

WAIVER FROM STRICT COMPLIANCE WITH THE LISTING RULES

In preparation for the [REDACTED], we have applied to the Stock Exchange for the following waiver from strict compliance with the relevant provisions of the Listing Rules.

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 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 will normally mean that at least two of the executive directors of a new applicant must be ordinarily resident in Hong Kong.

We do not have sufficient management presence in Hong Kong for purpose of satisfying the requirements under Rule 8.12 of the Listing Rules. The principal business operations of our Group are based, managed and conducted through our operating subsidiary in the PRC. All the executive Directors and senior management of our Company principally reside in the PRC. The management and operation of our Company have mainly been under the supervision of the executive Directors, who are principally responsible for the overall management, corporate strategy, planning, business development and control of our Company's businesses. As such, it is important for our executive Directors to remain in close proximity to our Company's operation in the PRC.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver for strict compliance with the requirements under Rule 8.12 of the Listing Rules. We will ensure there is a regular and effective channel of communication between us and the Stock Exchange by implementing the following measures:

- (a) Pursuant to Rule 3.05 of the Listing Rules, we have appointed Mr. Ma Fujun, the chairman of our Board, our chief executive officer and executive Director and a controlling shareholder of our Company, and Ms. Xu Jing, the company secretary of our Company, as the authorised representatives of our Company, who will act as our Company's principal channel of communication with the Stock Exchange. Each of Mr. Ma Fujun and Ms. Xu Jing has confirmed that he or she can be readily contactable by phone, facsimile and email to promptly deal with enquiries from the Stock Exchange. While Mr. Ma ordinarily resides in the PRC, he possesses valid travel documents and is able to renew such travel documents when they expire in order to visit Hong Kong. Ms. Xu Jing is a Hong Kong resident. Accordingly, each of the authorised representatives will be able to meet with the relevant members of the Stock Exchange on reasonable notice.
- (b) Each of our authorised representatives has means to contact all Directors (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange proposes to contact a Director with respect to any matters. The 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. To enhance communication between the Stock Exchange, our authorised representatives and the Directors, we will implement a policy that (i) each Director will have to provide his/her office phone number, mobile phone number, facsimile number and email address to our authorised representatives; (ii) in the event that a Director expects to travel or is otherwise out of office, he/she will endeavour to provide the phone

WAIVER FROM STRICT COMPLIANCE WITH THE LISTING RULES

number of the place of his/her accommodation to our authorised representatives or maintain an open line of communication via his/her mobile phone; and (iii) each of the Directors and authorised representatives will provide their respective office phone number, mobile phone numbers, facsimile numbers and email addresses to the Stock Exchange.

- (c) In compliance with Rule 3A.19 of the Listing Rules, our Company has appointed Dakin Capital Limited as the compliance adviser, which will have access at all times to our authorised representatives and Directors and will act as an additional channel of communication between the Stock Exchange and our Company.
- (d) Meetings between the Stock Exchange and the Directors could be arranged through our authorised representatives or our compliance adviser, or directly with the Directors within a reasonable time frame. We will inform the Stock Exchange as soon as practicable in respect of any change of our authorised representatives and/or the compliance adviser in accordance with the Listing Rules.