
WAIVER FROM STRICT COMPLIANCE WITH THE LISTING RULES

In preparation for the Share Offer, our Company has sought the following waiver from strict compliance with Rule 8.12 of the Listing Rules:

MANAGEMENT PRESENCE IN HONG KONG

Rule 8.12 of the Listing Rules provides that a new applicant applying for a primary listing on the Stock Exchange must have a sufficient management presence in Hong Kong and this normally means that at least two of its executive directors must be ordinarily resident in Hong Kong.

Since the principal business operations of our Group are and will be primarily located in the PRC and will continue to be based in the PRC, and our Group does not and will not, in foreseeable future, have any material operation in Hong Kong, our executive Directors and senior management members are and will continue to be based in the PRC. At present, none of our executive Director or senior management are Hong Kong permanent residents or ordinarily based in Hong Kong. Our Company considers that either appointment of any additional executive Director who will be ordinarily resident in Hong Kong or relocation of our existing executive Directors to Hong Kong will not be beneficial to or appropriate for our Group. In that regard, our Company does not contemplate in the foreseeable future that it will, have a sufficient management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rules.

In view of that, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements set out in Rule 8.12 of the Listing Rules subject to the following conditions:

- (a) we have appointed two authorised representatives pursuant to Rule 3.05 of the Listing Rules who will act as our principal channel of communication with the Stock Exchange. The two authorised representatives are Mr. Yang and Mr. Chan Ngai Fan. Each of the authorised representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone and email, and any other contact details prescribed by the Stock Exchange from time to time. Each of the authorised representatives is duly authorised to communicate on behalf of our Company with the Stock Exchange and their respective contact details have been provided to the Stock Exchange;
- (b) both authorised representatives have means to contact all members of our Board (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact our Directors on any matters;

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- (c) to further enhance communication between the Stock Exchange and our Directors, each executive Director and independent non-executive Director has provided his/her contact details including office telephone number and/or mobile telephone number and email address to the Stock Exchange;
- (d) each of our Directors (including the independent non-executive Directors) who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and will be available to meet with the Stock Exchange within a reasonable period upon request of the Stock Exchange;
- (e) our Company has appointed Mr. Chan Ngai Fan, who is ordinarily resident in Hong Kong as the company secretary. His contact details have been provided to the Stock Exchange;
- (f) in compliance with Rule 3A.19 of the Listing Rules, the Company has appointed Grand Moore Capital Limited as the compliance adviser of the Company to act as an additional channel of communication with the Stock Exchange. The compliance adviser 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 the period commencing on the date of the Listing and ending on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year commencing after the date of the Listing;
- (g) meetings between the Stock Exchange and our Directors could be arranged through our authorised representatives or the compliance adviser of our Company, or directly with our Directors within a reasonable time frame. Our Company will inform the Stock Exchange promptly in respect of any change in our Company's authorised representatives and the compliance adviser of our Company; and
- (h) our Company will retain other professional advisers (including legal advisers and accountants) in Hong Kong, after the Listing to assist us in dealing with any questions which may be raised by the Stock Exchange from time to time.