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

**MANAGEMENT PRESENCE**

Pursuant to Rule 8.12 of the Listing Rules, an issuer 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. As our principal place of business, our principal business operations and all our senior management are based in Calgary, Alberta, Canada, we do not and, for the foreseeable future, will not have a sufficient management presence in Hong Kong for the purposes of satisfying the requirement under Rule 8.12 of the Listing Rules. We have therefore applied for, and the Stock Exchange has granted us a waiver from strict compliance with Rule 8.12 of the Listing Rules subject to the following measurements put in place:

- (a) we have appointed Mr. Bo, our President, Chairman of the Board, Chief Executive Officer and executive Director and Ms. Chau Hing Ling, our joint company secretary who is ordinarily resident in Hong Kong, as the two authorized representatives of our Company pursuant to Rules 2.11 and 3.05 of the Listing Rules, and who will act as our principal communication channels with the Stock Exchange at all times. Each of the authorized 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, readily contactable by telephone, facsimile or e-mail and is authorized to communicate on our behalf with the Stock Exchange;
- (b) each of the authorized representatives has the means to contact the Directors promptly at all times as and when the Stock Exchange wishes to contact the Directors for any matter. We have provided the address, office and mobile phone numbers, facsimile number and e-mail address of each of our Directors and joint company secretaries to the Stock Exchange;
- (c) each Director has confirmed that he possesses valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange in Hong Kong within a reasonable period of time, upon the request of the Stock Exchange;
- (d) we have, in compliance and in accordance with Rule 3A.19 of the Listing Rules, appointed Changjiang Corporate Finance (HK) Limited as our compliance adviser to act as an additional channel of communication between ourselves and the Stock Exchange; and
- (e) we will inform the Stock Exchange promptly in respect of any change in our authorized representatives and the compliance adviser.

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**COMPANY SECRETARY**

Rule 8.17 of the Listing Rules provides that an issuer must appoint a company secretary who satisfies Rule 3.28 of the Listing Rules. Rule 3.28 of the Listing Rules provides that an issuer must appoint as its company secretary an individual who, by virtue of his or her academic or professional qualifications is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

We have appointed Mr. Bennett Ka-Ying Wong (“**Mr. Wong**”), who is not a resident in Hong Kong, as the company secretary of our Company since July 2015. We believe that having regard to Mr. Wong’s knowledge and past experience in handling corporate matters, he has a thorough understanding of our operations and our Board, and is able to perform his duties as our company secretary. Please refer to the section headed “Directors and Senior Management” in the Prospectus for further details of Mr. Wong’s qualifications.

However, Mr. Wong does not possess full qualifications as required under Rule 3.28 of the Listing Rules and as he has not previously had personal experience of the Hong Kong regulatory system, he may not be able to fulfil the requirements under Rule 3.28 of the Listing Rules. As such, we have appointed Ms. Chau Hing Ling (“**Ms. Chau**”) to act as a joint company secretary and to provide joint company secretarial support and assistance to Mr. Wong so as to enable Mr. Wong to acquire the relevant experience as required under Rule 3.28 of the Listing Rules and to duly discharge the functions of a company secretary. While Mr. Wong has not previously had personal experience of the Hong Kong regulatory system, he will be assisted and have the resources and expertise of Ms. Chau as a joint company secretary.

Ms. Chau has over 15 years of experience in the company secretarial field and has been a fellow member of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries since May 2013. Accordingly, Ms. Chau satisfies the requirements of a company secretary as stipulated under Rule 3.28 of the Listing Rules.

In light of the above, we have applied for, and the Stock Exchange has granted us a waiver from strict compliance with the requirements of Rules 3.28 and 8.17 of the Listing Rules for an initial period of three years from the date of the Proposed Listing and the following arrangements have been made to satisfy the requirements:

- (a) we propose to engage Ms. Chau as a joint company secretary for a minimum period of three years commencing from the Listing Date. During such period of engagement, Ms. Chau will work closely with Mr. Wong and ensure that she will be available at all times to provide assistance to Mr. Wong for his discharge of duty as a company secretary as described above, including but not limited to communicating regularly with Mr. Wong on matters relating to corporate governance, the Listing Rules, as well as the applicable Hong Kong laws and regulations which are relevant to us. We will further ensure that Mr. Wong will receive the relevant training and support to enable him to be familiar with

