

SECTION A

WAIVERS AND APPROVAL

Requisition Waiver

The Company has sought, and the Stock Exchange has granted, the following Requisition Waiver, which will continue to apply and will not be withdrawn by the Stock Exchange upon the Primary Conversion, on the basis that except for the expected change of listing status of the Company to a primary listing, there has been no change in circumstances since the Company's listing on the Stock Exchange.

Listing Rule	Subject matter
Paragraph 14(5) of Appendix 3 (equivalent to the repealed Rule 19C.07(7)) ^(Note)	Requisition of extraordinary general meeting by the Shareholders

Note: Rule 19C.07(7) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) has been repealed as a result of the implementation of proposals of the “Consultation Conclusions Paper on Listing Regime for Overseas Issuers” published by the Stock Exchange on November 19, 2021.

Waivers and Approval

The Stock Exchange has granted, (a) the following waivers from strict compliance with, and (b) an approval under, the following provisions of the Listing Rules:

No.	Listing Rule(s)	Subject matter
<i>Waivers</i>		
A1.	Rules 3.28 and 8.17	Joint Company Secretaries
A2.	Rule 19.25A, and Note 2.1 to Paragraph 2 of Appendix 16	Use of U.S. GAAP
A3.	Note (1) to Rule 17.03(9)	Exercise price of Options and SARs to be granted pursuant to the 2022 Plan after the Primary Conversion
A4.	Rule 10.06(2)(e)	Hong Kong Repurchase Agreement
<i>Approval</i>		
A5.	Rule 10.06(3)	Equity fund-raising within 30 days after a share repurchase made pursuant to the Settlement Mechanism under the 2016 Plan

A1. JOINT COMPANY SECRETARIES

Requirements under the Listing Rules

Rules 3.28 and 8.17 of the Listing Rules require the Company to appoint as its company secretary an individual who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

Reasons for applying for the waiver

The Company has appointed, with effect from May 23, 2024, Ms. Ling Zhang and Ms. Hui Huang as the Joint Company Secretaries.

Ms. Ling Zhang (張玲), joined the Group in June 2020 and currently serves as the Senior Legal Manager and Corporate Secretary of the Company. Her primary responsibilities include overseeing reporting to the U.S. Securities and Exchange Commission and the Stock Exchange and compliance with the New York Stock Exchange rules and the Listing Rules, and managing board and shareholders' meetings. Ms. Zhang has over ten years of experience in legal and compliance. Prior to joining the Company, Ms. Zhang gained extensive professional experience with several international law firms, focusing primarily on capital market transactions. She worked at Davis Polk from June 2011 to April 2014, Kirkland & Ellis from October 2015 to January 2016, and O'Melveny & Myers from January 2016 to August 2019. Ms. Zhang obtained a Master of Laws Degree from Georgetown University in the United States in 2015, a Master of Common Law Degree from The University of Hong Kong in 2011. Ms. Zhang is admitted to the New York State Bar Association.

The Company confirms that, having regard to Ms. Zhang's thorough understanding of corporate governance of the Group, substantial experience in handling company secretarial matters since joining the Group, and close working relationship with the management of the Group, she is therefore considered as a suitable person to act as a company secretary of the Company. In addition, as the operational headquarter and principal business operations of the Group are located in the PRC, the Company believes that it is necessary to appoint Ms. Zhang as a company secretary, whose presence in the PRC enables her to attend to the day-to-day corporate secretarial matters concerning the Group.

Ms. Zhang has extensive experience in legal and compliance matters but presently does not possess a qualification stipulated in Rule 3.28 of the Listing Rules, and thus she is not able to solely fulfil the requirements as a company secretary of a listed issuer stipulated under Rules 3.28 and 8.17 of the Listing Rules. Therefore, the Company has appointed Ms. Huang, a member of the Hong Kong Institute of Certified Public Accountants, who is qualified under Rule 3.28 and 8.17 of the Listing Rules to act as the other joint company secretary to work closely with and provide assistance to Ms. Zhang.

