

A. SUMMARY OF WAIVERS

We have sought certain waivers from strict compliance with certain provisions of the Hong Kong Listing Rules. Set out below is a summary of the waivers sought and granted by the Hong Kong Stock Exchange:

Relevant Hong Kong Listing Rules	Subject Matter
Rule 8.12	Management presence in HongKong
Rules 3.28 and 8.17	Appointment of joint company secretaries
Rule 9.09	Dealing in securities by core connected persons
Rules 10.08 and 10.07(1)(a)	Issue of further securities and restriction on disposal of shares by a Controlling Shareholder after a new listing upon issue of further securities
Rule 10.07(1)(a)	Restriction on disposal of shares by a Controlling Shareholder after a new listing in respect of the bridging arrangements
Rules 4.04(2) and 4.04(4)(a)	Companies acquired after the Track Record Period
Rules 4.04(1) and 13.49(1)	Financial statements in the listing document

1. MANAGEMENT PRESENCE IN HONG KONG

Rule 8.12 of the Hong Kong Listing Rules provides that a listing applicant applying for a primary listing on the Hong Kong Stock Exchange must have a sufficient management presence in Hong Kong, and this normally means that at least two of the executive directors of such listing applicant must be ordinarily resident in Hong Kong. Our principal business and operations are located, managed and conducted in the PRC through our operating subsidiaries in the PRC. All of our turnover is substantially generated from the PRC. Save for Mr. Xu Xiaobing who is ordinarily based in Hong Kong, none of our executive Directors are Hong Kong permanent residents or are ordinarily based in Hong Kong. As a result, our Company currently does not, and will not, in the foreseeable future, have sufficient management presence in Hong Kong as required under Rule 8.12 of the Hong Kong Listing Rules. Furthermore, we consider that it would be impractical and commercially unnecessary for our Company to appoint additional executive Directors who are ordinarily resident in Hong Kong or to relocate its existing PRC based executive Directors to Hong Kong merely for the purpose of complying with Rule 8.12 of the Hong Kong Listing Rules. Each of our Directors who are not ordinarily resident in Hong Kong currently holds valid travel documents that allow them to travel to Hong Kong for meetings with the Hong Kong Stock Exchange within a reasonable period of time.

Accordingly, we have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted us, a waiver from strict compliance with the requirements under Rule 8.12 of the Hong Kong Listing Rules. In order to maintain regular and effective communication with the Hong Kong Stock Exchange, we have implemented the following measures:

- (1) pursuant to Rule 3.05 of the Hong Kong Listing Rules, we have appointed and will continue to maintain two authorized representatives who will act as our Company's principal point of communication with the Hong Kong Stock Exchange. The two authorized representatives (the "**Authorized Representatives**") of

our Company are Mr. Yang Jianwei and Mr. Man Yun Wah (“**Mr. Man**”), who is one of our joint company secretaries and a Hong Kong permanent resident;

- (2) any meetings between our Directors and the Hong Kong Stock Exchange will be arranged through the Authorized Representatives or the compliance adviser of our Company or directly with our Directors within a reasonable time frame. We will inform the Hong Kong Stock Exchange promptly in respect of any changes in the Authorized Representatives and/or our compliance adviser;
- (3) each of the Authorized Representatives will be available to meet with the Hong Kong Stock Exchange within a reasonable period of time upon the request of the Hong Kong Stock Exchange and will be readily contactable by telephone, facsimile and/or email;
- (4) each of the Authorized Representatives has means to contact all members of the Board (including our independent non-executive Directors) promptly at all times as and when the Hong Kong Stock Exchange wishes to contact our Directors for any matters. To enhance the communication among the Hong Kong Stock Exchange, the Authorized Representatives and our Directors, we have implemented a policy that (a) each Director will provide his office phone numbers, mobile phone numbers, facsimile numbers and email addresses to the Authorized Representatives; and (b) all our Directors and the Authorized Representatives will provide their respective office phone numbers, mobile phone numbers, facsimile numbers and email addresses to the Hong Kong Stock Exchange. In the event that a Director expects to travel or is out of office, he will provide the phone number of the place of his accommodation or offer means of communication to the Authorized Representatives;
- (5) our Directors, who are not ordinarily resident in Hong Kong, have confirmed that they possess or can apply for valid travel documents to visit Hong Kong and are able to come to Hong Kong and, when required, meet with the Hong Kong Stock Exchange upon reasonable notice;
- (6) we have, in compliance with Rule 3A.19 of the Hong Kong Listing Rules, appointed Haitong International Capital Limited as our compliance adviser who will, among other things, in addition to the Authorised Representatives, act as an additional point of communication with the Hong Kong Stock Exchange for a period commencing on the Listing Date and ending on the date on which our Company complies with Rule 13.46 of the Hong Kong Listing Rules in respect of its financial results for the first full financial year commencing after the Listing Date. Our compliance adviser will advise our Company on on-going compliance requirements and other issues arising under the Hong Kong Listing Rules and other applicable laws and regulations in Hong Kong after the Introduction and have full access at all times to the Authorized Representatives and our Directors to ensure that it is in a position to provide prompt responses to any queries or requests from the Hong Kong Stock Exchange; and
- (7) we will retain legal advisers to advise on on-going compliance requirements as well as other issues arising under the Hong Kong Listing Rules and other applicable laws and regulations of Hong Kong after the Introduction.

