

WAIVER FROM COMPLIANCE WITH THE LISTING RULES

In preparation for the Listing, our Company has sought the following waiver from strict compliance with the relevant provisions of the Listing Rules:

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, we are required to have a sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. At present, the Board consists of four executive Directors. Save for Mr. Wong Yee Shuen Wilson, all other executive Directors ordinarily reside in the PRC. Since our principal business operations are primarily located in the PRC, most of the senior management members of our Group are, and are expected to continue to be, based in the PRC. Therefore, for the purpose of our Group's operations, our Directors consider that it is not necessary for our Group to relocate an executive Director to Hong Kong or to appoint one additional executive Director who ordinarily resides in Hong Kong. Accordingly, we have applied to the Hong Kong Stock Exchange for a waiver from strict compliance with the requirement under Rule 8.12 of the Listing Rules.

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

- (a) We have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules who will act as our principal communication channel with the Hong Kong Stock Exchange and will ensure that they comply with the Listing Rules at all times. The two authorized representatives appointed are Mr. Huang Cheng, an executive Director and our chief executive officer and Mr. Wong Yee Shuen Wilson, an executive Director, our chief financial officer and company secretary. Each of them will be available to meet with the Hong Kong Stock Exchange in Hong Kong upon short notice and will be readily contactable by telephone, facsimile or e-mail. Each of the two authorized representatives has been duly authorized to communicate on behalf of our Company with the Hong Kong Stock Exchange;
- (b) We have appointed CCB International Capital Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules who will also act as our Company's communication channel with the Hong Kong Stock Exchange when the authorized representatives are not available;
- (c) The authorized representatives have means to contact all members of our Board (including the non-executive Directors and the independent non-executive Directors) promptly at all times as and when the Hong Kong Stock Exchange wishes to contact the members of our Board for any matters. We will implement a policy whereby (i) each Director will provide his or her mobile phone number, residential phone number, facsimile number and e-mail address to the authorized representatives; (ii) each Director will provide valid phone numbers or means of communication to the authorized representatives when he or she is travelling; and (iii) each Director will provide his or her mobile phone number, residential phone number, office phone number, facsimile number and e-mail address to the Hong Kong Stock Exchange;

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- (d) Mr. Wong Yee Shuen Wilson, an executive Director, our chief financial officer and company secretary, is ordinarily resident in Hong Kong. He will (i) provide his office phone number, mobile phone number, facsimile number and e-mail address to the Hong Kong Stock Exchange; and (ii) have the office phone numbers, mobile phone numbers, residential phone numbers, facsimile numbers and e-mail addresses of all the Directors and the authorized representatives;
- (e) Meetings between the Hong Kong Stock Exchange and the Directors could be arranged through the authorized representatives or our compliance adviser, or directly with the Directors within a reasonable time frame. We will inform the Hong Kong Stock Exchange promptly in respect of any change in our authorized representatives and compliance adviser; and
- (f) All of the Directors who are not ordinarily resident in Hong Kong have confirmed that they possess valid travel documents to visit Hong Kong and will be able to meet with the relevant members of the Hong Kong Stock Exchange within a reasonable period of time, when required.