
WAIVERS FROM COMPLIANCE WITH THE LISTING RULES

In preparation for the Listing, the Sponsor has, on behalf of our Company, sought the following waivers from strict compliance with certain provisions of the Listing Rules:

1. 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 assets, business and operations of our Company are primarily located, managed and conducted in the PRC. Our Company does not, and in the near future will not, have any substantial management presence in Hong Kong.

In view of the above, our Company considers that it will be more effective and efficient for its executive Directors to be based in the PRC, where most of our Company's operations are located, and it will be onerous and unduly burdensome for it to maintain management presence in Hong Kong in the terms set out in Rule 8.12 of the Listing Rules.

In order to ensure that regular communication is effectively maintained between the Stock Exchange and our Company, the following measures have been put in place:

- (a) our Company has appointed Mr. Chen Cunyou (an executive Director) and Mr. Chui Wing Fai (the company secretary of our Company) as its authorised representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our Group's principal channel of communication with the Stock Exchange. Mr. Dai Zumian, a member of the senior management of our Group, will act as the alternate authorised representative to Mr. Chen Cunyou. Mr. Chen Cunyou (or if failing him, Mr. Dai Zumian) and Mr. Chui Wing Fai will be available to meet the Stock Exchange on reasonable notice as and when required and will be readily contactable by telephone, facsimile and/or email to deal with enquiries from the Stock Exchange;
- (b) the authorised representatives and the alternate authorised representative will have means to contact all our Directors promptly at all times as and when the Stock Exchange wants to contact our Directors on any matter. To enhance communication between the Stock Exchange, the authorised representatives (including the alternate authorised representative) and the Directors, our Company has implemented a policy whereby: (i) each Director will have to provide his office phone number, mobile phone number, fax number and email address to the authorised representatives (including the alternate authorised representative); and (ii) in the event that a Director is travelling and out of office, he will have to provide the phone number of the place of his accommodation to the authorised representatives (including the alternate authorised representative);

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- (c) all of our Directors will provide their respective mobile phone numbers, office phone numbers, fax numbers and email addresses to the Stock Exchange;
- (d) all Directors who are not ordinarily resident in Hong Kong have confirmed that they possess or can apply for valid travel documents to visit Hong Kong and will be able to meet the Stock Exchange in Hong Kong within a reasonable period; and
- (e) our Company has, in accordance with Rule 3A.19 of the Listing Rules, appointed Guotai Junan Capital Limited as its compliance adviser to act as an additional channel of communication with the Stock Exchange for the period commencing on the Listing Date and ending on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year after the Listing Date.

Accordingly, the Sponsor has, on behalf of our Company, applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules subject to the foregoing measures.

2. CONNECTED TRANSACTIONS

Members of our Group have entered, and are expected to enter, into certain transactions, which would constitute continuing connected transactions for our Company under the Listing Rules. The Sponsor has, on behalf of our Company, applied for, and the Stock Exchange has granted, a waiver from strict compliance with the announcement and independent shareholders' approval requirements set out in Chapter 14A of the Listing Rules for the non-exempt continuing connected transactions. Details of such continuing connected transactions and the waiver are set out in the section headed "Connected Transactions" in this prospectus.