Ms. Hui Huang (黃暉) joined the Group in May 2018 and currently serves as the Senior Manager of Control, Financial Division. Ms. Huang has approximately 18 years of experience in auditing, financial management and accounting. Prior to joining the Group, Ms. Huang held senior financial manager positions at several companies, including Guosen Securities (HK) Financial Holdings Co., Ltd. from July 2016 to May 2018. Before that, Ms. Huang gained extensive experience from her work at audit firms, including serving at various positions at PricewaterhouseCoopers Zhong Tian

CPAs Limited Company from August 2003 to June 2009 and from July 2011 to February 2012, with her last position being a Senior Manager in the Assurance Division, and serving as a Manager in the Capital Market Services Group of PricewaterhouseCoopers from July 2009 to June 2011. Ms. Huang is a member of the Hong Kong Institute of Certified Public Accountants and a member of Chinese Institute of Certified Public Accountants. Ms. Huang obtained the Bachelor of Management Degree from Shanghai University of Finance and Economics in the PRC in 2003.

As shown from Ms. Huang's biographical information set out above, Ms. Huang meets the requirements under Rules 3.28 and 8.17 of the Listing Rules. By virtue of her qualification and experience in auditing, financial management and accounting, the Company believes Ms. Huang is qualified and suitable to provide assistance to Ms. Zhang, for a three-year period from May 23, 2024 so as to enable Ms. Zhang to acquire the relevant experience (as required under Rule 3.28(2) of the Listing Rules) to duly discharge her duties. In addition, Ms. Zhang confirms that she will comply with the annual professional training requirement of taking not less than fifteen hours of relevant professional training in each financial year of the Company as required under Rule 3.29 of the Listing Rules and will enhance her knowledge of the Listing Rules during the three-year period from May 23, 2024. The Company will further ensure that Ms. Zhang has access to the relevant trainings and support which will enhance her understanding of the Listing Rules and the duties of a company secretary of a listed issuer on the Stock Exchange.

Waiver from strict compliance with rules 3.28 and 8.17 of the Listing Rules

In light of the above, the Company has applied for, and the Hong Kong Stock Exchange has granted, a waiver regarding the appointment of Ms. Zhang as the Joint Company Secretary from strict compliance with the requirements of Rules 3.28 and 8.17 of the Listing Rules on the condition that (i) Ms. Zhang will be assisted by Ms. Huang as the Joint Company Secretary throughout the three-year period upon May 23, 2024; and (ii) the waiver can be revoked if the Company commits any material breaches of the Listing Rules during the three-year period from May 23, 2024. The Company will liaise with the Stock Exchange before the end of the three-year period to enable it to assess whether Ms. Zhang, having had the benefit of Ms. Huang's assistance for three years, will have acquired the relevant experience within the meaning of Rule 3.28 of the Listing Rules so that a further waiver will not be necessary.

A2. USE OF U.S. GAAP

Requirements under the Listing Rules

Rule 19.25A of the Listing Rules provides that the annual accounts are required to conform with financial reporting standards acceptable to the Stock Exchange, which are normally the HKFRS issued by the Hong Kong Institute of Certified Public Accountants or the IFRS issued by the International Accounting Standards Board. Where the Stock Exchange allows annual accounts to be drawn up otherwise than in conformity with the HKFRS or the IFRS, the annual accounts will be required to conform with financial reporting standards acceptable to the Stock Exchange. In such cases, the Stock Exchange will normally require the annual accounts to contain a reconciliation statement setting out the financial effect of the material differences (if any) from either the HKFRS or the IFRS.

Note 2.1 to Paragraph 2 of Appendix 16 to the Listing Rules requires the Company to prepare its financial statements in the financial reports to be in conformity with: (a) the HKFRS; (b) the IFRS; or (c) China Accounting Standards for Business Enterprises in the case of companies incorporated in China, subject to Note 2.6 to Paragraph 2 of Appendix 16 to the Listing Rules. Note 2.6 to Paragraph 2 of Appendix 16 to the Listing Rules provides that the Stock Exchange may allow the annual financial statements of an overseas issuer to be drawn up otherwise than in conformity with financial reporting standards referred to in Note 2.1 to Paragraph 2 of Appendix 16 to the Listing Rules, subject to the requirements under Rule 19A.25 of the Listing Rules.

