

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

WAIVER FROM STRICT COMPLIANCE WITH RULE 8.12 OF THE LISTING RULES

Pursuant to Rule 8.12 of the Listing Rules, we must have sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. Given that our business and operations are primarily located, managed and conducted in the PRC and none of our executive Directors is ordinarily resident in Hong Kong, we consider that it would be unduly burdensome for us to maintain management presence in Hong Kong in order to comply with the requirement under Rule 8.12 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and obtained, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules. In order to maintain regular communication with the Stock Exchange, we have put in place the following measures:

- (a) pursuant to Rule 3.05 of the Listing Rules, we have appointed two authorised representatives, namely, Mr. Tan Weimin and Ms. Mok Ming Wai, who will act as our principal channel of communication with the Stock Exchange;
- (b) our authorised representatives will have means to contact all members of the Board (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact our Directors for any matters;
- (c) Chairman Wang, who is not ordinarily resident in Hong Kong, has indicated that he holds valid travel documents and will be able to make himself available in Hong Kong on reasonable notice if required by the Stock Exchange and will be readily contactable by the Stock Exchange. All our Directors also hold valid travel documents that enable them to meet the Stock Exchange on reasonable notice, if required;
- (d) pursuant to Rule 3A.19 of the Listing Rules, we have appointed Guotai Junan Capital Limited as our compliance adviser for the period commencing from the Listing Date and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year after the Listing Date to provide us with professional advice on continuing obligations under the Listing Rules and to act as the alternative channel of communication with the Stock Exchange; and
- (e) each of our Directors has provided his/her mobile telephone number, office telephone number, e-mail address and fax number to the Stock Exchange.

WAIVER FROM RULES 3.28 AND 8.17 OF THE LISTING RULES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary 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. Note (1) to Rule 3.28 of the Listing Rules further provides that 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)).

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

We have appointed Mr. Tan Weimin as a joint company secretary. Mr. Tan is experienced in business management and has a thorough understanding of our operations. Given that Mr. Tan is neither a member of the Hong Kong Institute of Chartered Secretaries, a solicitor or barrister nor a professional accountant, as required under Note (1) of Rule 3.28 of the Listing Rules, his appointment as a joint company secretary does not strictly comply with Rules 3.28 and 8.17 of the Listing Rules. We have appointed Ms. Mok Ming Wai to act as a joint company secretary. Ms. Mok is a fellow member of Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom. Accordingly, Ms. Mok fully complies with the requirements as stipulated under Rules 3.28 and 8.17 of the Listing Rules. We have engaged Ms. Mok as joint company secretary for a minimum period of three years commencing from the Listing Date, during which she will assist and guide Mr. Tan to enable him to acquire the “relevant experience” under Note (2) to Rule 3.28 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and obtained, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules. The waiver is valid for an initial period of three years from the Listing Date. The waiver is granted on the condition that we engage Ms. Mok, who possesses all the requisite qualifications required under Rule 3.28 of the Listing Rules, to assist Mr. Tan in his discharge of duties as a joint company secretary and in gaining the “relevant experience” as required under Note (2) to Rule 3.28 of the Listing Rules. Upon expiry of the three-year period, a further evaluation of the qualifications and experience of Mr. Tan and the need for on-going assistance would be made.