on the Stock Exchange (stock code: 0700), one of our substantial shareholders and core connected persons.

Pursuant to the shareholders’ agreement dated 20 January 2022 (the “**Shareholders Agreement**”), Tencent Entities have the right to purchase and subscribe for additional Shares (the “**Tencent Entitled Shares**”) at the Offer Price until their respective aggregate ownership of the then issued and outstanding share capital of the Company immediately after the Global Offering is the same as their respective aggregate ownership in the Company (on an as-converted and fully diluted basis) immediately prior to the Global Offering (the “**Tencent Anti-Dilution Right**”).

In the Global Offering, Image Frame Investment (HK) Limited will exercise the Tencent Anti-Dilution Right to subscribe for additional Offer Shares at the Offer Price, as a cornerstone investor in the International Offering under substantially the same terms and conditions as other investors in the Global Offering (the “**Exercise of the Tencent Anti-Dilution Right**”). Following the Exercise of the Tencent Anti-Dilution Right, Tencent Entities shall not own more than its percentage shareholding interest in the Company as at immediately before the Listing (i.e. approximately 19.7% of the total issued share capital of the Company, whether the Offer Size Adjustment Option and the Over-allotment Option are exercised or not). The maximum number of Tencent Entitled Shares for which Tencent Entities are entitled to subscribe pursuant to the Tencent Anti-Dilution Right is 7,994,215 Offer Shares, which enable Tencent Entities to maintain its ownership interest percentage in the Company prior to the exercise of any Offer Size Adjustment Option and/or Over-allotment Option, rounded down to the nearest board lot.

Based on the following reasons and conditions, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 9.09(b) and 10.04 of, and a consent under paragraph 5(2) of Appendix 6 to, the Listing Rules, to allow Tencent Entities to subscribe for Offer Shares in the Global Offering as a cornerstone investor based on the following reasons and/or conditions:

- (a) it is in compliance with the minimum public float percentage of 25%, or such other percentage as may be accepted by the Stock Exchange;
- (b) full disclosure of the pre-existing contractual arrangement between Tencent Entities and the Company contained in the Shareholders Agreement, the maximum number of Class A

---

## WAIVERS AND EXEMPTIONS

---

Shares Tencent Entities entitled to subscribe pursuant to the Shareholders Agreement and the fact that the subscription price per Class A Share will be at the Offer Price, will be made in this prospectus;

- (c) the Tencent Anti-Dilution Right, if exercised, will be made in compliance with the Guidance Letter HKEX-GL43-12:
  - (i) the allocation to Tencent Entities is necessary in order to give effect to the Tencent Anti-Dilution Right under the Shareholders Agreement and such allocation will not affect the Company's ability to satisfy the public float requirement of Rule 8.08(1);
  - (ii) a full disclosure of the Tencent Anti-Dilution Right and the number of Class A Shares to be subscribed for by Tencent Entities will be made in the Company's Prospectus and the allotment results announcement and the placee lists to be submitted to the Stock Exchange. In addition, the allotment results announcement will contain details of any allocation made to Tencent Entities. On the basis of full disclosure, no investor will be prejudiced or unfairly treated in their investment decision making process; and
  - (iii) the Tencent Entitled Shares will be subscribed for by Tencent Entities at the Offer Price and, in any event, will not result in the percentage interest held by Tencent Entities in the Company increasing above the percentage interest held by Tencent Entities immediately prior to the Global Offering;
- (d) the subscription of the Tencent Entitled Shares by Image Frame Investment (HK) Limited will not have any impact on the Class A Shares to be offered to the public investors in Hong Kong under the Hong Kong Public Offering, considering that Tencent Entities will subscribe for the Tencent Entitled Shares in the International Offering at the same offer price and under substantially the same terms and conditions as other cornerstone investors and the same conditions as other investors in the Global Offering;
- (e) Image Frame Investment (HK) Limited has agreed that it will not, whether directly or indirectly, at any time during the period of six months from the Listing Date (the "**Lock-up Period**"), dispose of any of the Offer Shares they have purchased pursuant to the cornerstone investment agreement, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction; and
- (f) no preferential treatment has been, nor will be, given to Tencent Entities other than the preferential treatment of assured entitlement under a cornerstone investment following the principles set out in Guidance Letter HKEX-GL-51-13.

---

## WAIVERS AND EXEMPTIONS

---

### SUBSCRIPTION FOR OFFER 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 manners.

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) of the Listing Rules are as follows: (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, unless with 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 the conditions set out in Rules 10.03 and 10.04 of the Listing Rules are fulfilled.

The Hong Kong Stock Exchange's Guidance Letter HKEX-GL85-16 provides that the Hong Kong Stock Exchange will consider granting a waiver from Rule 10.04 and consent pursuant to paragraph 5(2) of Appendix 6 to the Hong Kong 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 a wide and diverse shareholder base. It would therefore be unduly burdensome for our Company to seek the prior consent of the Hong Kong Stock Exchange for each of our existing shareholders or their close associates who subscribe for Offer Shares in the Global Offering.

We have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements of Rule 10.04 of the Listing Rules and its consent under Paragraph 5(2) of Appendix 6 to the Listing Rules to permit the Company to allocate Class A Shares in the Global Offering to existing Shareholders (the "**Permitted Existing Shareholders**") holding less than 5% of the Company's voting rights and their close associates as places under the placing tranche of the Global Offering subject to the following conditions:

1. the Joint Sponsors confirm that each Permitted Existing Shareholder to whom the Company may allocate Offer Shares in the International Offering must be interested in less than 5% of the Company's voting rights before Listing;

---

## WAIVERS AND EXEMPTIONS

---

2. the Joint Sponsors confirm that each Permitted Existing Shareholder is not, and will not be, a core connected person of the Company or any close associates of any such core connected person immediately prior to or after the Global Offering;
3. the Joint Sponsors confirm that such Permitted Existing Shareholders do not have the power to appoint the Company's directors or any other special right;
4. the Joint Sponsors confirm that allocation to such Permitted Existing Shareholder or their close associates will not affect the Company's ability to satisfy the public float requirement under Rule 8.08 of the Listing Rules;
5. the Joint Sponsors confirm to the Stock Exchange in writing that based on (i) their discussions with the Company and the Joint Sponsor-Overall Coordinators; and (ii) the confirmations provided to the Stock Exchange by the Company and the Joint Sponsor-Overall Coordinators (confirmations (6) and (7) mentioned below), and to the best of their knowledge and belief, they have no reason to believe that any of the Permitted Existing Shareholders or their close associates received any preferential treatment in the IPO 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 HKEX-GL51-13, and details of the allocation will be disclosed in the Prospectus and/ or the allotment results announcement, as the case may be;
6. the Company confirms to the Stock Exchange in writing that, no preferential treatment has been, nor will be, given to the Permitted Existing Shareholders or their close associates by virtue of their relationship with the Company in any allocation in the placing tranche, and details of the allocation will be disclosed in the allotment results announcement;
7. the Joint Sponsor-Overall Coordinators 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 Permitted Existing Shareholders or their close associates by virtue of their relationship with the Company in any allocation in the placing tranche, and details of the allocation will be disclosed in the allotment results announcement; and
8. the relevant information in respect of the allocation to such Permitted Existing Shareholders and/or their close associates will be disclosed in the allotment results announcement.

Our Company expects 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.