

WAIVERS FROM THE LISTING RULES, EXEMPTIONS FROM THE COMPANIES ORDINANCE AND CONFIRMATIONS FROM THE HONG KONG STOCK EXCHANGE

WAIVER AND EXEMPTION IN RELATION TO THE PROPERTY VALUATION REPORT

Our Company has applied to the Hong Kong Stock Exchange and the Securities and Futures Commission for, and the Hong Kong Stock Exchange and the Securities and Futures Commission have granted, respectively, a waiver from compliance with Rule 5.01 and paragraph 3(a) of Practice Note 16 of the Listing Rules and an exemption from compliance with paragraph 34 of the Third Schedule of the Companies Ordinance in respect of the requirement to prepare and issue a property valuation report on the grounds that:

- (i) our Company's core business is not in property investment or development;
- (ii) to require our Company to comply with the above requirements would involve the preparation of a property valuation report in respect of more than 300 properties in 29 jurisdictions, which would be unduly burdensome and irrelevant to investors; and
- (iii) the information contained in this prospectus relating to properties will enable shareholders and the public to make a properly informed assessment of our Company's securities.

The Hong Kong Stock Exchange and the Securities and Futures Commission have, respectively, granted a waiver from strict compliance with Rule 5.01 and paragraph 3(a) of Practice Note 16 of the Listing Rules and an exemption from strict compliance with paragraph 34 of the Third Schedule of the Companies Ordinance on the condition that this prospectus contains the following disclosures:

- (i) an overview of our Group's Property Interests (as defined in the paragraph entitled "Property" in the section headed "Business" of this prospectus) which will disclose geographical location, number of properties, size, use and whether the properties are owned or leased;
- (ii) a statement:
 - (A) that no single Property Interest has a carrying amount of 15% or above of our Group's total assets;
 - (B) that none of our Group's Property Interests is individually material to our Group in terms of revenue contribution and rental expense; and
 - (C) of the percentage of our Group's Property Interests to its total assets as at 31 January 2011; and

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- (iii) in relation to the Group's leased properties:
 - (A) the range in the term of the leases;
 - (B) the range in gross area of the leased properties; and
 - (C) a breakdown of the average monthly rental expense in respect of the following regions on an aggregate basis: China, Hong Kong, Macau, Europe, North America, Japan and Rest of Asia.

For information on our Group's Property Interests, please refer to the paragraph entitled "Property" in the section headed "Business" of this prospectus.

WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong, which means that normally at least two of the issuer's executive directors must be ordinarily resident in Hong Kong. Currently, none of our executive directors resides in Hong Kong. Our headquarters and manufacturing facilities are located outside of Hong Kong, and our products are sold in 70 countries worldwide. Accordingly, we do not and, for the foreseeable future, will not have a significant management presence in Hong Kong.

However, we have appointed Mr. Donatello Galli, an executive Director, and Ms. Ying-Kwai Yuen, our joint company secretary, as the authorized representatives of our Company. Ms. Yuen ordinarily resides in Hong Kong and will be readily contactable in Hong Kong by phone, facsimile and/or email to deal promptly with enquiries from the Hong Kong Stock Exchange. Our Company intends to maintain regular communications with the Hong Kong Stock Exchange through such arrangements.

We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules subject to the following conditions:

- (a) our authorized representatives will act as the principal channel of communication with the Hong Kong Stock Exchange;
- (b) our authorized representatives should have the means for contacting all Directors promptly at all times as and when the Hong Kong Stock Exchange wishes to contact the Directors on any matters;
- (c) each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Hong Kong Stock Exchange within a reasonable period;

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- (d) our compliance advisor will act as an additional channel of communication with the Hong Kong Stock Exchange; and
- (e) each Director will provide his or her own respective mobile phone numbers, office phone numbers, e-mail addresses and fax numbers to the Hong Kong Stock Exchange.

WAIVER IN RELATION TO THE JOINT COMPANY SECRETARY

Pursuant to Rule 8.17 of the Listing Rules, the secretary of our Company must be a person who is ordinarily resident in Hong Kong and who has the requisite knowledge and experience to discharge the functions of the company secretary and who is either (a) an Ordinary Member of The Hong Kong Institute of Chartered Secretaries, a solicitor or barrister as defined in the Legal Practitioners Ordinance (Cap. 159 of the Laws of Hong Kong) or a professional accountant, or (b) an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Hong Kong Stock Exchange, capable of discharging those functions.

We have appointed Ms. Patrizia Albano and Ms. Ying-Kwai Yuen as joint company secretaries. Ms. Albano is ordinarily resident in Italy, while Ms. Yuen is ordinarily resident in Hong Kong.

Ms. Ying-Kwai Yuen is a fellow member of The Hong Kong Institute of Chartered Secretaries and therefore meets the qualification requirements under Rule 8.17 of the Listing Rules.