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the Listing Rules and the responsibilities of a company secretary as required under the Listing Rules. Given the joint company secretaries are not employees of our Company and are external service providers, they may contact Ms. Jun Xiang, the Interim Chief Financial Officer of our Company, for matters relating to our Company as and when they require;

- (b) furthermore, pursuant to Rule 3.29 of the Listing Rules, each of Mr. Wong and Ms. Chau will attend in each financial year no less than 15 hours of relevant professional training courses to familiarize themselves with the requirements of the Listing Rules and other Hong Kong regulatory requirements;
- (c) upon expiry of the three-year period, we will re-evaluate the qualifications and experience of Mr. Wong and determine whether he satisfies the requirements as stipulated under Rules 3.28 and 8.17 of the Listing Rules;
- (d) if Ms. Chau ceases to provide assistance to Mr. Wong, the waiver will be revoked by the Stock Exchange with immediate effect; and
- (e) at the end of the three-year period as mentioned above, the Stock Exchange will revisit the situation. We shall then demonstrate to the Stock Exchange's satisfaction that Mr. Wong, having had the benefit of the assistance of Ms. Chau for three years, would have acquired the relevant experience within the meaning of Rule 3.28 of the Listing Rules so that a further waiver would not be necessary.

**BASIC CONDITIONS IN RELATION TO QUALIFICATIONS FOR LISTING**

Pursuant to Rule 8.05 of the Listing Rules, a new applicant must satisfy either the profit test Rule 8.05(1) or the market capitalization/revenue/cash flow test in Rule 8.05(2) or the market capitalization/revenue test in Rule 8.05(3) of the Listing Rules. Pursuant to Rule 8.05B of the Listing Rules, the Stock Exchange may vary or waive the profit or other financial standards requirement in Rule 8.05 of the Listing Rules in respect of, among others, mineral companies to which the provisions of Chapter 18 of the Listing Rules apply.

Pursuant to Rule 18.04 of the Listing Rules, if a Mineral Company (as defined under Chapter 18 of the Listing Rules) is unable to satisfy either the profit test in Rule 8.05(1), the market capitalization/revenue/cash flow test in Rule 8.05(2), or the market capitalization/revenue test in Rule 8.05(3) of the Listing Rules, it may still apply to be listed if it can establish to the Stock Exchange's satisfaction that its directors and senior management, taken together, have sufficient experience relevant to the exploration and/or extraction activity that the Mineral Company is pursuing. Individuals relied on must have a minimum of five years relevant industry experience. Details of the relevant experience must be disclosed in the listing document of the new applicant.

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We have a management team consisting of an executive Director and the management with significant experience in the natural gas and oil industry. Our core technical team (the “**Core Technical Team**”) comprises Mr. Bo, Mr. Pingzai Wang (the Senior Vice President of Exploration), Mr. Binyou Dai (the Vice President of Engineering), Ms. Jun Xiang (the Interim Chief Financial Officer) and Mr. Lei Song (the Production Engineer) who have approximately 11, 28, 24, 5 and 5 years of experience in exploration and extraction and the natural gas and oil industry respectively. Please refer to the section headed “Directors and Senior Management” in this Prospectus for further details of experience of the Core Technical Team. Together with each other’s expertise in the natural and gas industry, the Core Technical Team is experienced in exploration, production, operation and project management and is responsible for formulating and implementing our three-year development plan. In this regard, we believe that our executive Director and senior management, taken together, have sufficient experience that is specifically relevant to the exploration and/or extraction activity that we are pursuing.

The Stock Exchange’s Guidance Letter HKEx-GL22-10 also sets out the pre-conditions for a waiver from the financial standards requirements for new applicant Mineral Companies under Rule 18.04 of the Listing Rules.

We confirm that our inability to satisfy either the profit test in Rule 8.05(1)(a), the market capitalization/revenue/cash flow test in Rule 8.05(2) or the market capitalization/revenue test in Rule 8.05(3) of the Listing Rules is due to the fact that throughout the Track Record Period, we have been in a pre-production, exploration and/or development phase with regard to the large amount of Junior Assets we have acquired and accumulated. Our production activities have been operating in a mere 2.9% of our net acreage of land on a small and limited scale. We also consider that we are able to demonstrate a clear path to commercial production with our three-year development plan which is fully disclosed in the section headed “Business — Three-year Development Plan” in this Prospectus.

