

WAIVERS FROM COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH THE COMPANIES ORDINANCE

CONNECTED TRANSACTIONS

Certain Subsidiaries of the Company have entered into and are expected to continue certain transactions, which will constitute non-exempt continuing connected transactions of the Company under the Listing Rules upon the Listing. The Company has applied to the Stock Exchange for a waiver from the strict compliance with the requirements regarding the announcements and independent shareholders' approvals in respect of such non-exempt continuing connected transactions under Chapter 14A of the Listing Rules. The details of such waivers are set out in the paragraph headed "Application for Waivers from the Stock Exchange" under the section headed "Connected Transactions" in this prospectus.

STOCK BORROWING AGREEMENT

In connection with the Global Offering, we intend to grant the Over-allotment Option to the Global Coordinator on behalf of the Placing Underwriters. The Over-allotment Option gives the Global Coordinator the right, exercisable at any time from the day on which trading of our Shares commences on the Stock Exchange within 30 days from the last day for lodging of applications under the Hong Kong Public Offer, to require us to allot and issue up to an aggregate of 45,000,000 additional Shares, representing in aggregate approximately 15% of the initial size of the Global Offering at the Offer Price to cover, among other things, over-allocations in the International Placing, if any. The Global Coordinator may also cover any over-allocations by purchasing Shares in the secondary market or by a combination of purchases in the secondary market and a partial exercise of the Over-allotment Option. Any such secondary market purchase will be made in compliance with all applicable laws, rules and regulations. If the Global Coordinator exercises the Over-allotment Option in full, the additional Offer Shares will represent approximately 4.3% of our enlarged issued share capital following the completion of the Global Offering and the exercise of the Over-allotment Option. In the event that the Over-allotment Option is exercised, we will make a press announcement.

In order to facilitate the settlement of over-allocations in connection with the International Placing, the Global Coordinator may choose to borrow Shares from Favor Choice under the Stock Borrowing Agreement, or acquire Shares from other sources. Pursuant to Rule 10.07(1)(a) of the Listing Rules, a person or group of persons shown by the listing document issued at the time of the issuer's application for listing to be controlling shareholders of the issuer shall not and shall procure that the relevant registered holders(s) shall not in the period commencing on the date by reference to which disclosure of the shareholding of the controlling shareholders is made in the listing document and ending on the date which is 6 months from the date on which dealings in the securities of a new applicant commence on the Stock Exchange, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of those securities of the issuer in respect of which he is or they are shown by that listing document to be the beneficial owner(s). A waiver has been granted by the Stock Exchange to Favor Choice and the Company from strict compliance with Rule 10.07(1)(a) of the Listing Rules in order to allow Favor Choice to enter into the Stock Borrowing Agreement. The waiver is subject to the condition that any Shares which may be made

WAIVERS FROM COMPLIANCE WITH THE LISTING RULES AND EXEMPTION FROM STRICT COMPLIANCE WITH THE COMPANIES ORDINANCE

available to the Global Coordinator pursuant to such arrangements will be on the following terms:

- (a) such stock borrowing agreement with Favor Choice will only be effected by Cazenove for settlement of over-allocations in the International Placing;
- (b) the maximum number of Shares borrowed from Favor Choice will be limited to 45,000,000, the maximum number of Shares which may be issued upon exercise of the Over-allotment Option;
- (c) the same number of Shares so borrowed must be returned to Favor Choice on or before the third Business Day following the earlier of (i) the last day on which the Over-allotment Option may be exercised; and (ii) the day on which the Over-allotment Option is exercised in full; and
- (d) the stock borrowing agreement entered into will be effected in accordance with all applicable laws and regulatory requirements. No payments will be made to Favor Choice by Cazenove in relation to such stock borrowing agreement.

MATERIAL CONTRACTS

We have applied to the SFC under section 342A of the Companies Ordinance for a certificate of exemption from strict compliance with paragraph 17 of the Third Schedule to the Companies Ordinance and to the Stock Exchange for a waiver from strict compliance with paragraph 53(2) of Part A of Appendix I to the Listing Rules in relation to the Franchise Agreements, the Novation Agreement and three sub-franchise agreements. The SFC has issued a certificate of exemption granting a partial exemption subject to certain conditions detailed further in the paragraph headed “Commercially Sensitive Contracts” in Appendix VI to this prospectus, and the Stock Exchange has granted a partial waiver. Further details of such partial exemption and waiver are set out in the paragraph headed “Commercially Sensitive Contracts” in Appendix VI to this prospectus.

Basic contents of Accountants’ Report for the Prospectus

We have applied to the SFC under section 342A of the Companies Ordinance for a certificate of exemption from strict compliance with the disclosure requirements of 342(1) of and paragraph 27 in Part I and paragraph 31 in Part II of the Third Schedule to the Companies Ordinance and to the Stock Exchange for a waiver from strict compliance with the disclosure requirements under Rule 4.04(1) to the Listing Rules in relation to the basic contents of Accountants’ Report for this prospectus. The SFC has issued a certificate of exemption and the Stock Exchange has granted this waiver, subject to certain conditions. Further details of such exemption and waiver are set out in the section headed “Waiver in relation to Rule 4.04(1) of the Listing Rules and exemption from strict compliance with Paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance” in Appendix VI to this prospectus.

**WAIVERS FROM COMPLIANCE WITH THE LISTING RULES AND
EXEMPTION FROM STRICT COMPLIANCE WITH THE COMPANIES ORDINANCE**

PRE-IPO SHARE OPTION SCHEME

We have applied to the SFC under section 342A of the Companies Ordinance for a certificate of exemption from strict compliance with the disclosure requirements of paragraph 10 of the Third Schedule to the Companies Ordinance and to the Stock Exchange for a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) and paragraph 27 of Part A of Appendix I to the Listing Rules in relation to the Pre-IPO Share Option Scheme. The SFC has issued a certificate of exemption and the Stock Exchange has granted this waiver, subject to certain conditions. Further details of such exemption and waiver are set out in the section headed “Pre-IPO Share Option Scheme” in Appendix VI to this prospectus.