
WAIVER FROM COMPLIANCE WITH THE HONG KONG LISTING RULES

In preparation for the Listing, we have sought the following waiver from compliance with the relevant provision of the Hong Kong Listing Rules:

MANAGEMENT PRESENCE

Rule 8.12 of the Hong Kong Listing Rules requires that a new applicant applying for a primary listing on the Stock Exchange must have a sufficient management presence in Hong Kong. This normally means that at least two of its executive Directors must be ordinarily resident in Hong Kong.

Since the business, operations and production facilities of our Group are primarily located, managed and conducted in China, there is no business need to appoint executive directors in Hong Kong. All of the executive Directors and the majority of our Group's senior management are, and will continue to be, based in the PRC. Substantially all of our Group's assets are based in China. Our Company does not, and does not contemplate in the foreseeable future that it will have a sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Hong Kong Listing Rules.

An application for a waiver from compliance with the requirement to have a sufficient management presence in Hong Kong under Rule 8.12 of the Hong Kong Listing Rules has been made to the Stock Exchange and such waiver has been granted by the Stock Exchange.

The arrangements proposed by our Company for maintaining at all times regular, adequate and effective communication with the Stock Exchange for the purposes of Rules 3.05, 3.06 and 8.12 of the Hong Kong Listing Rules are as follows:

- (a) our Company has appointed and will continue to maintain two authorized representatives pursuant to Rule 3.05 of the Hong Kong Listing Rules who will act as our Company's principal point of communication with the Stock Exchange. The two authorized representatives proposed to be appointed are Mr. Chen Wantian (an executive Director of our Company) and Mr. Moy Yee Wo, Matthew (the company secretary of our Company). The authorized representatives, and their alternate authorized representative, will have the means to contact all our Directors promptly at all times as and when the Stock Exchange wishes to contact our Directors on any matters. They have provided their usual contact details to the Stock Exchange and will be readily contactable by the Stock Exchange if necessary to deal with enquiries from the Stock Exchange from time to time. Each of the two authorized representatives is authorized to communicate on behalf of our Company with the Stock Exchange. Our Company will inform the Stock Exchange promptly if there is any change in our authorized representatives or the contact details of any of them;
- (b) each Director who is not ordinarily resident in Hong Kong currently possesses valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable period of time upon prior notice from the Stock Exchange, if required;
- (c) our Company will, before the Listing Date, appoint CCBI as its compliance advisor pursuant to Rule 3A.19 of the Hong Kong Listing Rules who will also act as an

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additional point of contact between our Company and the Stock Exchange for the period commencing on the Listing Date and ending on the date on which our Company complies with Rule 13.46 of the Hong Kong Listing Rules in respect of its financial results for the first full financial year commencing after the Listing Date. Our Company will inform the Stock Exchange promptly of any change of its compliance advisor;

- (d) our Company will appoint other professional advisors (including legal advisors and accountants) to advise on on-going compliance requirements and other issues arising under the Hong Kong Listing Rules and other applicable laws and regulations in Hong Kong and to ensure that there will be efficient communication with the Stock Exchange after the Listing; and
- (e) each of our Directors has provided his respective mobile phone number, office phone number, e-mail address and fax number to the Stock Exchange. In the event that a Director expects to travel outside Hong Kong, he shall provide to the authorized representatives the phone numbers of the place of his accommodations outside Hong Kong or the phone numbers where he can be contacted outside Hong Kong.