We and our Directors believe that the arrangements set out above will be sufficient to ensure that disclosure of information and contact with the Hong Kong Stock Exchange will be made on a timely basis.

2. APPOINTMENT OF JOINT COMPANY SECRETARIES

Rule 8.17 of the Hong Kong Listing Rules provides that a listing applicant must appoint a company secretary who satisfies Rule 3.28 of the Hong Kong Listing Rules. Rule 3.28 of the Hong Kong Listing Rules provides that the company secretary of a listing applicant must be a person who, by virtue of his or her academic or professional qualifications or relevant experience, is, in the opinion of the Hong Kong Stock Exchange, capable of discharging the functions of company secretary.

The Hong Kong Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (1) a member of the Hong Kong Institute of Chartered Secretaries;
- (2) a solicitor or barrister (as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong)); and
- (3) a certified public accountant (as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong)).

In assessing “relevant experience”, the Hong Kong Stock Exchange will consider the following of the individual:

- (1) length of employment with the issuer and other issuers and the roles he or she has played;
- (2) familiarity with the Hong Kong 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;
- (3) relevant training taken and/or to be taken in addition to be the minimum requirement under Rule 3.29 of the Hong Kong Listing Rules; and
- (4) professional qualifications in other jurisdictions.

Our Company has appointed Ms. Shirley Tan Sey Liy (“**Ms. Tan**”) as one of its joint company secretaries. Please see “Directors and Senior Management – Joint Company Secretaries” in the Listing Document for Ms. Tan’s biography. Ms. Tan has been our company secretary since May 2015 and has been handling the corporate secretarial matters as well as other legal matters for our Company since then. However, Ms. Tan does not possess the requisite qualifications required by Rule 3.28 of the Hong Kong Listing Rules. Therefore, our Company has appointed Mr. Man Yun Wah (“**Mr. Man**”) in September 2017, who is a Hong Kong resident and possesses such qualifications, to be a joint company secretary to work closely with Ms. Tan in the compliance matters for the Introduction as well as other Hong Kong regulatory requirements and in the discharge of his duties and responsibilities as a joint company secretary of our Company for a period of three years commencing from the Listing Date. Please see “Directors and Senior Management – Joint Company Secretaries” in the Listing Document for Mr. Man’s biography.

As our Company was incorporated in Singapore with its shares being listed on the SGX-ST, our Company is subject to Singapore laws and regulations, inter alia, the Companies Act and the Listing Manual. As such, our Directors are of the view that Ms. Tan is a suitable person to act as the company secretary of our Company with her respective qualifications and experience and her presence in Singapore enables her to attend to the day-to-day corporate secretarial matters concerning our Company, from the perspective of Singapore laws and the Listing Manual. In view of the above, we have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted us, a waiver from strict compliance with Rules 8.17 and 3.28 of the Hong Kong Listing Rules for an initial period of three years commencing from the Listing Date, on the condition that:

- (1) our Company will ensure it will have at least one company secretary who possesses the requirements of a company secretary as stipulated under Rules 8.17 and 3.28 of the Hong Kong Listing Rules at all times;
- (2) the above waiver is granted for a period of three years commencing from the Listing Date. Also, if Mr. Man ceases to provide assistance to Ms. Tan, the waiver will be revoked by the Hong Kong

Stock Exchange with immediate effect; and

- (3) prior to the end of the three year period as mentioned above, the Hong Kong Stock Exchange will revisit the situation. Our Company should then demonstrate to the Hong Kong Stock Exchange's satisfaction that Ms. Tan, having had the benefit of Mr. Man's assistance for three years, would then have acquired the "relevant experience" within the meaning of Rule 3.28 of the Hong Kong Listing Rules so that a further waiver would not be necessary.

