
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND THE COMPANIES ORDINANCE

The following waivers from the basic requirements in relation to the preparation for the 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, the Company must have a sufficient management presence in Hong Kong. This normally means that at least two of the executive Directors must be ordinarily resident 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, the Company does not and will not, in the foreseeable future, have a management presence in Hong Kong.

Accordingly, the Company has applied to the Stock Exchange for and the Stock Exchange has granted to the Company 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, the Company has put in place the following measures to ensure that regular communication is maintained between the Stock Exchange and the Group:

- (a) the Company has appointed two authorised representatives pursuant to Rule 3.05 of the Listing Rules, who will act as the Company's principal channel of communication with the Stock Exchange. The two authorised representatives appointed are Ms. Cai Shengyin, an executive Director and Mr. Ku Kin Shing, Ignatius, the company secretary of the Company. Mr. Ku Kin Shing, Ignatius is ordinarily resident in Hong Kong. Each of the authorised 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 authorised representatives is authorised by the Board to communicate on behalf of the Company with the Stock Exchange;
- (b) the Company shall promptly inform the Stock Exchange if there is any change to the authorised representative of the Company;
- (c) all the authorised 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 authorised representatives and the Directors shall take the following steps:
 - (i) each executive Director and independent non-executive Director shall provide his/her mobile phone numbers, residential phone numbers, office phone numbers, fax numbers (if available) and email addresses (if available) to the authorised representatives (and also to the Stock Exchange);
 - (ii) in the event that an executive Director or an independent non-executive Director expects to travel and be out of office, he/she will provide the phone number of the place of his/her accommodation to the authorised representatives; and
 - (iii) all the executive Directors, independent non-executive Directors and authorised 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 at short notice to discuss and address any issue with which the Stock Exchange is concerned; and
- (e) all Directors who is not ordinarily resident in Hong Kong 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, the Company entered into the compliance adviser agreement with CICL to retain CICL as the compliance adviser of the Company for a period commencing on the Listing Date and ending on the date on which the 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 the Group with professional advice on continuing obligations under the Listing Rules, and to act at all times, in addition to the two authorised representatives of the Company, as the Company's additional channel of communication with the Stock Exchange.

EXEMPTION FROM STRICT COMPLIANCE WITH PARAGRAPHS 27 AND 31 OF THE THIRD SCHEDULE TO THE COMPANIES ORDINANCE AND WAIVER FROM STRICT COMPLIANCE WITH THE REQUIREMENTS OF RULE 4.04(1) OF THE LISTING RULES

According to paragraph 27 of the Third Schedule to the Companies Ordinance, the Company is required to include in this prospectus a statement as to the gross trading income or sales turnover (as may be appropriate) of the Group during each of the three financial years immediately preceding the issue of this prospectus.

According to Rule 4.04(1) of the Listing Rules and paragraph 31 of the Third Schedule to the Companies Ordinance, the Company is required to include in this prospectus a report by the auditors of the Company with respect to profits and losses and assets and liabilities of the Group in respect of each of the three financial years immediately preceding the issue of this prospectus.

The Accountants' Report set out in Appendix I to this prospectus includes financial information for each of the three years ended 31 December 2010 and the nine months ended 30 September 2011. Strict compliance with Rule 4.04 of the Listing Rules and paragraphs 27 and 31 of the Third Schedule of the Companies Ordinance would be unduly burdensome on the Company as there would not be sufficient time for the Company and its Reporting Accountants to prepare full audited accounts for the year ended 31 December 2011 prior to Listing. If the audited full year results for the year ended 31 December 2011 are included in this prospectus, there will be a significant delay to the proposed listing timetable.

An application has been made to the SFC for a certificate of exemption from strict compliance with paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance in relation to the inclusion of the Accountants' Report of the Group for the full financial year ended 31 December 2011 in this prospectus. A certificate of exemption has been granted by the SFC under section 342A(1) of the Companies Ordinance on the conditions that (i) the particulars of the exemption be set forth in this prospectus; and (ii) this prospectus be issued on or before 29 February 2012.

The Company has also applied for, and the Stock Exchange has granted a waiver from, strict compliance with Rule 4.04(1) of the Listing Rules on condition, *inter alia*, that (i) the Company obtains a certificate of exemption from strict compliance with relevant Companies Ordinance provisions from

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the SFC; (ii) the Company will be listed on the Stock Exchange on or before 31 March 2012; and (iii) a profit estimate for the year ended 31 December 2011 (which complies with Rules 11.17 and 11.19 of the Listing Rules) be included in this prospectus.

The Directors confirm that (i) the Company disclosed in this prospectus all latest information as may be reasonably necessary to enable investors to make an informed assessment of the business, assets and liabilities, financial position and profitability of the Company and of the Group as a whole, as such, the waiver and the exemption would not prejudice the interests of the investing public; (ii) they have performed sufficient due diligence on the Group to ensure that there has been no material adverse change in the financial and trading positions or prospects of the Company and of the Group as a whole from 30 September 2011 up to the Latest Practicable Date; and (iii) there is no event which will arise from 30 September 2011 to the Latest Practicable Date which would materially and adversely affect the information shown in the Accountants' Report of the Group as set out in Appendix I to this prospectus and other financial information set out in this prospectus.