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

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

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Rule 8.12 of the Listing Rules provides that a new applicant applying for a primary [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 residents in Hong Kong.

The business and operations of our Group are based, managed and conducted in the PRC and all of the assets of our Group are located in the PRC. In particular, our headquarters are situated in Zhuzhou, our 22 branch offices as at the Latest Practicable Date are located in various provinces in the PRC including Hunan, Hainan, Hubei, Guangdong and Fujian Provinces, and the construction sites of our projects are located in various provinces in the PRC including Hunan, Hainan and Hubei Provinces. As such, our executive Directors and members of the senior management of our Group are and will be expected to continue to be based in the PRC. In addition, it would be practically difficult and commercially unnecessary for our Company to relocate our executive Directors to Hong Kong or appoint additional executive Directors who are ordinarily resident in Hong Kong. As a result, our Company does not, and in the foreseeable future will not, have a sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rule 8.12 of the Listing Rules.

Accordingly, our Company has applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver from strict compliance with Rule 8.12 of the Listing Rules on the following conditions:

- (a) our Company has appointed and will continue to maintain two authorised representatives, namely Ms. Chan Kit Ming, the company secretary of our Company, who is an ordinary resident in Hong Kong and Mr. Yang, the chairman of our Board, and our executive Director to serve as the principal channel of communication at all times between the Stock Exchange and our Company. Each of the authorised representatives will be readily contactable by the Stock Exchange by telephone, facsimile and/or email to deal promptly with enquiries in relation to our Company from the Stock Exchange in short notice. Each of our authorised representatives is authorised to communicate on our behalf with the Stock Exchange. Mr. Lau Kwok Fai Patrick, our independent non-executive Director, is also an ordinary resident in Hong Kong;

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- (b) our Company will keep the Stock Exchange up to date in respect of any change to the contact details of our authorised representatives. Our Company will only change the authorised representatives after notifying the Stock Exchange of such change and the reasons and having made an appropriate replacement;
- (c) each of the authorised representatives of our Company has means to contact all Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact any of our Directors for any reason. All of our Directors (including our independent non-executive Directors) who are not ordinarily resident in Hong Kong possess or will be able to 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 the communication among the Stock Exchange, the authorised representatives and our Directors, our Company will implement a policy whereby (i) our Directors (including our independent non-executive Directors) have provided to our authorised representatives their respective mobile phone numbers, office phone numbers, fax numbers and email addresses; and (ii) in the event that a Director expects to travel, he or she will provide the telephone number of the place of his or her accommodation to our authorised representatives or maintain an open line of communication via his or her mobile telephone. Further, each of the Directors and authorised representatives have provided his or her mobile phone number, office phone number, email address and fax number to the Stock Exchange;
- (d) our Company has appointed Grande Capital to act as our compliance adviser under Rule 3A.19 of the Listing Rules, who will, among others, act as the additional communication channel with the Stock Exchange for a period commencing from the [REDACTED] and ending on the date on which our Company distributes the annual report for the first full financial year after the [REDACTED] in accordance with Rule 13.46 of the Listing Rules. Our Company will ensure that our compliance adviser has prompt access to our authorised representatives and our Directors who will provide our compliance adviser with such information and assistance as our compliance adviser may need or may reasonably request in connection with the performance of our compliance adviser's duties; and
- (e) meetings between the Stock Exchange and our Directors could be arranged through the authorised representatives or our compliance adviser, or directly with our Directors within a reasonable time. Our Company will inform the Stock Exchange as soon as practicable in respect of any change in the authorised representatives and/or our compliance adviser in accordance with the Listing Rules.

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WAIVER IN RELATION TO NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Our Group entered into and is expected to continue with certain transactions which would constitute non-exempt continuing connected transactions under Chapter 14A of the Listing Rules, following completion of the [REDACTED]. Our Company has applied for, and the Stock Exchange [has granted], a waiver from strict compliance with the relevant requirements under Chapter 14A of the Listing Rules in respect of such non-exempt continuing connected transactions. For details, please refer to the section headed "Connected Transactions" in this document.

WAIVER AND EXEMPTION IN RESPECT OF FINANCIAL STATEMENTS IN THIS DOCUMENT

According to Rule 4.04(1) of the Listing Rules, the Accountants' Report as set out in Appendix I to this document must include the consolidated results of our Group in respect of each of the three financial years immediately preceding the issue of this document 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 documentes to include an accountants' report which contain the matters specified in the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

According to paragraph 27 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to include in this document a statement as to the gross trading income or sales turnover (as may be appropriate) of our Group for each of the three financial years immediately preceding the issue of this document 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.

