

WAIVERS FROM STRICT COMPLIANCE WITH LISTING RULES

Management presence in Hong Kong

Pursuant 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. Given that the Group's principal business operations are located, managed and conducted in the PRC, most of the Group's senior management reside in the PRC and currently, none of the executive Directors ordinarily resides in Hong Kong. The Company does not and, for the foreseeable future, will not have sufficient management presence in Hong Kong. Accordingly, the Company has applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted the Company, a waiver from strict compliance with the requirements of Rule 8.12 of the Listing Rules.

In order to maintain effective communication with the Hong Kong Stock Exchange, the Company will put in place the following measures:

- (i) Mr. Lin, an executive Director, and Mr. Chan Wing Hang, the company secretary and chief financial officer of the Company are appointed as the Company's authorized representatives who will act as the Company's principal channel of communication with the Hong Kong Stock Exchange. Each of the authorized representatives will be available to meet with the Hong Kong Stock Exchange upon short notice and will be readily contactable by telephone, facsimile and e-mail;
- (ii) all the authorized representatives have means to contact all Directors promptly at all times as and when the Hong Kong Stock Exchange wishes to contact the Directors on any matters. To enhance communication between the Hong Kong Stock Exchange, the authorized representatives and the Directors, (a) each Director will provide his mobile phone number, residential phone number, office phone number, fax number and e-mail address to the authorized representatives and the Hong Kong Stock Exchange; and (b) in the event that a Director expects to travel or otherwise be out of office, he will provide valid phone numbers or means of communication to the authorized representatives;
- (iii) the Company's company secretary and two independent non-executive Directors, namely Messrs. Chan Tsz Fu Jacky and Choi Tze Kit Sammy, are ordinary residents in Hong Kong and will serve as the Company's additional channel of communication with the Hong Kong Stock Exchange;
- (iv) each of the Directors who is not ordinary resident in Hong Kong possesses valid travel documents to visit Hong Kong and will be able to meet with the Hong Kong Stock Exchange within a reasonable period of time; and
- (v) the Company has appointed Piper Jaffray Asia as its compliance adviser, who will also serve as its additional communication channel with the Hong Kong Stock Exchange from the Listing Date to the date when the Company publishes its annual report for the first full financial year immediately after the Listing Date.

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Issue of annual report and accounts and publication of annual results under the Listing Rules

Pursuant to Rule 13.46(2) of the Listing Rules, an issuer is required to send a copy of its annual report and accounts or summary financial report to its shareholders within four months after its financial year-end. In addition, pursuant to Rule 13.49(1) of the Listing Rules, an issuer is required to publish its annual results within the time prescribed in the Listing Rules.

As the financial information and annual results of the Company in respect of the financial year ended 31 December 2009 have been included in this prospectus, the Directors consider that strict compliance with the requirements of Rule 13.46(2) and Rule 13.49(1) of the Listing Rules will not provide further material information to the Shareholders but will incur unnecessary financial and administrative resources of the Group. The Directors also confirm that the departure from strict compliance of Rules 13.46(2) and 13.49(1) of the Listing Rules will not be in breach of the Articles or laws and regulations of the Cayman Islands or other regulatory requirements regarding the Company's obligation to publish annual results announcements and distribute annual reports and accounts. In addition, a short statement as to whether the Company intends to comply with the Code on Corporate Governance Practices in Appendix 14 to the Listing Rules after the Listing has been set out in the paragraph headed "Corporate Governance" under the section headed "Directors, Senior Management and Employees" in this prospectus. On the above basis, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements of Rules 13.46(2) and 13.49(1) of the Listing Rules in respect of the annual results for the financial year ended 31 December 2009.