3. DEALING IN SECURITIES BY CORE CONNECTED PERSONS

Pursuant to Rule 9.09 of the Hong Kong Listing Rules, there must be no dealing in the securities for which listing is sought by any core connected person of the issuer (except as permitted by Rule 7.11 of the Hong Kong Listing Rules) (a) in the case of a listing application by a listed issuer, from the time of submission of the formal application for listing until listing is granted; and (b) in the case of a new applicant, from four clear business days before the expected hearing date until listing is granted (the "**Relevant Period**"). Directors of the issuer for whose securities listing is being sought shall forthwith notify the Hong Kong Stock Exchange of any such dealing or suspected dealing of which they become aware. If any of the directors or their close associates is found to have engaged in such dealing, the listing application may be rejected.

To the best of our Company's knowledge and as of the Latest Practicable Date, (i) the Controlling Shareholders were directly or indirectly interested in approximately 46.31% of the total issued share capital of our Company, in the aggregate, (ii) each of Value Partners Limited, Value Partners Hong Kong Limited and Value Partners Group Limited (collectively, the "**Existing Substantial Shareholders**") was interested or deemed to be interested in approximately 11.93% of the total issued share capital of our Company and each would be regarded as a substantial Shareholder under the Hong Kong Listing Rules. Other than our Controlling Shareholders and the Existing Substantial Shareholders, to the best knowledge of our Directors after making all reasonable enquiries, there was no other Shareholder who held 10% or above of the total issued share capital of our Company as of the Latest Practicable Date. Furthermore, other than Mr. Yang Changmin, our executive Director, who was interested in approximately 0.43% of the total issued share capital of our Company, none of our Directors was interested directly or indirectly in any Shares as of the Latest Practicable Date.

Accordingly, each of our Controlling Shareholders, the Existing Substantial Shareholders and Mr. Yang Changmin are subject to the restrictions under Rule 9.09(b) of the Hong Kong Listing Rules.

In addition, as our Shares are publicly traded on the SGX-ST, there may be Shareholders who currently hold less than 10% of the total issued Shares but may further acquire additional Shares during the Relevant Period and thereby become new substantial Shareholders (the "**New Substantial Shareholders**"). The New Substantial Shareholders and their respective close associates, if any, will be regarded as core connected persons of our Company under the Hong Kong Listing Rules and are therefore subject to the restrictions under Rule 9.09(b) of the Hong Kong Listing Rules.

So far as our Directors are aware, the Existing Substantial Shareholders, but for their shareholdings in the Company, would be Independent Third Parties and have become substantial Shareholders through trading in our Shares on the SGX-ST. Each Existing Substantial Shareholder is a passive investor in our Company, which has not been and will not be involved in our Group's management and administration or the Introduction. None of the Existing Substantial Shareholders or their respective close associates is entitled to any right to appoint any director or other senior management members of our Group. Our Company has no dealings with the Existing Substantial Shareholders and is not in a position to control dealings in our Shares by the Existing Substantial Shareholders and their close associates. Given the absence of any relationship between our Company and the Existing Substantial Shareholders and the lack of control that our Company has over the Substantial Shareholders and their close associates, it would be unwarranted if the non-compliance by any Existing Substantial Shareholder or New Substantial Shareholder or their respective close associates with the dealing restrictions under Rule 9.09(b) of the Hong Kong Listing Rules were to jeopardize our listing

application. Accordingly, we have applied for, and the Hong Kong Stock Exchange has granted to us, a waiver from strict compliance with Rule 9.09(b) of the Hong Kong Listing Rules in respect of any dealings in our Shares by the Existing Substantial Shareholders, the New Substantial Shareholders and their respective close associates during the Relevant Period, on the following conditions:

- (1) the Existing Substantial Shareholders, the New Substantial Shareholders and their respective close associates have not been and will not be involved in our Group's management and administration or in the Introduction;
- (2) our Company and our management do not have control over the investment decisions of the Existing Substantial Shareholders, the New Substantial Shareholders or their respective close associates;
- (3) none of the Existing Substantial Shareholders or their respective close associates will be entitled to any right to appoint any director or other senior management members of the Group;
- (4) our Company shall promptly release any inside information to the public in accordance with the relevant laws and regulations in Singapore and Hong Kong (if applicable on the SGX-ST) so that anyone who may deal in our Shares under this waiver will not possess any inside information which has not been released to the public;
- (5) our Company shall procure that none of our Controlling Shareholders, our Directors or their respective close associates shall deal in our Shares during the Relevant Period;
- (6) our Company shall notify the Hong Kong Stock Exchange as soon as practicable if there is any dealing or suspected dealing in our Shares by any core connected persons of our Company during the Relevant Period; and
- (7) the Company and the Sole Sponsor shall undertake that non-public information will not be disclosed to the Existing Substantial Shareholders.

