
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

WAIVER FROM STRICT COMPLIANCE WITH RULE 8.12 OF THE LISTING RULES RELATING TO MANAGEMENT PRESENCE IN HONG KONG

According 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.

Our core business and operations are substantially based in the PRC. It would be practically difficult and commercially unnecessary for us to relocate our executive directors to Hong Kong. Therefore, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from compliance with Rule 8.12 of the Listing Rules on the following conditions:

- (1) We have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange and ensure that they comply with the Listing Rules at all times. The two authorized representatives appointed are Mr. Lam Wai Wah and Ms. Miao Fei, both are our executive Directors. Mr. Lam Wai Wah 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 and email. Each of the two authorized representatives will be authorized to communicate on our behalf with the Stock Exchange. We have also appointed Ms. Chu Man Yee, who is ordinarily resident in Hong Kong, Company Secretary of the Company as an alternate authorized representative.
- (2) All our authorized representatives (including the alternate) have means to contact all of our directors (including the independent non-executive directors) promptly at all times as and when the Stock Exchange wishes to contact the directors for any matters. Our directors who are not ordinarily resident in Hong Kong possess 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, when required. To enhance communication between the Stock Exchange, the authorized representatives and our directors, we will implement a policy that (a) each director will have to provide his/her mobile telephone number, fax number and email address to the authorized representatives; (b) in the event that a director expects to travel, he/she will endeavor to provide the telephone number of the place of his/her accommodation to the authorized representatives or maintain an open line of communication via his/her mobile telephone; and (c) all our directors will provide their respective mobile telephone numbers, office telephone numbers, fax numbers and email addresses to the Stock Exchange.
- (3) We have appointed Haitong International Capital Limited as compliance adviser, pursuant to Rule 3A.19 of the Listing Rules, which will have access at all times to the authorized representatives, our directors and the senior management of the Company, and will act as an additional channel of communication between the Stock Exchange and us.
- (4) Meetings between the Stock Exchange and our directors could be arranged through the authorized representatives or the compliance adviser, or directly with our directors within a reasonable time frame. We will inform the Stock Exchange as soon as practicable in respect of any change in the authorized representatives and/or the compliance adviser.