According to paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to include in this document a report by the auditors of our Company in respect of the profits and losses and assets and liabilities of our Group for each of the three financial years immediately preceding the issue of this document.

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Pursuant to section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the SFC may issue, subject to such conditions (if any) as the SFC thinks fit, certificate of exemption from compliance with the relevant requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance if, having regard to the circumstances, the SFC considers that the exemption will not prejudice the interests of the investing public and compliance with any or all of such requirements would be irrelevant or unduly burdensome, or is otherwise unnecessary or inappropriate.

The Accountants' Report for FY2019, FY2020, FY2021 and 3Q2022 set out in Appendix I to this document but does not include the consolidated results of the Group in respect of the full year immediately preceding the proposed date of the [REDACTED], being full year for FY2022. 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 be unduly burdensome and the exemption would not prejudice the interest of the investing public given the following reasons:

- (i) there would not be sufficient time for our Group and the Reporting Accountants to finalise the audited financial statements for FY2022 for inclusion in this document, which shall be issued on or before [REDACTED]. If the financial information is required to be audited up to FY2022, our Company and the Reporting Accountants would have to undertake a substantial amount of work to prepare, update and finalise the Accountants' Report and this document and the relevant sections of this document will need to be updated to cover such additional period. This would be unduly burdensome to our Company, as our Company and the Reporting Accountants would have to undertake a considerable amount of work to prepare, update and finalise the Accountants' Report to cover such additional period within a short period of time. If the full year results for FY2022 are to be included in this document, there will be a significant delay in the [REDACTED] timetable;
- (ii) the Company is of the view that the Accountants' Report covering FY2019, FY2020, FY2021 and 3Q2022, together with the profit estimate of our Group for FY2022 (in compliance with Rule 11.17 to 11.19 of the Listing Rules) and the information regarding the recent development of our Group subsequent to the Track Record Period and up to the Latest Practicable Date included in this document have already provided potential investors with adequate and reasonably up-to-date information in the circumstances to form a view on the track record and earnings trend of our Group; and our Directors and the Sole Sponsor confirm that all information that is necessary for the potential investors to make an informed assessment of the activities, assets and liabilities,

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financial position, management and profitability of our Company has been included in this document. The Directors believe that a waiver from strict compliance with Rule 4.04(1) of the Listing Rules and the exemption from 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 would not prejudice the interests of the investing public;

- (iii) our Directors and the Sole Sponsor confirmed that, after performing sufficient due diligence work up to the date of this document, save for the **[REDACTED]** expenses, there has been no material adverse change in our financial and trading positions or prospects since 30 September 2022 and there has been no event since 30 September 2022 which would materially affect the information shown in the Accountants' Report set out in Appendix I to this document, the unaudited pro forma information, the profit estimate of our Group for FY2022 as included in Appendix III to this document and the section headed "Financial Information" in this document and other parts of this document; and
- (iv) our Company will comply with the requirements under Rules 13.46(2) and 13.49(1) of the Listing Rules in respect of the publication of its annual results and annual report. Our Company currently expects to issue its annual results and annual report for the FY2022 on or before 31 March 2023 and 30 April 2023, respectively. 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 FY2022.

In such circumstances, an application has been made to the Stock Exchange for, and the Stock Exchange [has granted] to our Company, a waiver from strict compliance with Rule 4.04(1) of the Listing Rules, on the conditions that:

- (i) our Shares will be **[REDACTED]** on the Stock Exchange on or before **[REDACTED]**;
- (ii) our Company will obtain a certificate of exemption from the SFC on compliance with the requirements under section 342(1) in relation to paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance;
- (iii) a profit estimate for FY2022 which complies with Rules 11.17 to 11.19 of the Listing Rules will be included in this document; and

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- (iv) a Directors’ statement that save for the [REDACTED] expenses, there is no material adverse change to our financial and trading positions or prospects with specific reference to the trading results from 1 October 2022 to 31 December 2022 will be included in this document.

An application has also been made to the SFC for a certificate of exemption from strict compliance with section 342(1) in respect of the requirements under paragraph 27 of Part I and paragraph 31 of Part II 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 FY2020 in this document. 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 document; and
- (ii) this document will be issued on or before [REDACTED], and our Shares will be [REDACTED] on the Stock Exchange on or before [REDACTED], i.e. three months after the latest financial year end.

In accordance with Guidance Letter HKEX-GL25-11, a profit estimate of our Group for FY2022 which complies with Rules 11.17 to 11.19 of the Listing Rules has been set out in Appendix III to this document.