In light of the above, we have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with the profit or other financial standard requirements contained in Rule 8.05(1)(a) of the Listing Rules in reliance on Rule 18.04 of the Listing Rules.

### **INSPECTION OF LEGISLATION AND REGULATIONS**

Rule 19.10(6) of the Listing Rules provides that an overseas issuer must offer for inspection a copy of any statutes or regulations which are relevant to the summary of the regulatory provisions of the jurisdiction in which the overseas issuer is incorporated. In our case these include, among others, the ABCA, the Securities Act, the UPPVP Act, ICA and the ITA. Copies of these statutes and regulations are lengthy and it would be difficult to deliver copies to Hong Kong in physical format. In addition, such copies can be readily accessed via the internet. For further details about how to access copies of this legislation via the internet, please refer to the section headed

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“Appendix VII — Documents Delivered to the Registrar of Companies and Available for Inspection” to this Prospectus. As such, we have sought, and the Stock Exchange has granted us, a waiver from strict compliance with Rule 19.10(6) of the Listing Rules.

**BY-LAWS AND CHAPTER 13 OF THE LISTING RULES**

Appendix 3 to the Listing Rules states that the articles of association or equivalent document must conform with the provisions set out in that appendix (the “**Articles Requirements**”). Our By-Laws, equivalent to the articles of association, do not comply with certain Articles Requirements. In many cases an Articles Requirement may not strictly be met but is covered by a broadly commensurate provision in our By-Laws, the ABCA and/or other applicable Canadian laws, rules or regulations and we have not applied for a waiver from strict compliance in these cases. We have applied for, and the Stock Exchange has granted us, waivers from strict compliance with the following Articles Requirements and Rules 13.38 and 13.44 of the Listing Rules. Further information about our By-Laws are set out in the section headed “Appendix V — Summary of the Articles and By-Laws of Our Company and Alberta Corporation Laws” to this Prospectus.

*By-Laws*

**As Regards Directors**

Paragraph 4(1) of Appendix 3 to the Listing Rules requires that any director prohibited from voting because of his interest in a material transaction shall not be counted in the quorum present at the meeting. This requirement is not consistent with Canadian corporate law or practice, in which a director prohibited from voting would still be counted in the quorum for the meeting. We believe that strict compliance with this rule may result in situations where we will be unable to approve matters put to the Board. Shareholder rights will not be prejudiced in that Shareholder protection is available from three sources: (i) the disclosure requirements under our By-Laws and the ABCA will provide information about the extent of the interest of each Director in a transaction or contract; (ii) the general overriding duty that Directors are required to act honestly and in good faith with a view to the best interests of our Company; and (iii) a transaction or contract where a Director has a material interest may be void or voidable if it is not fair and reasonable to our Company at the time it was entered into.

Paragraph 4(4) of Appendix 3 to the Listing Rules requires that the minimum length of the period during which notice to the issuer of the intention to propose a person for election as a director and during which notice to the issuer by such person of his willingness to be elected may be given, will be at least seven days. This is inconsistent with Canadian corporate practice and we believe that it may be perceived by Shareholders to be detrimental to the fundamental right of shareholders in Canada to nominate directors at meetings without notice to the company.

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Paragraph 4(5) of Appendix 3 to the Listing Rules requires that the period for lodgment of the notices referred to in Paragraph 4(4) of Appendix 3 to the Listing Rules will commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting. We have sought a waiver from this provision for the reasons described in the discussion of paragraph 4(4) of Appendix 3 to the Listing Rules above.

**As Regards Accounts**

Paragraph 5 of Appendix 3 to the Listing Rules requires that a copy of either: (i) the directors' report, accompanied by the balance sheet (including every document required by law to be annexed thereto) and the profit and loss account or income and expenditure account; or (ii) the summary financial report shall, at least 21 days before the date of the general meeting, be delivered or sent by post to the registered address of every member. There is no equivalent provision in our By-Laws, although under the ABCA annual meeting notices of an Alberta incorporated company must be sent at least 21 days and no more than 50 days before the date of the annual general meeting. Our existing shareholder communications follow market practice in Alberta and provide a commensurate standard of shareholder protection.