In GL111-22, the Stock Exchange has indicated that it has accepted that the financial statements and accountants' reports of overseas issuers with, or seeking, among others, a dual primary listing in the United States and on the Stock Exchange can be prepared in conformity with the U.S. GAAP. GL111-22 further provides that, an overseas issuer adopting a body of financial reporting standards other than the HKFRS or the IFRS for the preparation of its financial statements must include a reconciliation statement setting out the financial effect of any material differences between those financial statements and financial statements prepared using the HKFRS or the IFRS in its accountants' reports and annual/interim/quarterly reports.

Reasons for applying for the waiver

Under the SEC rules, the Company has a continuous obligation to make financial disclosure in the United States. As the Company is a company incorporated under the laws of the State of Delaware and its affairs are governed by its constitutional documents and the General Corporation Law of the State of Delaware, as well as other applicable laws, regulations, policies and procedures, the Company is therefore required to prepare its financial statements in conformity with the U.S. GAAP. The Company's reporting obligations will continue even after it is delisted from the NYSE, until it qualifies and files the requisite forms to suspend its reporting obligation under the SEC rules. Even in the event that the Company is no longer listed on the NYSE, as a domestic U.S. company with reporting obligations, the Company will continue to be required to use the U.S. GAAP.

Furthermore, the U.S. GAAP is well recognized and accepted by the international investment community (including Hong Kong investors) and significant progress has been made in the convergence between the U.S. GAAP and the IFRS.

Upon the Effective Date, the Company's financial statements will continue to be prepared in accordance with the U.S. GAAP and audited in accordance with the standards of the Public Company Accounting Oversight Board (United States). Additionally, the Company notes that it might lead to confusion among the Company's investors and Shareholders if the Company were required to adopt different accounting standards for its disclosures in Hong Kong from those in the United States. Aligning the accountings standards used for disclosures in both markets will alleviate any such confusion.

Waiver sought

The Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 19.25A of, and Note 2.1 to Paragraph 2 of Appendix 16 to, the Listing Rules in respect of its financial statements, subject to the following conditions:

- (a) the Company will, for the financial year following the Effective Date, include (i) a description of the relevant key differences between the U.S. GAAP and the IFRS; and (ii) a reconciliation statement showing the financial effect of any material differences between the financial statements prepared using the U.S. GAAP and the IFRS in its interim and annual reports after the Primary Conversion as required under Rule 19.25A of the Listing Rules and Paragraphs 30 to 32 of GL111-22, with the reconciliation statement as a note to the Company's consolidated financial statements in the interim reports to be reviewed by an external auditor in accordance with a standard that is at least equivalent to International Standard on Assurance Engagements 3000 or Hong Kong Standard on Assurance Engagements 3000 and the reconciliation statement as a note to the Company's consolidated financial statements in the annual reports to be audited by an external auditor; and
- (b) the Company will use the IFRS in the preparation of the Company's financial statements in the event that the Company is no longer listed on the NYSE and is no longer a U.S. reporting company.

A3. EXERCISE PRICE OF OPTIONS AND SARs TO BE GRANTED PURSUANT TO THE 2022 PLAN

Requirements under the Listing Rules

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: (a) the closing price of the securities as stated in the Stock Exchange's daily quotations sheet (namely, the HKSE Price) on the date of grant, which must be a Business Day; and (b) 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.

Reasons for applying for the waiver

Under the terms of the 2022 Plan which shall take effect from the Effective Date, the exercise price of each of the Options or the SARs granted shall be established by a board committee of the Company (which generally means the Compensation Committee) or shall be determined by a method established by the Compensation Committee at the time the Option or SAR is granted, provided that the exercise price shall not be less than the higher of (a) the Fair Market Value of a

Share on the date of grant (which must be a NYSE trading day) and (b) the average Fair Market Value of a Share for the five NYSE trading days immediately preceding the date of grant (or, if greater, the par value of a Share on such date(s)).

The 2022 Plan further provides that the Fair Market Value shall be the closing price per Share on such date on the NYSE (namely, the NYSE Price), if no such sale is reported on that date, on the last preceding date on which a sale was so reported.