We believe that Ms. Albano, by virtue of her knowledge and past experience in handling corporate administrative matters, should be capable of discharging her functions as a company secretary. Further, we believe that it would be in the best interests of our Company and our corporate governance, given that we are incorporated in Italy, to have as our company secretary a person such as Ms. Albano who possesses the relevant qualifications and experience in Italian legal and corporate administrative matters. Accordingly, since Ms. Albano does not possess the formal qualifications required of a company secretary under Rule 8.17 of the Listing Rules, we have sought and obtained from the Hong Kong Stock Exchange a waiver from strict compliance with the requirements under Rule 8.17 such that Ms. Albano may be appointed as our company secretary. The waiver was granted for a three years on the condition that Ms. Yuen, as company secretary, will work closely with, and provide assistance to, Ms. Albano in the discharge of her duties as a company secretary. At the end of the three-year period, an evaluation of the qualifications and experience of Ms. Albano and in turn the need for ongoing assistance would be made to determine if the requirements under Rule 8.17 as would normally apply would then be satisfied.

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WAIVER IN RESPECT OF NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

We have applied for, and the Hong Kong Stock Exchange has granted, waivers in respect of certain non-exempt continuing connected transactions. Please see the section headed “Relationship with Our Controlling Shareholders and Connected Transactions” for further details.

WAIVER IN RESPECT OF THE PUBLIC FLOAT REQUIREMENT

Rule 8.08(1)(a) of the Listing Rules requires that at least 25% of the issuer’s total issued share capital must at all times be held by the public. Our Company has applied to the Stock Exchange to request the Stock Exchange to exercise, and the Stock Exchange has confirmed that it will exercise, its discretion under Rule 8.08(1)(d) of the Listing Rules to accept a lower public float percentage of 17.5% for our Company. The above discretion is subject to the condition that our Company complies with the disclosure requirements under Rule 8.08(1)(d) of the Listing Rules and that we and the Joint Sponsors be able to demonstrate satisfactory compliance with Rules 8.08(2) and 8.08(3) of the Listing Rules at the time of the Listing. Our Company will make appropriate disclosure of the lower prescribed percentage of public float and confirm sufficiency of the public float in its successive annual reports after the Listing. In addition, our Company will, with a view to ensuring compliance with our obligations under the Listing Rules in relation to the minimum number of Shares which must be in public hands, (i) monitor our register of members, relevant disclosures made under Part XV of the SFO and other relevant sources of information available to us and (ii) (if at any time we become aware that the number of Shares which are in public hands is less than such minimum number) take such steps as are legally available to us to restore the number of Shares in public hands to the minimum required by the Listing Rules.

WAIVER IN RELATION TO CLAWBACK MECHANISM

Paragraph 4.2 of Practice Note 18 of the Listing Rules requires a clawback mechanism to be put in place which would have the effect of increasing the number of Hong Kong Offer Shares to certain percentages of the total number of Offer Shares offered in the Global Offering if certain prescribed total demand levels are reached. An application has been made for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with paragraph 4.2 of Practice Note 18 of the Listing Rules such that, in the event of over-applications, the Joint Bookrunners shall apply a clawback mechanism following the closing of the application lists on the following bases:

- if the number of the Offer Shares validly applied for under the Hong Kong Public Offering represents 15 times or more but less than 50 times the number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, then Offer Shares will be reallocated to the

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Hong Kong Public Offering from the International Placing, so that the total number of Offer Shares available under the Hong Kong Public Offering will be 63,491,400, representing approximately 15% of the Offer Shares initially available under the Global Offering;

- if the number of the Offer Shares validly applied for under the Hong Kong Public Offering represents 50 times or more but less than 100 times the number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, then the number of Offer Shares to be reallocated to the Hong Kong Public Offering from the International Placing will be increased so that the total number of the Offer Shares available under the Hong Kong Public Offering will be 84,655,200, representing 20% of the Offer Shares initially available under the Global Offering; and
- if the number of the Offer Shares validly applied for under the Hong Kong Public Offering represents 100 times or more the number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, then the number of Offer Shares to be reallocated to the Hong Kong Public Offering from the International Placing will be increased so that the total number of the Offer Shares available under the Hong Kong Public Offering will be 105,819,000, representing 25% of the Offer Shares initially available under the Global Offering.

In each case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between pool A and pool B and the number of Offer Shares allocated to the International Placing will be correspondingly reduced in such manner as the Joint Bookrunners deem appropriate. In addition, the Joint Bookrunners may allocate Offer Shares from the International Placing to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering.

If the Hong Kong Public Offering is not fully subscribed for, the Joint Bookrunners have the authority to reallocate all or any unsubscribed Hong Kong Offer Shares to the International Placing in such proportions as the Joint Bookrunners deem appropriate. For further details of the structure of the Global Offering, please refer to the section headed "Structure of the Global Offering" in this prospectus.

