
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

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 and the following exemption from strict compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 and Rule 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. Such requirement may be waived on a case-by-case basis taking into account the applicant’s arrangements for maintaining regular communication with the Stock Exchange.

Our management, business operations and assets are primarily located outside Hong Kong. The principal management headquarters of our Group are primarily based in the PRC. Our Company considers that our Group’s management is best able to attend to its functions by being based in the PRC. None of our executive Directors is or will be ordinarily resident in Hong Kong after the [REDACTED] of our Company. Our Directors consider that relocation of our executive Directors to Hong Kong will be burdensome and costly for our Company, and it may not be in the best interests of our Company and our Shareholders as a whole to appoint additional executive Directors who are ordinarily resident in Hong Kong. As such, we do not have, and for the foreseeable future will not have, sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 and Rule 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 Rule 8.12 and Rule 19A.15 of the Listing Rules, provided that our Company implements the following arrangements:

- (1) We have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange. The two authorized representatives appointed are Ms. Gu Fei (谷菲) and Ms. Wong Mei Fung Carrie (黃美鳳) (“**Ms. Wong**”). Ms. Wong is situated and based in Hong Kong. Each of our 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 and will be readily contactable by telephone facsimile and email;
- (2) As and when the Stock Exchange wishes to contact the Directors on any matters, each of our authorized representatives has means to contact all Directors (including the independent non-executive Directors) promptly at all times;
- (3) Although our executive Directors are not ordinary residents in Hong Kong, each Director possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period;
- (4) We have appointed Zhongtai International Capital Limited as our compliance adviser, pursuant to Rule 3A.19 of the Listing Rules, who will have access at all times to our authorized representatives, Directors and senior management, and will act as an additional channel of communication with the Stock Exchange and us; and

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- (5) We have provided the Stock Exchange with the contact details of each Director (including their respective mobile phone numbers, office phone numbers, e-mail addresses and fax number).

Our Company will inform the Stock Exchange as soon as practicable in respect of any change in the authorized representatives, the Directors and/or the compliance adviser in accordance with the Listing Rules.

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, our company secretary must be an individual who by virtue of his or her academic or professional qualifications or relevant experience is, in the opinion of the Stock Exchange, capable of discharging the functions of 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 Hong Kong Stock Exchange considers the following factors in assessing the “relevant experience” of the individual:

- (a) length of employment with the applicant and other the company secretary has and the roles played;
- (b) familiarity with the Listing Rules and other relevant laws and regulations;
- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29 of the Listing Rules (i.e. 15 hours per financial year); and
- (d) professional qualifications in other jurisdictions.

Due to that the Company has principal business activities primarily outside Hong Kong, we have appointed Mr. Song Zhexing (宋哲行) (“**Mr. Song**”), a vice general manager of our Company and secretary of the Board, as one of our joint company secretaries, considering his past working experiences within our Group and his thorough understanding of our internal administration, business operations and corporate culture. As such, although Mr. Song does not possess the acceptable qualification and relevant experience strictly required by Rule 3.28 of the Listing Rules, our Directors believe that Mr. Song is capable of discharging the functions of a joint company secretary with the assistance of Ms. Wong, who meets the requirements under Rule 3.28 of the Listing Rules and has been appointed to act as the other joint company secretary and to assist Mr. Song in the compliance matters for the [REDACTED] as well as other Hong Kong regulatory requirements for an initial period of three years from the [REDACTED]. Over such period, we will implement the following measures to assist Mr. Song to satisfy the requisite qualifications as prescribed in Rules 3.28 and 8.17 of the Listing Rules:

- (a) Ms. Wong will assist Mr. Song so as to enable him to discharge his duties and responsibilities as a joint company secretary. Given Ms. Wong’s relevant experiences, she will be able to advise both Mr. Song and us on the relevant requirements of the Listing Rules as well as other applicable laws and regulations of Hong Kong;
- (b) Mr. Song will be assisted by Ms. Wong for an initial period of three years commencing from the [REDACTED], which should be sufficient for him to acquire the requisite knowledge and experience under Rule 3.28 of the Listing Rules;

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- (c) we will ensure that Mr. Song has access to the relevant trainings and support to enable him to familiarize himself with the Listing Rules and the duties required of a company secretary of an [REDACTED], and Mr. Song has undertaken to attend such trainings;
- (d) Ms. Wong will communicate with Mr. Song on a regular basis regarding matters in relation to corporate governance, the Listing Rules as well as other applicable laws and regulations of Hong Kong which are relevant to our operations and affairs. Ms. Wong will work closely with, and provide assistance to Mr. Song with a view to discharging his duties and responsibilities as a company secretary, including but not limited to organizing the Board meetings and Shareholders’ meetings; and
- (e) pursuant to Rule 3.29 of the Listing Rules, Mr. Song and Ms. Wong will also 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 legal and regulatory requirements of Hong Kong. Both Mr. Song and Ms. Wong will be advised by our legal advisors as to Hong Kong laws and our compliance adviser as and when appropriate and required.

Accordingly, 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 [REDACTED] (the “**Waiver Period**”). Pursuant to paragraph 13 under Chapter 3.10 of the Listing Guide, the waiver is granted on the conditions: (i) our Company appoints Ms. Wong, who meets the requirements under Note 1 to Rule 3.28 of the Listing Rules, as a joint company secretary, to assist Mr. Song in discharging his functions as a joint company secretary and in gaining the relevant experience as required under Rule 3.28 of the Listing Rules; and (ii) the waiver will be revoked immediately if Ms. Wong, during the three-year period, ceases to provide assistance to Mr. Song, or if there are material breaches of the Listing Rules by our Company. Before the end of the three-year period, we will conduct a further evaluation of the qualification and experience of Mr. Song to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied, and we will demonstrate to and seek the Stock Exchange’s confirmation that Mr. Song, having had the benefit of Ms. Wong’s assistance for three years, has acquired the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver wouldn’t be necessary. For more details of Ms. Wong and Mr. Song’s biographies, please see the section headed “Directors and Senior Management”.