4. ISSUE OF FURTHER SECURITIES AND RESTRICTION ON DISPOSAL OF SHARES BY A CONTROLLING SHAREHOLDER AFTER A NEW LISTING UPON ISSUE OF FURTHER SECURITIES

Rule 10.08 of the Hong Kong Listing Rules provides that no further shares or securities convertible into equity securities of a listed issuer may be issued or form the subject of any agreement to such an issue within six months from the date on which securities of the listed issuer first commence dealings on the Hong Kong Stock Exchange (whether or not such issue of shares or securities will be completed within six months from the commencement of dealing) except for the circumstances more particularly stated in the Hong Kong Listing Rules.

Rule 10.07(1)(a) of the Hong Kong Listing Rules provides that the controlling shareholders of the issuer 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 six months from the date on which dealings in the securities of a new applicant commence on the Hong Kong Stock Exchange, dispose of, or 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 the Listing Document to be the beneficial owner(s).

Our Company has applied for, and the Hong Kong Stock Exchange has granted us, a waiver from strict compliance with Rules 10.08 and 10.07(1)(a) of the Hong Kong Listing Rules on the following grounds:

- (1) our Shares have been listed on the SGX-ST for more than 10 years;
- (2) our Company will not raise any new funds pursuant to the Introduction, thus our Shareholders would not suffer any dilution of their interests in our Company as a result of the Introduction;
- (3) although our Company does not have any current plan to raise funds in the short term, it is essential for us to have flexibility in raising funds by way of further issue of Shares or entering into further acquisitions for share consideration should an appropriate opportunity arise. Any issue of new Shares by our Company will enhance our Shareholders' base and increase the trading liquidity of our Shares, and the interests of our existing Shareholders would be prejudiced if we cannot raise funds for our expansion due to the restrictions under Rule 10.08 of the Hong Kong Listing Rules;
- (4) save for the lending or disposal of Shares by Triumph Power as contemplated under the Stock Borrowing and Lending Agreements to be entered into between Triumph Power and each of the CS Affiliate and the Alternate Designated Dealer and the Sale and Repurchase Agreement to be entered into between Triumph Power and the CS Affiliate to facilitate the bridging arrangements of our Company, none of our Controlling Shareholders intends to dispose of any Shares owned by them within six months after the Listing Date and will each continue to be a controlling shareholder in our Company for 12 months after the Listing Date;
- (5) the interests of our Shareholders are well protected because any further issue of Shares by our Company will be made under general mandate or subject to our Shareholders' approval as required under Rule 13.36 of the Hong Kong Listing Rules; and
- (6) it is a consequential technical waiver of Rule 10.07(1)(a) of the Hong Kong Listing Rules in respect of the deemed disposal of Shares by our Controlling Shareholders upon any issue of securities by our Company within the first six months from the Listing Date if a waiver from strict compliance with Rule 10.08 of the Hong Kong Listing Rules is granted.

Accordingly, our Company has applied for, and the Hong Kong Stock Exchange has granted us, a waiver from strict compliance with Rules 10.07(1)(a) and 10.08 of the Hong Kong Listing Rules, on the following conditions:

- (1) any issue of new Shares will not result in our Controlling Shareholders ceasing to be Controlling Shareholders of our Company as a result of the dilution of their holdings of Shares (i.e., deemed disposal of Shares) upon the issue of any Shares within 12 months after the Listing Date; and
- (2) any issue of Shares or convertible securities by our Company within the first six months from the Listing Date must be:
 - (i) either for cash to fund a specific acquisition of assets or business that will contribute to the growth of our Group's operation or for full or partial settlement of the consideration for such acquisition; and
 - (ii) pursuant to a general mandate approved by our Shareholders for the issue of further Shares as disclosed in the Listing Document.

5. RESTRICTION ON DISPOSAL OF SHARES BY A CONTROLLING SHAREHOLDER AFTER A NEW LISTING IN RESPECT OF THE BRIDGING ARRANGEMENTS

Rule 10.07(1)(a) of the Hong Kong Listing Rules provides that the controlling shareholders of the issuer 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 six months from the date on which dealings in the securities of a new applicant commence on the Hong Kong Stock Exchange, dispose of, or 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).

Background

It is expected that, upon the Introduction and during the Bridging Period, the Designated Dealer (and/or its affiliates authorised to carry out arbitrage activities), on its own account, will seek to undertake, or request the Alternate Designated Dealer to undertake arbitrage activities in the circumstances described in “Listings, Registration, Dealings and Settlement” of the Listing Document, including but not limited to:

- (1) conducting arbitrage trades in line with market practice in the context of dually listed stocks during the Bridging Period when: (i) there is a meaningful Share price differential between the Hong Kong and Singapore markets (as determined by the Designated Dealer); and (ii) the Designated Dealer or the Alternate Designated Dealer is able to purchase sufficient quantities of Shares to address such price differentials when they arise and to contribute towards trading liquidity to a meaningful extent; and
- (2) building a sufficient inventory of securities in Hong Kong to enable it to carry out arbitrage, bridging and/or trading activities during the Bridging Period.