It would be unduly burdensome for the Company and its employees if the exercise prices of the Options and SARs under the 2022 Plan were to be determined with reference to the HKSE Price. The waiver from Note (1) to Rule 17.03(9) of the Listing Rules can be justified on the following bases:

- (a) since the listing of the Shares on the NYSE in November 2016, it has been the Company's practice to issue Options and SARs under the 2016 Plan which are exercisable into Shares denominated in U.S. dollars with reference to the NYSE Price;
- (b) it will likely cause confusion to the eligible individuals under the 2022 Plan, many of whom were also eligible individuals under the 2016 Plan, to change the reference price, for determining the exercise prices of the Options and SARs, into the HKSE Price, which is denominated in Hong Kong dollars. It will also likely lead to significant inconvenience for them to evaluate the amount of potential gains with respect to their Options and SARs, by comparing the latest NYSE Price against a Hong Kong dollar-denominated exercise price, and make personal investment decisions and financial planning accordingly;
- (c) in addition, subject to the waiver from strict compliance with Rule 19.25A of, and Note 2.1 to Paragraph 2 of Appendix 16 to, the Listing Rules in respect of financial statements of the Company, the Company will continue to prepare its accounts based on U.S. GAAP after the Effective Date. The Company is incorporated in the United States, the functional currency of the Company is U.S. dollars, and the Shares are denominated in U.S. dollars. Granting Options and SARs denominated in Hong Kong dollars would impose a considerable amount of work on accounting and financial reporting on the Company, and the benefits of such work may not justify the additional work and expenses involved;
- (d) the vast majority of the trading volume for the Shares has been on NYSE since the Company's listing in November 2016;
- (e) the Company has been issuing Shares registered on the principal segment of its register of Stockholders in the United States in settling Options and SARs under the 2016 Plan and will continue to do so under the 2022 Plan. It will likely cause confusion for the administrator of the 2022 Plan if the exercise price of the Options and SARs is denominated in Hong Kong dollars; and
- (f) the method for determining the exercise price of Options and SARs based on the NYSE Price substantially replicates the requirement in Note (1) to Rule 17.03(9) of the Listing Rules.

Waiver sought

The 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 the Company will be able to determine the exercise price for grants of Options and SARs under the 2022 Plan based on the higher of: (a) the NYSE Price on the date of grant, which must be a NYSE trading day; and (b) the average NYSE Price for the five NYSE trading days immediately preceding the date of grant, subject to the condition that the Company shall not grant any Options and SARs 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.

A4. HONG KONG REPURCHASE AGREEMENT

Reference is made to the announcement of the Company dated December 12, 2025 with respect to the increase in the share repurchase authorization (the “**Repurchase Authorization**”) from the Board. The Company may repurchase Shares under the Repurchase Authorization from time to time in the open market in the United States and Hong Kong or, subject to applicable regulatory requirements, through privately negotiated transactions, block trades, accelerated share repurchase transactions and the use of Rule 10b5-1 trading plans.

The Company has entered into a share repurchase agreement (the “**Hong Kong Repurchase Agreement**”) with an independent broker, Goldman Sachs (Asia) L.L.C. (the “**Broker**”), pursuant to which the Broker, through its affiliate, which is an exchange participant on the Stock Exchange, shall effect repurchases of Shares on the Stock Exchange in accordance with pre-established parameters under the Hong Kong Repurchase Agreement. The repurchases under the Hong Kong Repurchase Agreement will be conducted through the open market and the facilities of the Stock Exchange.

Unless terminated pursuant to the terms therein, the term of the Hong Kong Repurchase Agreement is expected to commence on January 12, 2026, and end upon the earlier of (a) June 30, 2026; or (b) the completion of the aggregate purchase amount of approximately HK\$880 million.

The entering into of the Hong Kong Repurchase Agreement and any repurchases made thereunder will be pursuant to the Repurchase Authorization. In addition, any repurchases in Hong Kong and the U.S. will be made under the general repurchase mandate from the shareholders sought at the Company’s annual general meeting held each year, with the most recent general repurchase mandate being granted at the annual general meeting held on May 23, 2025.

Waiver from Strict Compliance with the Requirements under Rule 10.06(2)(e) with respect to the Hong Kong Repurchase Agreement

Rule 10.06(2)(e) of the Listing Rules restricts a listed issuer from purchasing its shares on the Stock Exchange at any time after inside information has come to its knowledge until the information is made publicly available, and in particular during restricted periods preceding the periodic announcements of its results (collectively, the “**Restricted Periods**”).

