
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND CERTIFICATE OF EXEMPTION FROM THE HONG KONG COMPANIES ORDINANCE

In preparation for the Listing, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules and the Companies Ordinance:

MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, a new applicant applying for a primary listing on the Hong Kong Stock Exchange must have a sufficient management presence in Hong Kong. This normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. Currently, none of our executive Directors ordinarily resides in Hong Kong. Since none of our executive Directors has been, nor will be for the foreseeable future, based in Hong Kong and substantially all of our Group's operations and sales are located and generated in the PRC, we do not and, for the foreseeable future, will not have a significant management presence in Hong Kong. Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules subject to the conditions that, among other things, we maintain the arrangements described below to maintain effective communication between us and the Stock Exchange.

We have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules who will act as our Company's principal communication channel with the Stock Exchange. The two authorized representatives are Mr. Tien-An Lo, our Chairman and executive Director who ordinarily resides in the PRC, and Mr. Liou Kun Chiu, Eddie, our company secretary, who ordinarily resides in Hong Kong. Each of the authorized representatives will be available to meet with the Stock Exchange within a reasonable period of notice if required and will be readily contactable by telephone, facsimile and e-mail. Each of our two authorized representatives has been duly authorized to communicate on our behalf with the Stock Exchange and Mr. Liou Kun Chiu, Eddie has been duly authorized to accept service of process and notices on our behalf.

Each of our authorized representatives has access to our Board and senior management at all times as and when the Stock Exchange wishes to contact our Directors on any matters. Each of our Directors (including our independent non-executive Directors), will provide their respective mobile phone numbers, office phone numbers, e-mail addresses and fax numbers to the Stock Exchange and will be readily contactable, through the authorized representatives, by telephone, facsimile or e-mail, and each of them holds a valid travel document, and will make themselves available in Hong Kong if required to meet with the Stock Exchange upon reasonable notice. In addition, we, the authorized representatives and our Directors undertake to inform the Stock Exchange if there are any changes to the mobile phone numbers, office phone numbers, e-mail addresses and fax numbers.

Further, we have appointed SBI E2-Capital (HK) Limited as our compliance advisor upon Listing in compliance with Rule 3A.19 of the Listing Rules who will act as one of our Company's principal channels of communication with the Stock Exchange, for the period commencing on the Listing Date and ending on the date on which we distribute our annual report in respect of our financial results for the first full financial year commencing after the Listing Date.

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CONTINUING CONNECTED TRANSACTIONS

Our Company has entered into, and is expected to continue, certain transactions which will constitute continuing connected transactions of our Company that are subject to the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules following the Listing. Our Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver in relation to the continuing connected transactions between our Company and its connected persons under Chapter 14A of the Listing Rules. For further details, please see the sections headed "Relationship with Our Controlling Shareholders" and "Connected Transactions" in this prospectus.

WAIVER FROM STRICT COMPLIANCE WITH RULE 4.04(1) OF THE LISTING RULES AND EXEMPTION FROM PARAGRAPH 27 IN PART I AND PARAGRAPH 31 IN PART II OF THE THIRD SCHEDULE TO THE HONG KONG COMPANIES ORDINANCE

According to Rule 4.04(1) of the Listing Rules, the accountants' report contained in this prospectus must include, inter alia, the results of our Group in respect of each of the three financial years immediately preceding the issue of this prospectus or such shorter period as may be acceptable to the Stock Exchange.

According to paragraph 27 of Part I of the Third Schedule to the Hong Kong Companies Ordinance, our Group is required to include in this prospectus a statement as to the gross trading income or sales turnover (as the case may be) of our Group during each of the three financial years immediately preceding the issue of this prospectus as well as an explanation of the method used for the computation of such income or turnover and a reasonable breakdown of the more important trading activities.

According to paragraph 31 of Part II of the Third Schedule to the Hong Kong Companies Ordinance, our Group is required to include in this prospectus a report by our auditor with respect to profits and losses and assets and liabilities of our Group in respect of each of the three financial years immediately preceding the issue of this prospectus.

Pursuant to section 342A(1) of the Hong Kong Companies Ordinance, the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, a certificate of exemption from compliance with the relevant requirements under the Hong Kong Companies Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interests of the investing public and compliance with any or all of such requirements would be irrelevant or unduly burdensome, or is otherwise unnecessary or inappropriate.

The accountants' report for each of the three years ended December 31, 2008, 2009 and 2010 and the nine months ended September 30, 2011 has been prepared and is set out in Appendix I to this prospectus.

An application has been made to the SFC for a certificate of exemption from strict compliance with paragraphs 27 of Part I and 31 of Part II of the Third Schedule to the Companies Ordinance in relation to the inclusion of the accountants' report for the full year ended December 31, 2011 in this prospectus on the grounds that it would be unduly burdensome for our Group to do so within a short period of time after December 31, 2011. A certificate of exemption has been granted by the SFC under section 342A of the Companies Ordinance. Such exemption is granted on the conditions that (i) particulars of exemption be set forth in this prospectus; and (ii) this prospectus will be issued on February 10, 2012.

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An application has also been made to the Stock Exchange for a waiver from strict compliance with Rule 4.04(1) of the Listing Rules, and such waiver has been granted by the Stock Exchange on the conditions that:

- (a) we shall list on the Stock Exchange within three months after our latest year end;
- (b) we shall include in the prospectus a profit estimate for the year ended December 31, 2011 in compliance with Rules 11.17 to 11.19 of the Listing Rules;
- (c) we shall ensure that sufficient due diligence is performed to ensure that any material adverse change in the financial position or prospects of our Group since September 30, 2011 will be disclosed herein;
- (d) this prospectus shall include a statement as follows:

“Our Directors confirm that they have performed sufficient due diligence to ensure that, up to the date of this prospectus, there has been no material adverse change in our financial position or prospects since September 30, 2011 and there is no event since September 30, 2011 which would materially affect the information shown in the accountants’ report set out in Appendix I to this prospectus”;

- (e) the listing of our Shares on the Stock Exchange shall commence on or before March 31, 2012; and
- (f) a certificate of exemption from similar requirements under paragraphs 27 and 31 of the Third Schedule to the Hong Kong Companies Ordinance has been granted by the SFC (which certificate has already been granted as set out in the immediately preceding paragraph).

Our Directors confirmed that the waiver granted by the Stock Exchange and the exemption granted by the SFC from strict compliance with Rule 4.04(1) of the Listing Rules and paragraphs 27 of Part I and 31 of Part II of the Third Schedule to the Hong Kong Companies Ordinance will not prejudice the interests of the investing public.

Our Directors confirm that they have performed sufficient due diligence to ensure that, up to the date of this prospectus, there has been no material adverse change in our financial position or prospects since September 30, 2011 and there is no event since September 30, 2011 which would materially affect the information shown in the accountants’ report set out in Appendix I to this prospectus.