The Alternate Designated Dealer will only undertake arbitrage activities at the request of the Designated Dealer.

To facilitate the bridging arrangements set out above, the Stock Borrowing and Lending Agreements were entered into between Triumph Power (the “**Lender**”) and each of the CS Affiliate and the Alternate Designated Dealer on March 9, 2018, which will come into effect from the first day of the Bridging Period. Pursuant to the stock borrowing arrangements under such agreements, the Lender will make available to the CS Affiliate and the Alternate Designated Dealer stock lending of 260,658,000 Shares representing approximately 10% of the Shares in issue on one or more occasions, subject to applicable laws, rules and regulations in Singapore and Hong Kong, including without limitation, that the lending and the subsequent acceptance of redelivery of any Shares by the Lender, and the borrowing and the subsequent redelivery of any Shares by the CS Affiliate and the Alternate Designated Dealer, will not lead to any party being obliged to make a mandatory general offer under the Takeovers Code and/or the Singapore Code. In this regard, in compliance with the Singapore Code, the Stock Borrowing and Lending Agreements provide, inter alia, the right for the Lender to recall the borrowed Shares by giving an advance written notice of seven days to the borrower at any time during the period of such loan.

Pursuant to the stock borrowing arrangements under the Stock Borrowing and Lending Agreements, the 260,658,000 borrowed Shares will be allocated as to 234,592,200 Shares to the CS Affiliate and 26,065,800 Shares to the Alternate Designated Dealer. Such borrowed Shares will be used for settlement in connection with the arbitrage trades carried out by the Designated Dealer and the Alternate Designated Dealer in Hong Kong.

In addition, to facilitate the role of the Designated Dealer commencing from the pre-opening period (9:00 a.m. to 9:30 a.m.) on the first day of the Introduction, it is proposed that the Designated Dealer will make arrangement to build up a small inventory of Shares prior to the commencement of trading. The Sale and Repurchase Agreement was entered into between Triumph Power (the “**Vendor**”) and the CS Affiliate on March 9, 2018 for the sale of 16,682,000 Shares by the Vendor as vendor to the CS Affiliate, at a sale price based on the closing price of our Shares quoted on the SGX-ST on the date immediately before the date of the Sale and Repurchase Agreement. Conditional upon the CS Affiliate acquiring our Shares under the Sale and

Repurchase Agreement, the CS Affiliate shall sell, and the Vendor shall repurchase, the equivalent number of Shares the Vendor sold under the Sale and Repurchase Agreement, at the same price as such Shares were sold, shortly after the expiry of the Bridging Period.

Based on the foregoing, a waiver from strict compliance with Rule 10.07(1)(a) of the Hong Kong Listing Rules has been sought to allow the arbitrage activities as described in “Listings, Registration, Dealings and Settlement” of the Listing Document to take place during the Bridging Period.

Reasons for the waiver application

The application for waiver from strict compliance with Rule 10.07(1)(a) of the Hong Kong Listing Rules is made for the following reasons:

