

## WAIVER FROM STRICT COMPLIANCE WITH THE LISTING RULES

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

### WAIVER IN RESPECT OF MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, an issuer applying for a primary [REDACTED] on the Main Board of the Stock Exchange must have sufficient management presence in Hong Kong. This normally means that at least two of the issuer's executive directors must ordinarily reside in Hong Kong. However, our Group's management, business operations and assets are primarily based outside Hong Kong. The principal management headquarters and senior management of our Group are primarily based in the PRC. Further, our Directors consider that it would be practically burdensome and not commercially viable for our Company to appoint more Hong Kong residents as additional executive Directors or to relocate any of our executive Directors in the PRC to Hong Kong merely for the purpose of complying with Rule 8.12 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 Rule 8.12 of the Listing Rules. We will ensure that there is an effective channel of communication between us and the Stock Exchange by way of the following arrangements:

- (a) **Authorised representatives:** pursuant to Rule 2.11 and Rule 3.05 of the Listing Rules, we have appointed and will continue to maintain two authorised representatives, being Mr. Meng, the Chairman, the chief executive officer and an executive Director of our Company, and Mr. Zhang Senquan, our Company's company secretary, to be the principal communication channel at all times between the Stock Exchange and our Company. Each of our authorised representatives will be readily contactable by the Stock Exchange by telephone, facsimile and/or e-mail to deal promptly with enquiries from the Stock Exchange. Both of our authorised representatives are authorised to communicate on our behalf with the Stock Exchange.
- (b) **Directors:** all of the authorised representatives will have means to contact all members of the Board (including the independent non-executive Directors), each of whom is authorised to communicate on behalf of our Company with the Stock Exchange, as well as the senior management team promptly at all times as and when it wishes to contact our Directors on any matters. We shall promptly inform the Stock Exchange of any changes of the respective contact details of any of our Directors.

To enhance the communication among the Stock Exchange, the authorised representatives and our Directors, all Directors (including the independent non-executive Directors) have provided their respective office phone numbers, mobile phone numbers, fax numbers and email addresses (where applicable) to the authorised representatives and the Stock Exchange. In the event that any of our Directors (including the independent non-executive Directors) expects to travel and/or otherwise be out of office, he or she will provide the phone number of the place of his or her accommodation or other means of communications to the authorised representatives.

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The Directors who are not ordinarily resident in Hong Kong (including the independent non-executive Directors) possess or are eligible to apply for valid travel documents to visit Hong Kong and will be able to meet with the relevant members of the Stock Exchange within a reasonable period of time, when required.

- (c) **Compliance adviser:** we have retained the services of a compliance adviser, being Southwest Securities (HK) Capital Limited (the "**Compliance Adviser**"), in accordance with Rule 3A.19 of the Listing Rules. The Compliance Adviser will act as an additional channel of communication with the Stock Exchange in accordance with the requirements under the Listing Rules, for the period from the [REDACTED] Date to the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year after the [REDACTED] Date. The Compliance Adviser will be available to answer enquiries from the Stock Exchange and will act as our principal channel of communication with the Stock Exchange when the authorised representatives are not available.

We shall also procure that the authorised representatives, Directors and other relevant officers will provide promptly such information and assistance as the Compliance Adviser may need or may reasonably request in connection with the performance of the Compliance Adviser's duties as set forth in Chapter 3A of the Listing Rules. We shall ensure that there are adequate and efficient means of communication among our Company, the authorised representatives, our Directors, the Compliance Adviser and other relevant officers, and will keep the Compliance Adviser informed of all communications and dealings between the Stock Exchange and our Company.

- (d) **Other professional advisers:** we will also appoint and retain other professional advisers (including legal advisers) after the [REDACTED] to assist us in dealing with any questions which may be raised by the Stock Exchange and to ensure there will be efficient communication in between.