WAIVER IN RELATION TO CERTIFICATES UNDER SEAL

According to paragraph 2(1) of Appendix 3 to the Listing Rules, all certificates for capital shall be under seal, which shall only be affixed with the authority of the directors. The Company does not have a seal. Under Italian law, the share certificates of the Company will be issued under either the hand of or machine imprinted signature of one Director, that Director being granted the authority by the Board. The Company has applied to the Hong Kong Stock Exchange for,

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and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with paragraph 2(1) of Appendix 3 of the Listing Rules on the grounds that: (i) under Italian law, a company is not required to have a seal; (ii) the requirements under paragraph 2(1) of Appendix 3 of the Listing Rules are not applicable to Italian incorporated joint-stock companies; and (iii) non-compliance with the requirements under paragraph 2(1) of Appendix 3 of the Listing Rules would not result in undue risks or prejudice to the interests of shareholders and investors.

WAIVER IN RELATION TO THE POWER OF THE COMPANY TO FORFEIT UNCLAIMED DIVIDENDS

According to paragraph 3(2) of Appendix 3 to the Listing Rule, where power is taken to forfeit unclaimed dividends, that power shall not be exercised until six years or more after the date of declaration of the dividend. Under article 29.4 of the By-laws, dividends not collected within five years of the day on which they become payable will be prescribed in favor of our Company and allocated to reserves. Under Italian law, a longer period is not allowed. The restriction cannot be waived or otherwise avoided by an Italian joint-stock company. Our Company has applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with paragraph 3(2) of Appendix 3 of the Listing Rules on the grounds that: (i) the existing provision of the By-laws has a substantially similar effect as the relevant requirement under paragraph 3(2) of Appendix 3 of the Listing Rules; and (2) the interests of its shareholders will not be materially prejudiced and that the difference in Italian law and the Listing Rules should not be considered a material deficiency in the shareholder protection standards of Italian incorporated joint-stock company in general.

CONFIRMATION FROM THE HONG KONG STOCK EXCHANGE IN RESPECT OF DELOITTE & TOUCHE S.p.A. AND FINANCIAL REPORTING MATTERS

Listing Rule 19.20 provides that the annual accounts of our Company must be audited by a practising accountant of good standing who is independent of our Company and who must be either (1) qualified under the Professional Accountants Ordinance for appointment as an auditor of a company; or (2) a firm of accountants acceptable to the Exchange which has an international name and reputation and is a member of a recognized body of accountants.

For statutory purposes, our Group may prepare its consolidated financial statements in accordance with the EU IFRS or the Generally Accepted Accounting Principles of Italy, and our Group has chosen to prepare its consolidated financial statements in accordance with EU IFRS. EU IFRS may

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differ from IFRS issued by the International Accounting Standards Board (“IASB”) if, at any reporting time, new or amended IFRS and interpretations issued by the IASB have not yet been endorsed by the EU. As at January 31 of 2009, 2010 and 2011, there were no unendorsed accounting standards mandatory for the accounting periods beginning on February 1 of 2008, 2009 and 2010, respectively, affecting our Group’s consolidated financial statements. As a consequence there was no difference between EU IFRS and IFRS issued by the IASB in terms of their application to our Group.

Our Company’s subsequent annual reports will include a disclosure that the financial reports in effect comply with the requirements of IFRS or if, in the future, there are material differences between IFRS and EU IFRS, our Company will provide a reconciliation of its financial statements with IFRS.

Our Company’s consolidated financial statements have been audited by Deloitte & Touche S.p.A. (“**Deloitte Italy**”) since 2003. On April 28, 2010, our Company appointed Deloitte Italy to act as its statutory auditors for a three-year term. Under Italian law, a company’s auditors are appointed for a term of three years and a shorter period is not allowed. The appointment of the auditors may, however, be terminated before the expiration of the three-year term with cause by our Company’s shareholders in general meeting after consultation with the board of statutory auditors.

Our Company has sought, and the Hong Kong Stock Exchange has given, a confirmation that Deloitte Italy is a firm of accountants acceptable to the Hong Kong Stock Exchange in accordance with the requirements of Rule 19.20(2) on the grounds that:

- (i) Deloitte Italy is an affiliated entity of Deloitte Italy S.p.A., the Italian member firm of Deloitte Touche Tohmatsu Limited;
- (ii) Deloitte Italy is regulated by Commissione Nazionale per le Società e la Borsa (“**CONSOB**”), the Italian Commission for Listed Companies and the Stock Exchange and the public authority responsible for the oversight and regulation of the Italian securities market. CONSOB is the competent authority for ensuring, amongst other things, the compliance with regulations by auditors subject to its jurisdiction. It is also a member of the International Organization of Securities Commissions (“**IOSCO**”) and has signed the Multilateral Memorandum of Understanding Concerning Consultation and the Exchange of Information with other IOSCO members (including the Securities and Futures Commission);
- (iii) Deloitte Italy is a member of L’Associazione Italiana Revisori Contabili (“**ASSIREVI**”), the Italian association of audit firms;

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- (iv) Deloitte Italy considers that the Italian Auditing Standards are comparable, in all material respects, to the International Standards on Auditing issued by the International Auditing and Assurance Standards Board; and
- (v) Deloitte Italy is independent from our Company in accordance with the statements on independence issued by the International Federation of Accountants.