- (1) The bridging arrangements mentioned above are measures designed to ensure liquidity for trading in our Shares and settlement of arbitrage trades upon the Introduction. Arbitrage trades, by their nature, would typically contribute to reducing potential material divergence between Share prices on the Hong Kong and the Singapore markets. Besides, the bridging arrangements are perceived to be a mechanism which is fair to all market participants who have access to the Shares, as it is open to all Shareholders and other market participants who have such access to carry out arbitrage trades similar to those to be carried out by the Designated Dealer and the Alternate Designated Dealer (as appropriate). Although the bridging arrangements would result in a technical breach of Rule 10.07(1)(a) of the Hong Kong Listing Rules, they are made for the purpose of enhancing the listing process and ensuring the successful listing of our Shares on the Hong Kong Stock Exchange. In particular, the Sale and Repurchase Agreement was entered into (and will take effect before the commencement of trading of the Shares on the Hong Kong Stock Exchange) to facilitate the role of the Designated Dealer to allow it to build up a small inventory shares in the pre-opening period (9:00 a.m. to 9:30 a.m.) on the first day of the Introduction, thereby contributing towards trading liquidity of our Shares on the Hong Kong market during the Bridging Period by making available a quantity of Shares to facilitate arbitrage trades during the Bridging Period when buy and sale orders are executed on the Singapore and Hong Kong markets respectively.
- (2) Stock borrowing and lending arrangements are commonplace in initial public offerings in Hong Kong. Such arrangements are specifically covered under Rule 10.07(3) of the Hong Kong Listing Rules. Although the Stock Borrowing and Lending Agreements contemplated in the Listing do not fall within the ambit of Rule 10.07(3), there is no breach of Rule 10.07 of the Hong Kong Listing Rules as the purposes of the Stock Borrowing and Lending Agreements contemplated are to allow the Designated Dealer or the Alternate Designated Dealer (as appropriate) to use the borrowed Shares purely for settlement in connection with the arbitrage trades carried out by them in Hong Kong during the Bridging Period.
- (3) The bridging arrangements contemplated above represent the most cost-effective way of ensuring trading liquidity in the following ways:
 - (i) under the Stock Borrowing and Lending Agreements, the CS Affiliate and the Alternate Designated Dealer (as appropriate) are not required to pay the Lender any interest or consideration; and
 - (ii) under the Sale and Repurchase Agreement, the total consideration payable by the CS Affiliate with respect to our Shares sold by the Vendor is netted against the total consideration payable by the Vendor with respect to our Shares repurchased by the Vendor on the basis that the underlying transactions are undertaken solely as part of the liquidity measures in connection with the Introduction.

Given the size of our Controlling Shareholders' shareholding in our Company compared to other Shareholders in Singapore, and the alignment of our Controlling Shareholders' interest with that of our Company's in the successful outcome of the Listing, both the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement represent the most conducive and cost-effective way of ensuring trading liquidity of Shares in the Hong Kong market during the Bridging Period.

- (4) Triumph Power will maintain a neutral position under both the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement before and after the arrangements contemplated thereunder. All Shares purchased or borrowed under both agreements will be repurchased by or returned to Triumph Power not later than 15 Business Days after the expiry of the Bridging Period, thereby ensuring that the end-result of the shareholding of Triumph Power in our Company remains the same before and after the arrangements contemplated under the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement. This arrangement is not aimed at circumventing the restrictions covered under Rule 10.07 of the Hong Kong Listing Rules.

Application for waiver

Based on the above, our Company has applied for, and the Hong Kong Stock Exchange has granted us, a waiver from strict compliance with the restrictions under Rule 10.07(1)(a) of the Hong Kong Listing Rules in respect of the disposal of Shares by Triumph Power pursuant to the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement subject to the following conditions:

- (1) the arrangements under the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement are fully disclosed in the Listing Document and are for the sole purpose of facilitating the arbitrage activities in circumstances as described in "Listings, Registration, Dealings and Settlement – Proposed Bridging Arrangements" in the Listing Document;
- (2) any Shares which may be made available to the CS Affiliate or the Alternate Designated Dealer (as appropriate) under the Stock Borrowing and Lending Agreements shall be returned to the Lender no later than 15 Business Days after the expiry of the Bridging Period;
- (3) the maximum number of Shares to be borrowed from the Lender by the CS Affiliate and the Alternate Designated Dealer under the Stock Borrowing and Lending Agreements is 260,658,000 Shares in aggregate representing approximately 10% of the Shares in issue;
- (4) the number of Shares to be sold by the Vendor to the CS Affiliate under the Sale and Repurchase Agreement is 16,682,000 Shares, representing approximately 0.64% of the Shares in issue, and such Shares will be repurchased by the Vendor not later than 15 business days after the expiry of the Bridging Period;
- (5) the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement will comply with all applicable laws, rules and regulations;
- (6) no payment will be made to the Lender by the CS Affiliate and the Alternate Designated Dealer (as appropriate) in relation to the stock borrowing arrangements under the Stock Borrowing and Lending Agreements; and
- (7) each of our Controlling Shareholders will not dispose of their Shares during first six months following the Introduction other than under the Stock Borrowing and Lending Agreements and the Sale and Repurchase Agreement or pursuant to the waivers granted from strict compliance with Rules 10.08 and 10.07(1)(a) of the Hong Kong Listing Rules regarding the deemed disposal of Shares by our Controlling Shareholders upon any issue of Shares by our Company within the first six months from the Listing Date.

6. COMPANIES ACQUIRED AFTER THE TRACK RECORD PERIOD

Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules require that, amongst other things, the results and balance sheet of any business or subsidiary acquired, agreed to be acquired or proposed to be acquired since the date to which the latest audited financial statements of the issuer have been made up in respect of each of the three financial years immediately preceding the issue of the Listing Document.

