
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

In preparation for the Listing, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules:

MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, our Company must have sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong.

Our headquarters and most of our business operations are based, managed and conducted outside Hong Kong. As our executive Directors play very important roles in our business operation, it is in our best interest for them to be based in the places where our Group has significant operations. We consider it practicably difficult and commercially unreasonable for us to arrange for two executive Directors to ordinarily reside in Hong Kong, either by means of relocation of our executive Directors to Hong Kong or appointment of additional executive Directors. Therefore, we do not have, and in the foreseeable future will not have, sufficient management presence in Hong Kong for the purpose of satisfying the requirements under 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 a regular and effective communication between the Stock Exchange and us by way of the following arrangements:

- (a) both of our Company's authorized representatives, Mr. XIN Ning (忻寧), our executive Director, and Ms. LAU Yee Wa (劉綺華) ("Ms. Lau"), one of our joint company secretaries, will act as our Company's principal channels of communication with the Stock Exchange. Accordingly, the authorized representatives of our Company will be able to meet with the relevant members of the Stock Exchange on reasonable notice and will be readily contactable by telephone and email to promptly deal with enquiries from the Stock Exchange;
- (b) each of the authorized representatives of our Company has means of contacting all Directors (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange proposes to contact a Director with respect to any matter;
- (c) each Director has provided their mobile phone number, office phone number, fax number (if any) and e-mail address to the authorized representatives of our Company and the Stock Exchange, and in the event that any Director expects to travel or otherwise be out of the office, they will provide the phone number of the place of their accommodation to the authorized representatives;

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- (d) each of our Directors not ordinarily residing in Hong Kong possesses or can 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;
- (e) we have appointed Somerley Capital Limited as our Compliance Advisor, in compliance with Rule 3A.19 of the Listing Rules, who will also act as an additional channel of communication with the Stock Exchange from the Listing Date to the date when our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year immediately following the Listing Date. We will ensure that the Compliance Advisor will have access at all times to our authorized representatives, our Directors and other officers. We shall also ensure that our authorized representatives, Directors and other officers will provide promptly such information and assistance as the Compliance Advisor may need or may reasonably require in connection with the performance of the Compliance Advisor'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, our authorized representatives, our Directors, and other officers and the Compliance Advisor, and will keep the Compliance Advisor fully informed of all communications and dealings between us and the Stock Exchange;
- (f) any meeting between the Stock Exchange and our Directors will be arranged through the authorized representatives or the Compliance Advisor or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange promptly in respect of any changes in our authorized representatives and/or our Compliance Advisor; and
- (g) we will also retain legal advisors to advise on on-going compliance requirements as well as other issues arising under the Listing Rules and other applicable laws and regulations of Hong Kong after the Listing.

JOINT COMPANY SECRETARIES

Pursuant to Rules 3.28 and 8.17 of the Listing Rules, the company secretary must be an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of the company secretary. The Stock Exchange considers the following academic or professional qualifications to be acceptable: (i) a member of The Hong Kong Chartered Governance Institute; (ii) a solicitor or barrister (as defined in the Legal Practitioners Ordinance (Chapter 159 of the Laws of Hong Kong)); and (iii) a certified public accountant (as defined in the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong)).

Note 2 to Rule 3.28 of the Listing Rules further sets out that in assessing "relevant experience," the Stock Exchange will consider the individual's: (i) length of employment with the issuer and other listed companies and the roles he/she played, (ii) familiarity with the Listing Rules and other relevant law and regulations including the Securities and Futures

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Ordinance, Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Takeovers Code, (iii) relevant training taken and/or to be taken in addition to the minimum requirement of taking not less than fifteen hours of relevant professional training in each financial year under Rule 3.29 of the Listing Rules, and (iv) professional qualifications in other jurisdictions.

