
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, an issuer must have a sufficient management presence in Hong Kong and in normal circumstances, at least two of the issuer's executive directors must be ordinarily resident in Hong Kong.

Our core business and operations are primarily located in the PRC. It would be practically difficult and commercially unnecessary for us to relocate two of our executive Directors to Hong Kong. Therefore, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from compliance with Rule 8.12 of the Listing Rules on the following conditions:

- (1) We will appoint two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange and ensure that we comply with the Listing Rules at all times. The two authorized representatives to be appointed are Mr. Li Qiang, our executive Director and Ms. Mei Jing, one of our joint company secretaries. Each of the authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable timeframe upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and email. Each of the two authorized representatives is authorized to communicate on our behalf with the Stock Exchange. We have also appointed Ms. Lai Siu Kuen, one of our joint company secretaries and who is ordinarily resident in Hong Kong, as an alternate authorized representative.
- (2) All our authorized representatives (including the alternate authorized representative) have means to contact all of our Directors (including the independent non-executive Directors) and all of the senior management team promptly at all times as and when the Stock Exchange wishes to contact the Directors for any matters. Directors who are not ordinarily resident in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable timeframe, when required. To enhance communication between the Stock Exchange, the authorized representatives (including the alternate authorized representative) and our Directors, we will implement a policy that (a) each Director will have to provide the telephone number, fax number and email address to the authorized representatives; or (b) in the event that a Director expects to travel, he/she will endeavor to provide the telephone number of the place of his accommodation to the authorized representatives or maintain an open line of communication via his mobile telephone, fax number and email address to the Stock Exchange; and (c) all our Directors and authorized representatives (including the alternate authorized representative) will provide their respective office phone numbers, mobile phone numbers, office telephone numbers, fax numbers and email addresses to the Stock Exchange.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

- (3) We will appoint Haitong International Capital Limited as our compliance adviser, pursuant to Rule 3A.19 of the Listing Rules, which will have access at all times to our authorized representatives (including the alternate authorized representative), Directors and senior management, and will act as an additional channel of communication with the Stock Exchange for the period commencing on the Listing Date and ending on the date on which the Company complies with Rule 13.46 in respect of its financial results for the first full financial year commencing after the Listing Date. The contact person of the compliance adviser will be fully available to answer enquiries from the Stock Exchange.

- (4) We will inform the Stock Exchange as soon as practicable in respect of any change in our authorized representatives (including the alternate authorized representative).

CONNECTED TRANSACTIONS

The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver in relation to certain continuing connected transactions under Chapter 14A of the Listing Rules. For details, see the section entitled “Connected Transaction” in this prospectus.

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the secretary of our Company must be a person who has the requisite knowledge and experience to discharge the functions of the company secretary and is either (i) a member of the Hong Kong Institute of Company Secretaries, a solicitor or barrister as defined in the Legal Practitioners Ordinance or a certified public accountant as defined in the Professional Accountants Ordinance, or (ii) 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.

We have appointed Ms. Lai Siu Kuen and Ms. Mei Jing as our joint secretaries. Ms. Lai Siu Kuen is a fellow member of both the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom and meets the requirements under Rules 3.28 and 8.17 of the Listing Rules. Since Ms. Mei Jing does not possess a qualification stipulated in Rules 3.28 and 8.17 of the Listing Rules, she is not able to solely fulfill the requirements as a company secretary of a listed issuer stipulated under Rules 3.28 and 8.17 of the Listing Rules. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Ms. Mei Jing as our joint company secretary. In order to provide support to Ms. Mei Jing, we have appointed Ms. Lai Siu Kuen to act as a joint company secretary and to provide assistance to Ms. Mei Jing for a three-year period from the Listing Date so as to enable her to acquire the relevant experience (as required under Rule 3.28(2) of the Listing Rules) to duly discharge her duties.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

Upon the expiry of such three-year period, we will assess the then experience of Ms. Mei Jing in order to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied at that time and, if such requirements cannot be satisfied, we will employ a suitable candidate who will be able to comply with the requirements under Rules 3.28 and 8.17 of the Listing Rules as the secretary of our Company.