The Acquisitions/Proposed Acquisitions

After the Track Record Period, in order to expand our business, we have acquired or entered into agreements to acquire certain companies (the “**Target Companies**”) as set out below (the “**Acquisitions**”):

Project Name	Company	Business	Percentage of equity interest acquired/proposed to be acquired and status of the acquisition	Expected consideration to be paid/consideration paid for the acquisition
Weifang City Fangzi District Water Corporation Capital Increase and Share Enlargement Project (濰坊市坊子區自來水總公司增資擴股項目)	Weifang City Fangzi District SIIC Environment Water Supply Co., Ltd. (濰坊市坊子區上實環境供水有限公司) (formerly known as Weifang City Fangzi District Water Company (濰坊市坊子區供水總公司)) (“ Weifang City Fangzi District Water ”)	Water supply	Tender offer for 51% equity interest was accepted on September 18, 2017; share increase agreement was signed on November 16, 2017. The transaction was completed on February 12, 2018.	RMB79.1 million
Dalian Laohutan Wastewater Treatment Plant Project (大連老虎灘污水處理廠項目) and Dalian Laohutan Wastewater Treatment Plant Project (Upgrade and Expansion) (大連老虎灘污水處理廠提標改造項目)	Dalian Ziguang Water Co., Ltd (大連紫光水務有限公司) (“ Dalian Ziguang Water Treatment ”)	Wastewater treatment	100% equity interest; share transfer agreement signed on November 30, 2017.	RMB108.5 million
Dalian Lingshui River Wastewater Treatment Plant Project (大連凌水河污水處理廠項目) and Dalian Lingshui River Wastewater Treatment Plant Project (Upgrade and Expansion) (大連凌水河污水處理廠提標改造項目)	Dalian Ziguang Lingshui Waste Water Treatment Co., Ltd (大連紫光凌水污水處理有限公司) (“ Dalian Ziguang Lingshui Waste Water Treatment ”)	Wastewater treatment	100% equity interest; share transfer agreement signed on November 30, 2017.	RMB97.0 million

For further information in relation to the acquisition of the Target Companies, please see “Business – Acquisitions after the Track Record Period” in the Listing Document. Disclosure in “Business – Acquisitions after the Track Record Period” in the Listing Document has been made in accordance with the requirements for a discloseable transaction under Chapter 14 of the Hong Kong Listing Rules.

In such circumstance, we have applied for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules on the following grounds:

(1) We have entered into the Acquisitions in its ordinary and usual course of business

We have entered into the Acquisitions in our ordinary and usual course of business as this is one of our principal business strategies to expand its market share through acquisitions of local players in China’s environmental industry. Our Directors believe that the terms of the Acquisitions are fair and reasonable and in the interests of our Shareholders as a whole.

(2) Exemption would not prejudice the interests of the investing public

The Acquisitions are de minimus as all the applicable size test calculations (as set out in Rule 14.07 of the Hong Kong Listing Rules) relating to each of the Acquisitions produce a ratio of less than 5% for each applicable size test.

Based on the above, we believe that the Acquisitions are not significant enough to require our Company to prepare pro forma financial information under Rule 4.28 of the Hong Kong Listing Rules.

Accordingly, we believe that the Acquisitions have not resulted in any significant change to the financial position of our Group since September 30, 2017 and all information that is reasonably necessary for the potential investors to make an informed assessment of the activities or financial position of our Group has been included in the Listing Document. As such, an exemption from compliance with the requirements under Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules would not prejudice the interests of the investing public.

(3) Limited historical financial information of the Target Companies is available

For the acquisition of Dalian Ziguang Water Treatment and Dalian Ziguang Lingshui Waste Water Treatment, given that such Acquisitions are yet to be completed, save for the limited financial information provided by the two Target Companies for our due diligence purposes, our Group is unable to have access to the historical financial information of the two Target Companies for the purpose of preparing the accounts to satisfy the requirements under Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules.

The acquisition of 51% equity interest in Weifang City Fangzi District Water through an open bid process was completed on February 12, 2018. Before such completion, Weifang City Fangzi District Water Company was a state-owned enterprise which was previously wholly owned by Weifang Gong Li State-owned Assets Management and Investment Co., Ltd. (濰坊公利國有資產經營投資有限公司), an Independent Third Party, and we were unable to obtain its historical financial information, save for those stated in the open bid notice, the share increase agreement, an audit report for the financial year ended December 31, 2016 and an asset evaluation report dated April 28, 2017. Given that such Acquisition was only completed recently, it is expected that a substantial amount of time shall be required before our Group can have full access to all the historical financial information of Weifang City Fangzi District Water and to prepare the accounts to satisfy the requirements under Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules.