Pursuant to paragraph 13 of Chapter 3.10 of the Guide for New Listing Applicants, the Stock Exchange will consider a waiver application by an issuer in relation to Rules 3.28 and 8.17 of the Listing Rules based on the specific facts and circumstances. Factors that will be considered by the Stock Exchange include:

- (a) whether the issuer has principal business activities primarily outside Hong Kong;
- (b) whether the issuer was able to demonstrate the need to appoint a person who does not have the Acceptable Qualification (as defined under paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants) nor Relevant Experience (as defined under paragraph 11 of Chapter 3.10 of the Guide for New Listing Applicants) as a company secretary; and
- (c) why the directors consider the individual to be suitable to act as the issuer's company secretary.

Further, pursuant to paragraph 13 of Chapter 3.10 of the Guide for New Listing Applicants, such waiver, if granted, will be for a fixed period of time (the “**Waiver Period**”) and on the following conditions:

- (a) the proposed company secretary must be assisted by a person who possesses the qualifications or experience as required under Rule 3.28 of the Listing Rules and is appointed as a joint company secretary throughout the Waiver Period; and
- (b) the waiver will be revoked if there are material breaches of the Listing Rules by the issuer.

Our Company considers that while it is important for the company secretary to be familiar with the relevant securities regulation in Hong Kong, they also need to have experience relevant to our Company's operations, nexus to our Board and close working relationship with the management of our Company in order to perform the function of a company secretary and to take the necessary actions in the most effective and efficient manner. It is for the benefit of our Company to appoint a person who has been a member of the senior management for a period of time and is familiar with our Company's business and affairs as a company secretary.

We have appointed Mr. ZHANG Bo (張波) (“**Mr. Zhang**”) as one of our joint company secretaries. His biographical information is set out in “Directors and Senior Management.” Since Mr. Zhang does not possess a qualification stipulated in Rule 3.28 of the Listing Rules, he is not able to solely fulfill the requirements as a company secretary of a listed issuer

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stipulated under Rules 3.28 and 8.17 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 Rules 3.28 and 8.17 of the Listing Rules in relation to the appointment of Mr. Zhang as our joint company secretary. In order to provide support to Mr. Zhang, we have appointed Ms. Lau, a Chartered Secretary, a Chartered Governance Professional and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom, who meets the requirements under Rules 3.28 and 8.17 of the Listing Rules, as a joint company secretary to provide assistance to Mr. Zhang, for a three-year period from the Listing Date so as to enable him to acquire the relevant experience (as required under Note 2 to Rule 3.28 of the Listing Rules) to duly discharge his duties.

Pursuant to Chapter 3.10 of the Guide for New Listing Applicants, such waiver has been granted on the conditions that:

- (a) Ms. Lau is appointed as a joint company secretary to assist Mr. Zhang in discharging his functions as a company secretary and in gaining the relevant experience under Rule 3.28 of the Listing Rules;
- (b) our Company will further ensure that Mr. Zhang has access to the relevant training and support to enable him to familiarize himself with the Listing Rules and the duties required of a company secretary of an issuer listed on the Stock Exchange. Our Company's Hong Kong legal advisor has provided training to Mr. Zhang on the principal requirements of the Listing Rules and the Hong Kong laws and regulations applicable to our Company after the Listing. In addition, Mr. Zhang will endeavor to familiarize himself with the Listing Rules, including any updates thereto, during the three-year period from the Listing Date;
- (c) Mr. Zhang has confirmed that he will attend no less than 15 hours of training courses on the Listing Rules, corporate governance, information disclosure, investor relations as well as the functions and duties of a company secretary of a Hong Kong listed issuer during each financial year as required under Rule 3.29 of the Listing Rules;
- (d) prior to the expiration of the initial three-year period, the qualifications and experience of Mr. Zhang will be re-evaluated to determine whether the requirements as stipulated in Rules 3.28 and 8.17 of the Listing Rules can be satisfied and whether the need for ongoing assistance will continue. We will liaise with the Stock Exchange to enable it to assess whether Mr. Zhang, having benefited from the assistance of Ms. Lau for the preceding three years, will have acquired the skills necessary to carry out the duties of company secretary and the relevant experience within the meaning of Note 2 to Rule 3.28 of the Listing Rules so that a further waiver will not be necessary; and

