
WAIVERS

In preparation for the [REDACTED], our Company has sought [and has been granted] the following waivers from strict compliance with the relevant provisions of the Listing Rules:

WAIVERS IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, we must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong.

Our headquarters and most of our business operations are based, managed and conducted in the PRC. As our executive Directors play very important roles in our business operation, it is in our best interest for them to be based in the places where our Group has significant operations. We consider it practicably difficult and commercially inappropriate for us to arrange for two executive Directors to ordinarily reside in Hong Kong, either by means of relocation of our executive Directors to Hong Kong or appointment of additional executive Directors. Therefore, we do not have, and in the foreseeable future will not have, sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 and 19A.15 of the Listing Rules.

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 Rules 8.12 and 19A.15 of the Listing Rules, provided that our Company implements the following arrangements:

- (a) we have appointed Mr. Yang Dunxiang (楊敦祥), our executive Director, Board secretary and joint company secretary, and Ms. Ye Jiahong (叶嘉紅), our joint company secretary, as our authorized representatives (the “**Authorized Representatives**”) pursuant to Rule 3.05 of the Listing Rules. The Authorized Representatives will act as our Company’s principal channel of communication with the Stock Exchange. The Authorized Representatives will be readily contactable by phone and/or email to promptly deal with enquiries from the Stock Exchange, and will also be available to meet with the Stock Exchange to discuss any matter within a reasonable period of time upon request of the Stock Exchange;
- (b) when the Stock Exchange wishes to contact our Directors on any matter, each of the Authorized Representatives will have all necessary means to contact all of our Directors (including our independent non-executive Directors) promptly as and when required, including means to communicate with our Directors when they are traveling. Our Company will also inform the Stock Exchange as soon as practicable in respect of any change in the Authorized Representatives in accordance with the Listing Rules. We have provided the contact details of each Director (such as mobile phone numbers, office phone numbers (if any), email addresses and fax numbers (if any)) to each of the Authorized Representatives and the Stock Exchange;
- (c) we confirm and will ensure that all Directors who do not ordinarily reside in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period upon the request of the Stock Exchange;
- (d) we have appointed Ping An of China Capital (Hong Kong) Company Limited as our compliance advisor upon [REDACTED] pursuant to Rule 3A.19 of the Listing Rules for a period commencing on the [REDACTED] Date and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the [REDACTED] Date. Our compliance advisor, who will serve as the additional channel of communication with the Stock Exchange when the Authorized Representatives are not available and will have access at all times to the Authorized Representatives, our Directors and our senior management as prescribed by Rule 3A.23 of the Listing Rules; and
- (e) meetings between the Stock Exchange and our Directors can be arranged through the Authorized Representatives or our compliance advisor, or directly with our Directors within a reasonable time frame.

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JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, we must appoint a company secretary who, by virtue of his/her academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. Note 1 to Rule 3.28 of the Listing Rules provides that the Stock Exchange considers the following academic or professional qualifications to be acceptable: (a) a member of The Hong Kong Chartered Governance Institute; (b) a solicitor or barrister as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong); and (c) a certified public accountant as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong).

Note 2 to Rule 3.28 of the Listing Rules further provides that the Stock Exchange considers the following factors in assessing the “relevant experience” of the individual: (a) length of employment with the issuer and other issuers and the roles he/she played; (b) familiarity with the Listing Rules and other relevant laws and regulations including the SFO, the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code; (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules; and (d) professional qualifications in other jurisdictions.

Pursuant to paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants, the Stock Exchange will consider a waiver application by an issuer in relation to Rules 3.28 and 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include: (a) whether the issuer has principal business activities primarily outside Hong Kong; (b) whether the issuer was able to demonstrate the need to appoint a person who does not have the Acceptable Qualification (as defined under paragraph 9 of Chapter 3.10 of the Guide for New Listing Applicants) nor Relevant Experience (as defined under paragraph 9 of Chapter 3.10 of the Guide for New Listing Applicants) as a company secretary; and (c) why the directors consider the individual to be suitable to act as the issuer’s company secretary.

Further, pursuant to paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants, such waiver, if granted, will be for a fixed period of time (the “**Waiver Period**”) and on the following conditions: (a) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and (b) the waiver will be revoked if there are material breaches of the Listing Rules by the issuer.

Our Company has appointed Mr. Yang Dunxiang (楊敦祥) (“**Mr. Yang**”), our executive Director and Board secretary, as one of our joint company secretaries. He has considerable experience in administrative management but presently does not possess any of the qualifications under Rules 3.28 and 8.17 of the Listing Rules, and may not be able to solely fulfill the requirements of the Listing Rules. Therefore, we have appointed Ms. Ye Jiahong (叶嘉紅) (“**Ms. Ye**”), a member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who fully meets the requirements stipulated under Rules 3.28 and 8.17 of the Listing Rules to act as the other joint company secretary and to provide assistance to Mr. Yang for an initial period of three years from the [REDACTED] to enable Mr. Yang to acquire the “relevant experience” under Note 2 to Rule 3.28 of the Listing Rules so as to fully comply with the requirements set forth under Rules 3.28 and 8.17 of the Listing Rules.

Given Ms. Ye’s professional qualification and experience, she will be able to explain to both Mr. Yang and us the relevant requirements under the Listing Rules and other applicable Hong Kong laws and regulations. Ms. Ye will also assist Mr. Yang in organizing Board meetings and Shareholders’ meetings of our Company as well as other matters of our Company which are incidental to the duties of a company secretary. Ms. Ye is expected to work closely with Mr. Yang and will maintain regular contact with Mr. Yang, our Directors and the senior management of our Company. In addition, Mr. Yang will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules to enhance his knowledge of the Listing Rules during the three-year period from the [REDACTED]. He will also be assisted by our compliance advisor and our legal advisors as to the Hong Kong laws on matters in relation to our ongoing compliance with the Listing Rules and the applicable laws and regulations.

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Since Mr. Yang does not possess the formal qualifications required for a company secretary under Rule 3.28 of the Listing Rules, we have applied to the Stock Exchange for, [and the Stock Exchange has granted us,] a waiver from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules such that Mr. Yang may be appointed as a joint company secretary of our Company. The waiver is valid for an initial period of three years from the [REDACTED] on the conditions that (a) Mr. Yang must be assisted by Ms. Ye, who possesses the qualifications and experience required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and (b) the waiver shall be valid for a period of three years from the [REDACTED] and will be revoked immediately if and when Ms. Ye ceases to provide such assistance to Mr. Yang as a joint company secretary or if there are material breaches of the Listing Rules by our Company.

Before the end of the three-year period, we must demonstrate and seek the Stock Exchange’s confirmation that Mr. Yang (i.e. the proposed company secretary not fulfilling the requirement under Listing Rule 3.28 and 8.17), having had the benefits of Ms. Ye’s (i.e. the qualified person) assistance during the three-year period, has attained the relevant experience under Note 2 to Listing Rule 3.28 and is capable of discharging the functions of the company secretary so that a further waiver would not be necessary.