
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

In preparation of the [REDACTED], we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules.

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, a new applicant applying for a primary listing on the Stock Exchange must have a sufficient management presence in Hong Kong. This normally means that at least two of the new applicant’s executive directors must be ordinarily resident in Hong Kong. Rule 19A.15 of the Listing Rules further provides that the requirement in Rule 8.12 may be waived by having regard to, among other considerations, the applicant’s arrangements for maintaining regular communication with the Stock Exchange.

Our Company’s headquarters, management, business operations and assets are primarily located in the PRC. Our executive Directors are based in the PRC, as our Board believes it would be more effective and efficient for its executive Director to be based in a location where our Company’s significant operations are located. Our executive Directors are not, and will not be ordinarily resident in Hong Kong upon the [REDACTED]. The Directors consider that relocation of the executive Director to Hong Kong will be burdensome and costly for our Company, and it may not be in the best interests of our Company and the Shareholders as a whole to appoint additional executive Directors who are ordinarily resident in Hong Kong.

Accordingly, pursuant to Rule 19A.15 of the Listing Rules, our Company has applied to the Stock Exchange for, and the Stock Exchange [has granted] our Company, 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:

- (a) pursuant to Rule 3.05 of the Listing Rules, our Company has appointed and will continue to maintain two authorized representatives (the “**Authorized Representatives**”), namely, Mr. Zha Daocun (查道存) and Ms. Ng Wing Shan (吳詠珊). The Authorized Representatives will serve as our Company’s principal channel of communication with the Stock Exchange. 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 and will be readily contactable by telephone and email. As and when the Stock Exchange wishes to contact the Directors on any matters, each of the Authorized Representatives will have means to contact all of the Directors promptly at all times. Our Company will inform the Stock Exchange promptly in respect of any change in the Authorized Representatives;
- (b) our Company has provided the contact details of each Director (such as mobile phone numbers, office phone numbers and email addresses) to each of the Authorized Representatives and to the Stock Exchange. This will ensure that the Authorized Representatives and the Stock Exchange will have the means to promptly contact any of the Directors (including the independent non-executive Directors) as and when required;
- (c) our Company confirms and will ensure that all Directors who are not ordinarily resident in Hong Kong possess, or can apply for, valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable period of time when required; and

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- (d) our Company has appointed SPDB International Capital Limited as Compliance Advisor, pursuant to Rule 3A.19 of the Listing Rules. The Compliance Advisor will have access at all times to the Authorized Representatives, Directors and senior management of our Company, and will act as an additional channel of communication between the Stock Exchange and our Company for the period commencing on the [REDACTED] 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 commencing after the [REDACTED]. The Compliance Advisor will maintain constant contact with the Authorized Representatives, Directors and senior management of our Company through various means, including regular meetings and telephone discussions whenever necessary. The Authorized Representatives, Directors and other officers will promptly provide such information and assistance as the Compliance Advisor may reasonably require in connection with the performance of the Compliance Advisor’s duties as set forth in Chapter 3A of the Listing Rules.

APPOINTMENT OF JOINT COMPANY SECRETARIES

Pursuant to Rule 8.17 of the Listing Rules, we must appoint a company secretary who satisfies Rule 3.28 of the Listing Rules. According to Rule 3.28 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.

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 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 or 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 13 of Chapter 3.10 of the Guide, 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 is 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) nor Relevant Experience (as defined under paragraph 9 of Chapter 3.10 of the Guide) as a company secretary; and

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- (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, 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. Zhou Min (周敏) (“**Mr. Zhou**”) as one of our joint company secretaries. Mr. Zhou is our senior financial controller, assistant to the president and Board secretary. He joined our Group in August 2011 and has served in multiple positions responsible for overseeing our Group’s information disclosure, corporate governance, investor relations, compliance and risk control, capital markets transactions, financial strategy, budgetary control and financial reporting since then. Although our Company believes, in regard to Mr. Zhou’s past experience in handling corporate matters, that he has a thorough understanding of our Company and our Board, Mr. Zhou does not possess the requisite qualifications required by Rule 3.28 of the Listing Rules. Therefore, our Company has appointed Ms. Ng Wing Shan (吳詠珊) (“**Ms. Ng**”), who possesses such qualifications, to be a joint company secretary to assist Mr. Zhou in the compliance matters for the [REDACTED] as well as other Hong Kong regulatory requirements for a period of three years commencing from the [REDACTED]. For the biographies of our joint company secretaries, see “Directors and Senior Management — Joint Company Secretaries.” Over such three-year period, we will implement measures to assist Mr. Zhou to satisfy the requisite qualifications as prescribed in Rule 3.28 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with the requirements under Rules 8.17 and 3.28 of the Listing Rules in relation to Mr. Zhou’s appointment as a joint company secretary pursuant to Chapter 3.10 of the Guide on the following conditions:

- (a) Mr. Zhou must be assisted by Ms. Ng, who possesses the qualification and experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the validity period of the waiver; and
- (b) the waiver is valid for a period of three years from the [REDACTED] and will be revoked immediately if and when Ms. Ng ceases to provide such assistance or if there are material breaches of the Listing Rules by our Company.

It is anticipated that Mr. Zhou will gain experience with the assistance of Ms. Ng. Before the end of the initial three-year period, we will evaluate the then experience of Mr. Zhou in order to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied at the time or whether on-going assistance will be needed. We would then endeavor to demonstrate to the satisfaction of the Stock Exchange that Mr. Zhou, having had the benefit of Ms. Ng’s assistance for three years, would then 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.

CONTINUING CONNECTED TRANSACTIONS

We have entered into certain transactions which will constitute continuing connected transactions of our Company under the Listing Rules after [REDACTED]. We have applied to the Stock Exchange, and the Stock Exchange [has granted], waivers from strict compliance with Chapter 14A of the Listing Rules for our partially exempted continuing connected transactions. For the details and conditions thereof, please see “Connected Transactions.”