
WAIVER FROM STRICT COMPLIANCE WITH THE LISTING RULES

In connection with the Listing, we have sought the following waiver from strict compliance with the relevant provisions of the Listing Rules:

MANAGEMENT PRESENCE

Rule 8.12 of the 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 our principal business operations and Sui-Yue Expressway (Hunan Section), the expressway project in which we are engaged, are located in China, our Directors and the members of our senior management are and will therefore be expected to continue to be based in China. At present, only Mr. Chan, one of our executive Directors, and Mr. Sin Ka Man, our company secretary, are ordinarily resident in Hong Kong. We have applied to the Stock Exchange for a waiver from strict compliance with the requirement under Rule 8.12.

We have received from the Stock Exchange a waiver from strict compliance with Rule 8.12 of the Listing Rules subject to the following conditions:

- (a) We appoint two authorised representatives pursuant to Rule 3.05 of the Listing Rules who will act as our principal communication channel with the Stock Exchange and will ensure that they comply with the Listing Rules at all times. The two authorised representatives appointed are Mr. Sin Ka Man, our company secretary, and Mr. Chan, an executive Director, who are both ordinarily resident in Hong Kong. Each of the authorised representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable period of time upon request and will be readily contactable by telephone, facsimile or e-mail. Each of the two authorised representatives has been duly authorised to communicate with the Stock Exchange on our behalf;
- (b) We appoint a compliance adviser pursuant to Rule 3A.19 of the Listing Rules who will also act as our communication channel with the Stock Exchange for a period commencing on the Listing Date and ending on the date on which we distribute the annual report for the first full financial year after the Listing Date in accordance with Rule 13.46 of the Listing Rules;

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- (c) Both the authorised representatives 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 the members of the Board for any matters. We will implement a policy whereby (a) all Directors (including the executive Directors and the independent non-executive Directors) will provide his or her mobile phone number, residential phone number, fax number and e-mail address to the authorised representatives; (b) all Directors (including the executive Directors and independent non-executive Directors) will provide valid phone numbers or means of communication to the authorised representatives when he or she is traveling; and (c) all Directors (including the executive Directors and the independent non-executive Directors), the authorised representatives and our Company secretary of our Company will provide his or her mobile phone number, residential phone number, office phone number, fax number and e-mail address to the Stock Exchange; and
- (d) All executive Directors and independent non-executive Directors who are not ordinarily resident in Hong Kong have confirmed that either they possess or will apply for valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable period of time, when required.