

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

In preparation for the [REDACTED], our Company has sought the following waiver(s) from strict compliance with the relevant provisions of the Listing Rules and Companies (Winding Up and Miscellaneous Provisions) Ordinance:

MANAGEMENT PRESENCE

Rule 8.12 of the Listing Rules requires that a [REDACTED] applying for a [REDACTED] on the Stock Exchange must have a sufficient management presence in Hong Kong. This normally means that at least two of its executive directors must be ordinarily resident in Hong Kong.

At present, since our principal business operations are conducted in the PRC, all of our four executive Directors are not ordinarily resident in Hong Kong and will continue to be based in the PRC. We do not and will not, in the foreseeable future, have a sufficient management presence in Hong Kong as required under Rule 8.12 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, [and obtained,] a waiver from strict compliance with the requirements set out in Rule 8.12 of the Listing Rules subject to the following conditions:

- (i) we have appointed two authorised representatives pursuant to Rule 3.05 of the Listing Rules who will act as our principal channels of communication with the Stock Exchange. The two authorised representatives are Dr. Tang, our executive Director and Ms. Choy Yee Man (蔡綺文), our company secretary. Each of the authorised representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable period of time upon request and will be readily contactable by telephone, email and facsimile by the Stock Exchange. Each of the authorised representatives has been duly authorised to communicate on our behalf with the Stock Exchange;
- (ii) we will promptly inform the Stock Exchange if there are any changes to the authorised representatives of our Company;
- (iii) our authorised representatives have means to contact all Directors (including the independent non-executive Directors) and the senior management team promptly at all times as and when the Stock Exchange wishes to contact our Directors on any matters. To enhance the communication between the Stock Exchange, (a) each executive Director and independent non-executive Directors has provided his mobile phone number, office phone number, facsimile number (if available) and email addresses (if available) to the authorised representatives; (b) in the event that an executive Director or independent non-executive Director expects to travel and be out of office, he/she will provide the phone number of the place of his/her accommodation to the authorised representatives; and (c) all Directors and authorised representatives will provide their respective mobile phone number, office phone number, facsimile number (if available) and email address (if available) to the Stock Exchange;

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- (iv) each of our executive Directors has confirmed that he either possesses or will apply for valid travel documents to visit Hong Kong and would be able to meet with the Stock Exchange within a reasonable period of time; and
- (v) we have also, in accordance with Rule 3A.19 of the Listing Rules, appointed [REDACTED], as our [REDACTED], who will act as an additional channel of communication with the Stock Exchange. The [REDACTED] will advise on on-going compliance requirements and other issues arising under the Listing Rules and other applicable laws and regulations in Hong Kong for a period commencing on the [REDACTED] at least until the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our Company's financial results for the first full financial year after the [REDACTED]. The [REDACTED] will have access at all times to our authorised representatives, Directors and the other senior management of the Company to ensure that it is in a position to provide prompt response to the enquiries or requirements raised by the Stock Exchange in respect of our Company.

RULE 4.04(1) AND RULE 13.49 OF THE LISTING RULES AND PARAGRAPH 27 OF PART 1 AND PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE OF THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Rule 4.04(1) of the Listing Rules requires that the accountants' report to be included in a [REDACTED] must include the consolidated results of the [REDACTED] in respect of each of the three financial years immediately preceding the issue of the [REDACTED] or such shorter period as may be acceptable to the Stock Exchange.

Section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires all [REDACTED] to include an accountants' report which contains the matters specified in the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

Paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires that a [REDACTED] must include a statement as to the gross trading income or sales turnover (as may be appropriate) of the [REDACTED] during each of the three financial years immediately preceding the issue of the [REDACTED], including an explanation of the method used for the computation of such income or turnover and a reasonable breakdown between the more important trading activities.

Paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires that a [REDACTED] must include a report by the auditors of the company setting out the consolidated profit and loss results of the [REDACTED] in respect of each of the three financial years immediately preceding the issue of the [REDACTED] and the consolidated assets and liabilities of the [REDACTED] as at the end of each of the three financial years ended immediately preceding the issue of the [REDACTED].

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Rule 13.49 of the Listing Rules requires an issuer to publish its preliminary results in respect of each financial year not later than three months after the end of the financial year.

Guidance Letter HKEx-GL25-11 stipulates that where an [REDACTED] issues its [REDACTED] in the third month after the latest year end, the following are conditions for the granting of a waiver from strict compliance with Rule 4.04(1) of the Listing Rules:

- (i) the [REDACTED] must include the financial information for the latest financial year and a commentary on the results for the year. The financial information to be included in the [REDACTED] must (a) follow the same content requirements as for a preliminary results announcements under Rule 13.49 of the Listing Rules, and (b) be agreed with the reporting accountants following their review under Practise Note 730 "Guidance for Auditors Regarding Preliminary Announcements of Annual Results" issued by the Hong Kong Institute of Certified Public Accountants;
- (ii) the applicant must [REDACTED] on the Stock Exchange within three months after the latest year end; and
- (iii) the applicant must obtain a certificate of exemption from the SFC on compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance Requirements.

The Guidance Letter HKEx-GL25-11 further stipulates that if [REDACTED] has included the preliminary results information in its [REDACTED], the Stock Exchange will consider granting a waiver of the preliminary results announcement requirement on a case-by-case basis.

The accountants' report for the three years ended 31 December 2017 and the [nine months ended 30 September 2018] is set out in Appendix I to this [REDACTED]. However, strict compliance with paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and Rule 4.04(1) of the Listing Rules would create undue burden on us, as [REDACTED] is expected to take place on [27] March 2019, which is within three months after 31 December 2018 and there would not be sufficient time for us and the reporting accountants to finalise the audited financial statements for the full financial year ended 31 December 2018 for inclusion in this [REDACTED]. Such additional work would lead to significant delay in the [REDACTED] timetable and unjustifiable expenses.

In such circumstance, we have applied for waivers from the Stock Exchange from strict compliance with Rule 4.04(1) and Rule 13.49 of the Listing Rules. As required by Guidance Letter HKEx-GL25-11, an application has also been made to the SFC for a certificate of exemption under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from strict compliance with paragraphs 27 and 31 of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to the inclusion of the accountants' report for the full financial year ended 31 December 2018 in this [REDACTED].

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Our Directors confirm that they have performed sufficient due diligence on our Group and are not aware of any event since 30 September 2018 which would materially affect the information shown in the accountants' report for our Company set out in Appendix I to this [REDACTED]. In addition, our Directors confirm that they consider that all information that is reasonably necessary for the [REDACTED] to make an informed assessment of the activities or financial position of our Group has been included in this [REDACTED] and the exemption from compliance would not prejudice the interests of the investing public.

In accordance with Guidance Letter HKEx-GL25-11, financial information of the Group for the year [ended] 31 December 2018 and a commentary on the results [has been] included in this [REDACTED]. Please refer to the section headed "Unaudited Preliminary Financial Information of our Company for the year ended 31 December 2018" set out in Appendix III to this [REDACTED].

The waivers from strict compliance with Rule 4.04(1) and Rule 13.49 of the Listing Rules [have been granted] by the Stock Exchange and a certificate of exemption [has been granted] by the SFC under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that (i) the particulars of the exemption are set out in this [REDACTED] and (ii) the [REDACTED] will be issued, and [REDACTED] will occur, on or before 31 March 2019.