
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

In preparation for the Listing, we have sought the following waivers 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 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, the majority of our Group's senior management and substantially all of our assets are, and will continue to be, based in the PRC. 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 Listing Rules.

An application for a waiver from strict compliance with the requirement to have a sufficient management presence in Hong Kong under Rule 8.12 of the 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 and 3.06 of the Listing Rules are as follows:

- (a) our Company has appointed and will continue to maintain two authorised representatives pursuant to Rule 3.05 of the Listing Rules who will act as our Company's principal point of communication with the Stock Exchange. The two authorised representatives proposed to be appointed are Ms. Jia Lingxia (an executive Director) and Mr. To Kwong Yeung (the company secretary and the chief financial officer of our Company). The authorised representatives, and their alternate authorised representative, will have the means of contacting all Directors promptly at all times as and when the Stock Exchange wishes to contact our Directors on any matters. They will provide 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 authorised representatives is authorised to communicate on behalf of our Company with the Stock Exchange. Our Company will inform the Stock Exchange promptly if there is any change of the authorised representatives or the contact details of any of them;
- (b) each Director who is not ordinarily resident in Hong Kong possesses or can 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 upon prior notice from the Stock Exchange, if required;
- (c) our Company will appoint CCB International Capital Limited as its compliance adviser pursuant to Rule 3A.19 of the Listing Rules who will also act as an 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 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 changes of the compliance adviser;
- (d) our Company will also appoint other professional advisers (including legal advisers and accountants) to advise on on-going compliance requirements and other issues arising under the 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

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- (e) each of our Directors will provide his or her respective mobile phone numbers, office phone numbers, e-mail addresses and fax numbers to the Stock Exchange prior to the Listing. In the event that a Director expects to travel outside Hong Kong, he/she shall provide to the authorised representatives the phone numbers of the place of his/her accommodations outside Hong Kong or the phone numbers where he/she can be contacted outside Hong Kong.

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Our Group has entered into the Master Agreement. The transactions carried out pursuant to the Master Agreement would be regarded as continuing connected transactions and we have applied for a waiver accordingly. For more details of the Master Agreement and the waiver, please refer to the section headed “Connected Transactions — Non-Exempt Continuing Connected Transactions” in this prospectus.