**As Regards Rights**

Paragraph 6(2) of Appendix 3 to the Listing Rules requires that the quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of the class. We sought a waiver from strict compliance with the requirement in paragraph 6(2) of Appendix 3 to the Listing Rules on the basis that such a quorum requirement is uncommon in Canada. Under Alberta law, a quorum of shareholders is present at a meeting of shareholders, irrespective of the number of persons actually present at the meeting, if the holder or holders of a majority of the shares entitled to vote at the meeting are present in person or represented by proxy, unless the by-laws otherwise provide. There are no provisions in our By-Laws which provide a specific quorum requirement for meetings of separate classes of shareholder. Our By-Laws provide that the quorum for a shareholders' meeting, including a meeting of any class of shareholders, is two or more persons holding no less than 5% of the issued Shares carrying the right to vote at such meeting. We believe that the ABCA and our By-laws provide a sufficient level of shareholder protection.

**As Regards Non-Voting or Restricted Voting Shares**

Paragraph 10(1) of Appendix 3 to the Listing Rules states that where the capital of the issuer includes shares which do not carry voting rights, the words "non-voting" must appear in the designation of such shares. Although our By-Laws do not contain such a requirement, we have undertaken to the Stock Exchange to comply with such requirement.



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Paragraph 10(2) of Appendix 3 to the Listing Rules states that where the capital of the issuer includes shares with different voting rights, the designation of each class of shares, other than those with the most favorable voting rights, must include the words “restricted voting” or “limited voting”. Although our By-Laws do not contain such a requirement, we have undertaken to the Stock Exchange to comply with such requirement.

**As Regards Proxies**

Paragraph 11(1) of Appendix 3 to the Listing Rules states that where provision is made in our By-Laws as to the form of proxy, this must be worded so as not to preclude the use of a two-way form. Our By-Laws do not contain such requirement as the ABCA and Canadian securities laws preclude the use of two-way voting for the appointment of an auditor and the election of directors. The form of proxy that we provide to Shareholders must comply with, and conform to Part 9 of NI 51-102. Specifically, subsection 9.4(6) of NI 51-102 states that a form of proxy sent to security holders of a reporting issuer must provide an option for the security holder to specify that the securities registered in the name of the security holder must be voted or withheld from voting in respect of the appointment of an auditor or the election of directors.

*Appointment of Auditors*

Pursuant to our By-Laws, our Shareholders shall, by ordinary resolution, at each annual general meeting, appoint an auditor to audit the accounts of our Company to hold office until the close of the next annual general meeting. If our Company does not put forward a proposed resolution for the appointment of auditors for our Shareholders to vote on at an annual general meeting and therefore an auditor is not appointed at a general meeting, the incumbent auditor continues in office until the auditor’s successor is appointed. Under the terms of reference of our audit and risk committee, the audit and risk committee will determine on an annual basis the appointment and reappointment of the auditor and put it to our Shareholders for approval at each annual general meeting.

Given the preclusion of the use of two-way voting for appointment of auditors under the ABCA and Canadian securities law, at our Company’s annual general meeting, our Shareholders can only vote “for” or “withheld from voting” in respect of appointment of auditors. The majority voting policy for election of our Directors adopted by our Company as disclosed at below and page V-11 of Appendix V to this Prospectus does not apply to appointment of auditors. The reason is that if the majority voting policy applies to the appointment of auditors, a newly elected auditor whose appointment is not approved by a majority vote (i.e. the “for” votes are less than the “withheld” votes) will be forced to resign and a vacancy will thus be created. Furthermore, under the applicable Canadian corporate law, the majority voting policy cannot bind outside parties like the auditors and the auditors are under no obligations to abide to the majority voting policy implemented by our Company. This is a standard corporate practice as adopted by other public

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companies in Canada and strikes a balance that, while allowing shareholders to express their objection, a corporation will not be bereft of an auditor as required under the ABCA. In the opinion of the Canadian Legal Advisers, this approach is consistent with Canadian corporate law.

