
WAIVER FROM STRICT COMPLIANCE WITH THE LISTING RULES

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For the purpose of the Listing, we have sought the following waiver from the Stock Exchange in relation to strict compliance with certain requirements under the Listing Rules.

MANAGEMENT PRESENCE IN HONG KONG

Rule 8.12 of the Listing Rules provides that a new applicant applying for a primary listing on the Stock Exchange must have a sufficient management presence in Hong Kong, which normally means that at least two of its executive directors must be ordinarily resident in Hong Kong.

The headquarters of our Group is at Nanjing, China, and our operations are all managed and conducted in mainland China. Save that one of the independent non-executive Directors, Mr. Kwong Wai Sun Wilson, who is ordinarily resident in Hong Kong, all our Directors are ordinarily resident in mainland China, and all our executive Directors are based at our headquarters in Nanjing, China, to oversee our business and operations. Save for an office established in Hong Kong for liaison purposes, we do not and will not propose to have any business and operation located, conducted and managed in Hong Kong and therefore, in the foreseeable future, will not have two executive Directors residing in Hong Kong.

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

- (a) we have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, namely Mr. Huo Li, our executive Director and vice president, and Ms. Mok Ming Wai, our company secretary, who will act as our principal channel of communication with the Stock Exchange and will also ensure our full compliance with the Listing Rules at all times. Each of the authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable timeframe upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and e-mail. Each of the authorized representatives is authorized to communicate on our behalf with the Stock Exchange. We will inform the Stock Exchange promptly in the event of any change of the authorized representatives in accordance with the Listing Rules;
- (b) in compliance with Rule 3A.19 of the Listing Rules, we will retain a compliance adviser acceptable by the Stock Exchange for a period commencing on the Listing Date and ending on the date on which we distribute our annual report for the first full financial year commencing after the Listing Date in accordance with Rule 13.46 of the Listing Rules. The compliance adviser will provide us with advice on the obligation in compliance with the Listing Rules, all other applicable laws, rules, codes and guidelines and will act as our additional channel of communication with the Stock Exchange. We will inform the Stock Exchange promptly in the event of any change of the compliance adviser in accordance with the Listing Rules;
- (c) our two authorized representatives have means of contacting all the Directors (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact the Directors on any matters. To enhance communication with the Stock Exchange, we will implement a policy whereby:
 - (i) each Director will have to provide his phone numbers, fax numbers and email addresses to the authorized representatives;

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- (ii) in the event that a Director expects to travel and be out of office, he will provide to the authorized representatives the valid phone number of the place of his accommodation or other means of communications; and
- (iii) the Directors will provide their respective office phone numbers, mobile phone numbers, fax numbers and email addresses to the Stock Exchange; and
- (d) all the Directors (including the independent non-executive Directors) who are not ordinarily resident in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and all the Directors and authorized representatives can meet with the Stock Exchange within a reasonable time.