(4) It would be impracticable and detrimental to our Company and the investors

As our Company does not have sufficient information to prepare the historical financial information of the

Target Companies, it would be impracticable and detrimental to our Company and our Shareholders as a whole to require our Company to prepare the accounts required by the requirements under Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules for inclusion in the Listing Document.

(5) *Alternative information will be provided in the Listing Document*

Our Company will provide in the Listing Document alternative information in connection with the Acquisitions in order to compensate for the non-inclusion of historical financial information of the Target Companies.

7. FINANCIAL STATEMENTS IN THE LISTING DOCUMENT

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

Rule 13.49(1) of the Hong Kong Listing Rules further requires our Company to publish preliminary results for the financial year ended December 31, 2017 no later than three months after the end of the financial year.

The financial year of our Company ends on December 31 and according to the present proposed timetable of the Listing, the Listing Document is issued on March 12, 2018 and our Shares are proposed to be listed on the Hong Kong Stock Exchange on or before March 31, 2018. The Listing Document contains the audited financial results of our Company for the three financial years ended December 31, 2016 and the nine months ended September 30, 2017, but does not include the audited financial results of our Company in respect of the full year immediately preceding the proposed date of issue of the Listing Document, being the full year ended December 31, 2017, as required under Rule 4.04(1) of the Hong Kong Listing Rules, as the strict compliance with the requirements under Rules 4.04(1) and 13.49(1) of the Hong Kong Listing Rules would be unduly burdensome and the waiver thereof would not prejudice the interest of the investing public for the following reasons:

- (1) it would be impracticable for the audited consolidated results of our Group for the financial year ended December 31, 2017 to be finalized shortly after the year end. Strict compliance with the requirements would be unduly burdensome for our Company as there would not be sufficient time for our Company to prepare the full year financial statements for the financial year ended December 31, 2017 and for our Company's reporting accountants to complete the audit thereon prior to the issue of the Listing Document;
- (2) the accountants' report set out in Appendix I to the Listing Document was made up to September 30, 2017. Our Directors have confirmed that all information necessary for the public to make an informed assessment of our Group's activities, assets and liabilities, financial position, management and prospects has been included in the Listing Document. In these circumstances, a waiver from compliance would not prejudice the interests of the investing public. Furthermore, according to Guidance Letter HKEx-GL25-11, the maximum allowable time gap between the latest financial year-end of a listing applicant and the proposed listing date is three months. The dealing of the Shares is expected to commence on or before March 31, 2018, which is within three months of our Company's latest financial year end (i.e. December 31, 2017);
- (3) our Company expects to issue its annual report for the financial year ended December 31, 2017 on or before April 30, 2018. In this regard, our Directors consider that our Shareholders, the investing public as well as potential investors of our Company will be kept informed of the financial results of our Group for the financial year ended December 31, 2017;

- (4) we have included in Appendix IA to the Listing Document the preliminary financial information and a commentary on the results of our Group for the financial year ended December 31, 2017, which follow the same content requirements as for preliminary results announcements under Rule 13.49 of the Hong Kong Listing Rules and be agreed with the reporting accountants following their review under Practice Note 730 “Guidance for Auditors Regarding Preliminary Announcements of Annual Results” issued by the Hong Kong Institute of Certified Public Accountants; and
- (5) our Group has maintained a steady flow of new projects, stable revenues, strong relationships with its customers, profit margins in line with management’s expectations and timely settlement of accounts receivable by customers, and our Directors confirmed that they have performed a sufficient review up to the date of the Listing Document to ensure that since September 30, 2017 and up to December 31, 2017, there had been no material adverse change in the financial and trading position or prospects of our Group and there had been no material event that would affect the information contained in the accountants’ report (as set out in Appendix I to the Listing Document) and in the section headed “Financial Information – No Material Adverse Change” of the Listing Document.

In light of the above, we have applied for, and the Hong Kong Stock Exchange has granted us, a waiver from strict compliance with Rule 4.04(1) of the Hong Kong Listing Rules as referenced above on the condition that:

- (1) our Company must list on the Hong Kong Stock Exchange on or before March 31, 2018;
- (2) the preliminary financial information and a commentary on the results of our Group for the financial year ended December 31, 2017, which follow the same content requirements as for preliminary results announcements under Rule 13.49 of the Hong Kong Listing Rules and are agreed with the reporting accountants following their review under Practice Note 730 “Guidance for Auditors Regarding Preliminary Announcements of Annual Results” issued by the Hong Kong Institute of Certified Public Accountants, must be included in the listing document; and
- (3) our Company is not in breach of its constitutional documents or the laws or regulations of Singapore or other regulatory requirements regarding its obligation to publish preliminary results announcements.