*Election of Directors*

Pursuant to our By-Laws, our Shareholders are to elect Directors by ordinary resolution at the first meeting of the Shareholders and at each succeeding annual general meeting at which an election of Directors is required, provided that each Director must be elected by a separate resolution and multiple Directors may not be elected pursuant to the same resolution. The elected Directors are to hold office for a term expiring not later than the close of the next annual general meeting of Shareholders following the election. A Director not elected for an expressly stated term ceases to hold office at the close of the first annual general meeting of Shareholders following the Director's election. If Directors are not elected at a meeting of Shareholders, the incumbent Directors continue in office until their respective successors are elected.

Given the preclusion of the use of two-way voting for the election of directors under the ABCA and Canadian securities laws, our Company has adopted a majority voting policy to all meetings (i.e. both contested and uncontested) for the election of our Directors. The Canadian Legal Advisers do not consider Director nominees to be "outside parties", especially considering the fact that they voluntarily put themselves up for nomination to become Directors and insiders of our Company, while an auditor will remain an outside arm's length adviser to our Company. Pursuant to the majority voting policy, each Director must be elected individually (rather than as a slate) by a majority (50% plus one vote) of the votes cast (i.e., more votes "for" than votes "withheld") with respect to his or her election. If a Director nominee is not elected by at least a majority of the votes cast with respect to his or her election, he or she must immediately tender his or her resignation to the Board. A "withheld" vote will be considered to be an "against" vote for the purpose of the election of Directors on the application of the majority voting policy. Please refer to the section headed "Summary of the Articles and By-Laws of our Company and Alberta Corporation Laws" at page V-11 of Appendix V to this Prospectus for details of election of Directors and the majority voting policy. In the opinion of the Canadian Legal Advisers, this approach is consistent with Canadian corporate law.

*Removal of Auditors and Directors*

Pursuant to section 109 and section 165 of the ABCA, directors and auditors can also be respectively removed if more than 50% of the votes cast, in person or by proxy, at a special meeting of our Shareholders are in favour of such removal (Shareholders will have the option to vote "for" or "against" such a resolution to remove a Director or an auditor at the meeting). We believe these arrangements provide a sufficient level of shareholder protection.



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Under the ABCA, Shareholders who hold in aggregate at least 5% of our issued Shares carrying the right to vote at general meetings may requisition a special meeting of Shareholders. If our Directors do not, within 21 days after the date on which the requisition is received by our Company, send notice of a special meeting, any registered or beneficial holder of Shares who signed the requisition may call the special meeting.

*Shareholders' Protection*

We have also established an audit and risk committee (which comprises only our independent non-executive Directors) and a nomination committee (the majority of which are independent non-executive Directors) which will determine and make recommendations on, with delegated responsibilities and in compliance with the requirements of the Listing Rules and on an annual basis, the appointment of auditors and directors. Each of the independent non-executive Directors is also subject to re-election by the Shareholders in each annual general meeting.

Details of the recommendations of the audit and risk committee and the nomination committee, together with their bases, for the appointment of auditors and directors will be set out in the circular to be despatched to the Shareholders for each annual general meeting.

The Canadian Legal Advisers have advised that the applicability of the majority voting policy in uncontested elections of directors is consistent with the standard practice for public companies in Canada and the policy is adopted by virtually all Canadian publicly listed companies in uncontested elections of directors. In the case of our Company, in order to safeguard our Shareholders' protection and to satisfy the requirements of the Listing Rules, our Company decides to extend the applicability of the majority voting policy to contested elections of Directors and to require the appointment of auditors to be "pre-approved" by our audit and risk committee. Accordingly, our Company considers that the current proposed arrangement, as compared to the standard practice adopted by other public companies in Canada, is a step forward in terms of shareholders' protection and as a whole should meet the key shareholders protection standards specified under the Listing Rules and the Joint Policy Statement. The Canadian Legal Advisers also consider that the additional safeguards provided in the current proposed arrangement will not provide a lesser degree of shareholders' protection as compared with the standard practice adopted by other public companies in Canada.

