
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

The following waivers from the basic requirements in relation to the qualifications for Listing have been applied for and granted by the Stock Exchange.

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, our Company must have a sufficient management presence in Hong Kong. This normally means that at least two of the executive Directors must be ordinarily residents in Hong Kong. Given that the business and operation of the Group are primarily located, managed and conducted in the PRC and none of the executive Directors is ordinarily based in Hong Kong, we do not and will not, in the foreseeable future, have a management presence in Hong Kong.

Accordingly, we have applied to and obtained from the Stock Exchange for a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules. In order to maintain effective communication with the Stock Exchange, we have put in place the following measures to ensure that regular communication is maintained between the Stock Exchange and us:

- (a) we have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our Company's principal channel of communication with the Stock Exchange. The two authorized representatives appointed are Mr. Wu Shiming, an executive Director and Mr. Ng Kin Sun, the company secretary of our Company, and Mr. Ng Kin Sun is ordinarily resident in Hong Kong. Each of the authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile or email. Each of the two authorized representatives is authorized by the Board to communicate on behalf of our Company with the Stock Exchange;
- (b) the Company shall promptly inform the Stock Exchange if there are any changes to the authorized representatives of the Company;
- (c) all the authorized representatives have means to contact all members of the Board (including the independent non-executive Directors) and of the senior management team promptly. To enhance the communication between the Stock Exchange, the authorized representatives and the Directors, (i) each executive Director and independent non-executive Director shall provide his mobile phone numbers, residential phone numbers, office phone numbers, fax numbers (if available) and email addresses (if available) to the authorized representatives; (ii) in the event that an executive Director or independent non-executive Director expects to travel and be out of office, he shall provide the phone number of the place of his accommodation to the authorized representatives; and (iii) all the executive Directors, independent non-executive Directors and authorized representatives will provide their respective mobile phone numbers, residential phone numbers, office phone numbers, fax numbers (if available) and email addresses (if available) to the Stock Exchange;

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- (d) if the circumstances require, meetings of the Board can be summoned and held in such manner as permitted under the articles of association of our Company at short notice to discuss and address any issue with which the Stock Exchange is concerned in a timely manner; and
- (e) all executive Directors have confirmed that they possess valid travel documents to travel freely to Hong Kong and would be able to come to Hong Kong and meet the Stock Exchange upon reasonable short notice.

In addition, we have entered into a compliance advisor agreement with Kingston Corporate Finance Limited to retain Kingston Corporate Finance Limited as the compliance advisor of our Company for a period commencing on the Listing Date and ending on the date on which our Company shall comply 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 to provide us with professional advice on continuing obligations under the Listing Rules, and to act at all times, in addition to the two authorized representatives of our Company, as our Company's principal channel of communication with the Stock Exchange.

CONTINUING CONNECTED TRANSACTIONS

Members of our Group have entered into certain transactions, which would constitute continuing connected transactions of our Company under the Listing Rules after the Listing. We have applied to the Stock Exchange for waivers from strict compliance with the announcement requirement as set out in Chapter 14A of the Listing Rules. For details of such continuing connected transactions, please refer to the paragraph headed "Continuing Connected Transactions in which Waivers are Granted" under the section headed "Connected Transactions" of this prospectus.