The Company has a quarterly reporting obligation in the U.S. The trading windows available to the Company for making repurchases under applicable U.S. laws and regulations are less than those available to typical Hong Kong issuers. In addition, it may not be feasible and advisable for the Company to strictly comply with Rule 10.06(2)(e) of the Listing Rules by terminating or suspending

the Hong Kong Repurchase Agreement with the Broker during the Restricted Periods, as the act of termination or suspension may imply the occurrence of inside information and may result in a potential implication of insider dealing under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or applicable insider trading laws in the U.S. Therefore, strict compliance with Rule 10.06(2)(e) of the Listing Rules is unduly burdensome.

In light of the Guidance Letter GL117-23 (“**GL117-23**”) published by the Stock Exchange which sets out guidance on automatic share repurchase programs, the Company has sought, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 10.06(2)(e) of the Listing Rules in respect of the repurchase of Shares under the Hong Kong Repurchase Agreement during the Restricted Periods (the “**Repurchase Waiver**”). The Repurchase Waiver will enable the Company, through the Broker pursuant to the Hong Kong Repurchase Agreement, to conduct share repurchases during the Restricted Periods.

In Respect of Share Repurchases Made pursuant to the Hong Kong Repurchase Agreement

Repurchases pursuant to the Hong Kong Repurchase Agreement will be conducted through the open market and the facilities of the Stock Exchange. The Shares repurchased by the Company will be cancelled. Since the Company has relinquished direct control over transactions to the Broker, the actual trades made pursuant to the Hong Kong Repurchase Agreement might be executed by the Broker at a time during the Restricted Periods.

According to the GL117-23, the overriding principle when considering the granting of a waiver is whether the issuer has adopted sufficient safeguards against trading with undisclosed inside information and potential share price manipulation. The principal terms and features of the Hong Kong Repurchase Agreement and the analysis of their compliance with the GL117-23 are summarized below:

- (i) the Hong Kong Repurchase Agreement is a non-discretionary arrangement with respect to the Company, which (a) was established outside the Restricted Periods, (b) sets out the pre-determined parameters for the share repurchases, and (c) cannot be modified or terminated by the Company during the Restricted Periods (unless required by applicable laws and regulations) or when the Company is aware of any inside information;
- (ii) the Hong Kong Repurchase Agreement will be effected through one single broker which, to the best knowledge of the Company, is not a connected person (as defined under the Listing Rules) of the Company;
- (iii) all repurchase decisions under the Hong Kong Repurchase Agreement will be made by the Broker in accordance with the pre-determined parameters and independently from and not influenced by the Company and the Company’s connected persons (as defined under the Listing Rules). The Company and the Broker will maintain appropriate systems and controls (with appropriate Chinese Walls or information barriers) in relation to the Hong Kong Repurchase Agreement to ensure that no inside information of the Company will be given by the Company and the Company’s connected persons (as defined under the Listing Rules) directly or indirectly to, or received by, any personnel of the Broker involved in the execution of repurchases under the Hong Kong Repurchase Agreement until a reasonable time after its completion or termination;
- (iv) the time gap between the date of execution of the Hong Kong Repurchase Agreement and the commencement of the Restricted Period complies with the guidance provided in the GL117-23.

In addition, the Hong Kong Repurchase Agreement imposes a cooling-off period of at least 30 days between the date of execution of the agreement and the effective date of the agreement. Repurchases under the Hong Kong Repurchase Agreement may only be effected by the Broker after such cooling-off period;

- (v) the duration of the Hong Kong Repurchase Agreement will be approximately six months;
- (vi) each of the Company's market capitalization as at December 12, 2025, and average daily turnover volume in the six months immediately prior to the date of the announcement is above the benchmark as set out under the GL117-23; and
- (vii) the Company published the announcement dated December 12, 2025, which discloses the key details of the Hong Kong Repurchase Agreement and will disclose any repurchase of Shares conducted thereunder by way of next day disclosure returns in accordance with the requirements of the Listing Rules.

On the ground that the terms and the features of the Hong Kong Repurchase Agreement satisfy the requirements under the Listing Rules and guidance provided in the GL117-23, such that the repurchases under the Hong Kong Repurchase Agreement is structured in a manner to mitigate the risk of trading with undisclosed inside information and potential price manipulation, the granting of the Repurchase Waiver from strict compliance with Rule 10.06(2)(e) of the Listing Rules will not give rise to undue risk to shareholders.