Furthermore, where the number of the "withheld" votes exceeds that of the "for" votes of the elected auditors which gives rise to concerns of our Directors regarding the appropriateness of such auditors' appointment, our Directors will, upon consulting our audit and risk committee, call a special meeting of our Shareholders and propose ordinary resolutions to our Shareholders to consider removing the elected auditors and appointing replacement auditors in its stead for the remainder of its term. Our Company considers that this arrangement will allow our Shareholders to express their objection to the appointment of the auditors, and at the same time ensure that our Company will not be bereft of auditors. We will send a circular proposing the removal of the elected auditors (including their written representations) and appointment of the replacement

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auditors to our Shareholders at least 10 business days and at least 21 (but not more than 50) clear calendar days before the special meeting in accordance with Rule 13.88 of the Listing Rules and the ABCA. The elected auditors will be allowed to attend and make written and/or verbal representations to our Shareholders at the special meeting prior to the voting in relation to their removal.

As a whole, our Company and the Canadian Legal Advisers are of the view that the aforesaid arrangements in the appointment of auditors and election of Directors and their removals will provide sufficient safeguards for shareholder protection.

*Rules 13.38 and 13.44*

The waivers granted by the Stock Exchange described above in relation to Appendix 3 to the Listing Rules also cover certain provisions contained in Chapter 13 of the Listing Rules that overlap with the Articles Requirements contained in Appendix 3 to the Listing Rules, including, *inter alia*, Rules 13.38 and 13.44 of the Listing Rules, as set out below:

- Rule 13.38 of the Listing Rules which would require us to send, with the notice convening a meeting of holders of listed securities to all persons entitled to vote at the meeting, proxy forms with provision for two-way voting on any resolutions intended to be proposed at a meeting, on the basis that in the case of the election of directors, or the appointment of auditors, the proxy forms will state that the shareholder is only able either to vote for the resolution or abstain from voting, consistent with the ABCA and all applicable Canadian securities law.
- Rule 13.44 of the Listing Rules which would, subject to exceptions, require that a director of the issuer will not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor will he be counted in the quorum present at the meeting, as we believe that strict compliance with this Listing Rule may result in situations where we will be unable to approve matters put to the Board. The Directors are subject to disclosure obligations under the ABCA and our By-Laws.

Further details of our By-Laws are set out in the section headed “Appendix V — Summary of the Articles and By-Laws of Our Company and Alberta Corporation Laws” to this Prospectus.

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**WAIVER FROM STRICT COMPLIANCE WITH RULE 4.04(1) OF THE LISTING RULES  
AND EXEMPTION FROM STRICT COMPLIANCE WITH SECTION 342(1)(b) IN  
RELATION TO PARAGRAPH 27 OF PART I AND PARAGRAPH 31 OF PART II OF THE  
THIRD SCHEDULE TO THE COMPANIES (WINDING UP AND MISCELLANEOUS  
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Rule 4.04(1) of the Listing Rules requires a listing applicant to include in the prospectus the consolidated results of the listing group in respect of each of the three financial years immediately preceding the issue of the prospectus or such shorter period as may be acceptable to the Stock Exchange.

Section 342(1)(b) of the CO provides that, subject to section 342A of the CO, it shall not be lawful for any person to issue, circulate or distribute in Hong Kong any prospectus offering for subscription or purchase shares in a company incorporated outside Hong Kong unless, among other things, the prospectus states the matters specified in Part I of the Third Schedule to the CO and sets out the reports specified in Part II of the Third Schedule to the CO.

Paragraph 27 of Part I of the Third Schedule to the CO (“**Paragraph 27**”) requires the listing applicant to include in the prospectus a statement as to, among others, the gross trading income or sales turnover (as may be appropriate) of the listing applicant during each of the three financial year immediately preceding the issue of the prospectus, including an explanation of the method used for the computation of such income or turnover, and a reasonable break-down between the more important trading activities.

Paragraph 31 of Part II of the Third Schedule to the CO (“**Paragraph 31**”) requires the listing applicant to include in the prospectus a report by its auditors with respect to, among others, its profits and losses and assets and liabilities of the listing applicant in respect of each of the three financial years immediately preceding the issue of the prospectus.

Pursuant to section 342A of the CO, 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 CO 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.