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- (e) this waiver will be revoked immediately if and when Ms. Lau ceases to provide such assistance during the three-year period, and we undertake to re-apply to the Stock Exchange for a waiver in the event that Ms. Lau ceases to meet the requirements under Rule 3.28 of the Listing Rules or otherwise ceases to serve as a joint company secretary of our Company. In addition, this waiver is subject to revocation in the event of any material breaches of the Listing Rules by our Company. Before the end of the three-year period, the Company will demonstrate to the Stock Exchange and seek the Stock Exchange's confirmation that Mr. Zhang, having had the benefit of Ms. Lau's assistance during the initial three-year period, has attained the relevant experience and is capable of discharging the functions of company secretary under Rule 3.28 of the Listing Rules so that a further waiver from Rules 3.28 and 8.17 of the Listing Rules will not be necessary.

For further information regarding the qualifications of Mr. Zhang and Ms. Lau, see "Directors and Senior Management."

CONNECTED TRANSACTIONS

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Chapter 14A of the Listing Rules in relation to certain partially-exempt continuing connected transactions. For further details, please refer to the section headed "Connected Transactions."

CONSENT IN RESPECT OF THE PROPOSED SUBSCRIPTION OF SHARES BY A CORNERSTONE INVESTOR WHO IS CONNECTED CLIENT

Paragraph 1C(1) of Appendix F1 to the Listing Rules provides that no allocations will be permitted to "connected clients" of the overall coordinator(s), any syndicate member(s) (other than the overall coordinator(s)) or any distributor(s) (other than syndicate member(s)) (collectively, the "**Distributors**", and each a "**Distributor**"), without the prior written consent of the Stock Exchange.

Paragraph 1B of the Appendix F1 to the Listing Rules states that "connected client" in relation to an exchange participant means any client which is a member of the same group of companies as such exchange participant.

As further described in the section headed "Cornerstone Investors" in this prospectus, CICC Financial Trading Limited ("**CICC FT**") has entered into a cornerstone investment agreement with the Company and China International Capital Corporation Hong Kong Securities Limited ("**CICCHKS**"). CICC FT and China International Capital Corporation Limited ("**CICCL**") will enter into a series of cross border delta-one OTC swap transactions (the "**OTC Swaps**") with each other and the ultimate clients (the "**CICC FT Ultimate Clients (Longrising)**"), respectively, pursuant to which CICC FT will hold the Offer Shares on a non-discretionary basis to hedge the OTC Swaps, while the economic risks and returns of the

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underlying Offer Shares are passed to the CICC FT Ultimate Clients (Longrising). CICC FT and CICCHKS, the Sole Sponsor, Sole Sponsor-Overall Coordinator and a Underwriter of the Global Offering, are members of the same group of companies. Accordingly, CICC FT is a connected client of CICCHKS.

We have applied for, and the Stock Exchange has granted, a consent under paragraph 1C(1) of Appendix F1 to the Listing Rules to permit CICC FT (the “**Connected Client Cornerstone Investor**”) to participate in the Global Offering as a cornerstone investor on the following basis and conditions as set out in Paragraph 6 of Chapter 4.15 of the Guide for New Listing Applicants:

- (a) any Offer Shares to be allocated to the Connected Client Cornerstone Investor will be held on behalf of independent third parties;
- (b) the cornerstone investment agreement of the Connected Client Cornerstone Investor does not contain any material terms which are more favorable to them (as the case may be) than those in other cornerstone investment agreements;
- (c) no preferential treatment has been, nor will be, given to CICC FT by virtue of its relationship with CICCHKS, in any allocation of Offer Shares in the International Offering other than the assured entitlement under relevant cornerstone investment agreement;
- (d) CICC FT confirms that to the best of its knowledge and belief, it has not received and will not receive preferential treatment in the allocation of Offer Shares in the Global Offering as a cornerstone investor by virtue of its relationship with CICCHKS, other than the assured entitlement under relevant cornerstone investment agreement;
- (e) each of the Company, the Joint Overall Coordinators, CICCHKS and the Connected Client Cornerstone Investor has provided the Stock Exchange with written confirmations in accordance with Chapter 4.15 of the Guide for New Listing Applicants; and
- (f) details of the cornerstone investment and the allocation will be disclosed in this prospectus and the allotment results announcement.