General

The Company has complied, and will comply, with reporting obligations under the Listing Rules. Furthermore, the Company will ensure compliance with the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), in particular the provisions in relation to market manipulation and insider dealing.

A5. CERTAIN RESTRICTIONS IMPOSED ON THE ISSUANCE OF SHARES

Settlement Mechanism under the 2016 Plan as a share repurchase

There are outstanding options under the 2016 Plan. All participants who have received grants under the 2016 Plan have entrenched rights under the 2016 Plan, and the 2016 Plan will continue to govern awards under the 2016 Plan granted prior to the effectiveness of the 2022 Plan.

Under the terms of the 2016 Plan, a participant has the right to elect to pay the exercise price of his/her share options and satisfy tax obligations by tendering existing Shares instead of cash (the “**Settlement Mechanism**”). The provision permitting the tendering of Shares as payment of the exercise price of the options would allow participants to exercise their options with less or no cash, without having to raise funds and incurring unnecessary transaction costs.

Requirements under the Listing Rules

Rule 10.06(3) of the Listing Rules requires an issuer to seek the Stock Exchange's approval before issuing new shares or announcing a new issue of shares within 30 days after the issuer's purchase of its own shares, whether on the Stock Exchange or otherwise (other than an issue of securities pursuant to the exercise of warrants, share options or similar instruments requiring the issuer to issue securities, which were outstanding prior to that purchase of its own securities).

The Company has adopted the 2022 Plan with effect from the Effective Date. The Company will grant Awards in accordance with the terms of the 2022 Plan from time to time as and when appropriate and necessary.

The case of the Company

The Company has sought, and the Stock Exchange has granted, an approval for share issuance under Rule 10.06(3) of the Listing Rules in respect of potential share issuance for equity fund-raising within 30 days after a share repurchase made pursuant to the Settlement Mechanism under the 2016 Plan.

Reasons for applying for the approval

Absent the approval, the Company would not be able to issue Shares for equity fund-raising within 30 days after a share repurchase made pursuant to the Settlement Mechanism under the 2016 Plan. The approval under Rule 10.06(3) of the Listing Rules in this scenario can be justified on the basis that repurchase made pursuant to the Settlement Mechanism (a) is the entrenched right of the participants under the 2016 Plan and (b) is irrevocable and non-discretionary from the Company's perspective.

(a) Repurchases made pursuant to the Settlement Mechanism is the entrenched right of participants under the 2016 Plan

The 2016 Plan is a typical equity plan adopted by companies listed in the United States. As of the date hereof, there were limited number of Options under the 2016 Plan, and all outstanding Options under the 2016 Plan were held by non-employee participants. However, since the 2016 Plan has been implemented since October 2016, an amendment to or cancellation of the Settlement Mechanism under the 2016 Plan would affect the entrenched right of participants who hold grants under the 2016 Plan.

(b) Repurchases made pursuant to the Settlement Mechanism are irrevocable and non- discretionary from the Company's perspective

The Settlement Mechanism is triggered by the unilateral exercise by the participants at their discretion and in accordance with the terms of the 2016 Plan and relevant award agreements.

By its very nature, decisions relating to whether to exercise, the timing of the exercise and the manner of exercise of the Options are made by the participants in accordance with the provisions of the 2016 Plan and relevant award agreements, rather than the Company. The Company has no discretion as to when the Options are exercised and what portion of the exercise price is to be satisfied by the participant tendering his/her Shares. The resulting repurchase is an involuntary event from time to time and beyond the control of the Company.

In addition, the Shares tendered under the Settlement Mechanism will be valued at prevailing market price as of the day of exercise of the Options.

Given that the risk of the issue price of new Shares being affected by the tendering of the Shares under the Settlement Mechanism is remote, it would be unduly burdensome for the Company to delay equity fund-raising after a share repurchase made pursuant to the Settlement Mechanism under the 2016 Plan.

Approval sought

The Company has sought, and the Stock Exchange has granted, the approval for share issuances in the above two scenarios under Rule 10.06(3) of the Listing Rules.