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We have adopted December 31 as our financial year end date. This Prospectus contains the audited financial results of our Company for the three years ended December 31, 2013, 2014 and 2015 and the nine months ended September 30, 2016, but does not include the financial results of our Company in respect of the full year immediately preceding the proposed date of issue of this Prospectus, being the full year ended December 31, 2016, as required under Rule 4.04(1), Paragraph 27 and Paragraph 31 as the strict compliance with the requirements thereunder would be unduly burdensome and the waiver and exemption thereof would not prejudice the interest of the investing public for the following reasons:

- (a) there would not be sufficient time for us and the Joint Reporting Accountants to complete the audit work on the financial information for the full year ended December 31, 2016 for inclusion in this Prospectus, which shall be issued on or about February 28, 2017. If the financial information is required to be audited up to December 31, 2016, we and the Joint Reporting Accountants would have to undertake a considerable amount of work, costs and expenses to prepare, update and finalise the Accountants' Report and the relevant sections of this Prospectus will also need to be updated to cover such additional period within a short period of time;
- (b) our Directors are of the view that the benefits of such additional work to be done by the Joint Reporting Accountants to the potential investors would not justify the additional amount of work, costs and expenses as (i) the Accountants' Report covering the three years ended December 31, 2015 and the nine-month period ended September 30, 2016, together with the loss estimate of our Company for the year ended December 31, 2016 as set out in Appendix III to this Prospectus (which complies with Rules 11.17 to 11.19 of the Listing Rules) already provide potential investors with adequate and reasonably up-to-date information in the circumstances to form a view on the track record and earnings trend of our Company; and (ii) all information that is necessary for the potential investors to make an informed assessment of the activities, assets and liabilities, financial position, management and prospect of our Company has been included in this Prospectus; and
- (c) the Sponsor and our Directors confirmed 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 and trading positions or prospects since September 30, 2016 and there is no event since September 30, 2016 which would materially affect the information shown in the Accountants' Report set out in Appendix I to this Prospectus, the loss estimate of our Company for the year ended December 31, 2016 as included in Appendix III to this Prospectus and the section headed "Financial Information" in this Prospectus and other parts of this Prospectus.

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(WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE**

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In light of the above, we have applied for, and the Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rule 4.04(1) of the Listing Rules, by permitting the non-inclusion of the financial results of our Company for the full year ended December 31, 2016, subject to the following conditions:

- (a) our Company must list on the Stock Exchange within three months after the latest year end, i.e. on or before March 31, 2017;
- (b) our Company has obtained a certificate of exemption from the SFC on strict compliance with section 342(1)(b) of the CO in relation to Paragraph 27 and Paragraph 31 (the “**Ordinance Requirements**”);
- (c) a loss estimate for the year ended December 31, 2016 (which must comply with Rules 11.17 to 11.19 of the Listing Rules) is included in this Prospectus;
- (d) a Directors’ statement is included in this Prospectus that there is no material adverse change to its financial and trading positions or prospect with specific reference to the trading results from the end of the stub period to the latest financial year end; and
- (e) we shall publish our results announcement for the financial year ended December 31, 2016 no later than March 31, 2017 in compliance with Rule 13.49(1)(ii) of the Listing Rules.

We have also applied for, and the SFC has granted us, a certificate of exemption from strict compliance with the Ordinance Requirements by permitting the non-inclusion of the financial results of our Company for the full year ended December 31, 2016, on the ground that strict compliance with the Ordinance Requirements would be unduly burdensome for our Company as there would not be sufficient time for us to prepare the full year financial statements for the year ended December 31, 2016 and for the Joint Reporting Accountants to complete the audit thereon prior to the issue of this Prospectus, and the exemption will not prejudice the interest of the investing public on the conditions that:

- (a) this Prospectus shall be issued on or about February 28, 2017;
- (b) our Company must list on the Stock Exchange within three months after the latest year end, i.e. on or before March 31, 2017; and
- (c) the particulars of the exemption shall be set out in this Prospectus.

We have also included a loss estimate (which complies with Rules 11.17 to 11.19 of the Listing Rules) for the financial year ended December 31, 2016 in Appendix III to this Prospectus.

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**WAIVERS FROM COMPLIANCE WITH THE LISTING RULES AND  
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Our Directors further confirmed:

- (a) that all information necessary for the public to make an informed assessment of the activities, assets and liabilities, financial position, management and prospects of our Company has been included in this Prospectus and that, as such, 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 the Ordinance Requirements, respectively, will not prejudice the interests of the investing public; and
- (b) that our Company will comply with Rules 13.46(2) and 13.49(1) of the Listing Rules in respect of the publication of annual results and annual report for the year ended December 31, 2016.