
UNDERWRITING

PUBLIC OFFER UNDERWRITERS

Zhong Jia Securities Limited
Alliance Capital Partners Limited
Ferran Securities Limited
Get Nice Securities Limited
DL Securities (HK) Limited
First Fidelity Capital (International) Limited
I Win Securities Limited
Livermore Holdings Limited
Red Eagle Securities Limited
uSmart Securities Limited

PLACING UNDERWRITERS

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UNDERWRITING ARRANGEMENTS AND EXPENSES

Public Offer

Public Offer Underwriting Agreement

Pursuant to the Public Offer Underwriting Agreement, our Company is offering 20,000,000 Public Offer Shares for subscription by the public in Hong Kong on, and subject to, the terms and conditions set out in this prospectus and the Application Forms.

Subject to:

- (a) the Stock Exchange granting the listing of, and permission to deal in, our Shares in issue and to be issued as mentioned in this prospectus and such listing and permission not subsequently being revoked; and
- (b) certain other conditions set out in the Public Offer Underwriting Agreement (including but not limited to the Offer Price being agreed upon between us and the Joint Bookrunners (for themselves and on behalf of the Public Offer Underwriters)),

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the Public Offer Underwriters have agreed severally, and not jointly, to subscribe for, or procure subscribers for, the Public Offer Shares which are being offered but are not taken up under the Public Offer, on the terms and conditions set out in this prospectus, the Application Forms and the Public Offer Underwriting Agreement. If, for any reason, the Offer Price is not agreed between us and the Joint Bookrunners (for themselves and on behalf of the Public Offer Underwriters), the Share Offer will not proceed and will lapse.

The Public Offer Underwriting Agreement is conditional upon and subject to the Placing Underwriting Agreement becoming unconditional and not having been terminated.

Grounds for termination

The obligations of the Public Offer Underwriters to subscribe or procure subscribers for the Public Offer Shares will be subject to termination by notice in writing to our Company from the Joint Bookrunners (for themselves and on behalf of the Public Offer Underwriters) with immediate effect if any of the following events occur at or prior to 8:00 a.m. on the Listing Date:

- (a) there shall develop, occur, exist or come into effect:
 - (i) any change or prospective change (whether or not permanent) in the business or in the earnings, operations, financial or trading position of our Group; or
 - (ii) any change or development involving a prospective change or development, or any event or series of event resulting or representing or is/are likely to result in any change or development involving a prospective change or deterioration (whether or not permanent) in local, national, regional or international financial, political, military, industrial, economic, legal framework, regulatory, fiscal, currency, credit or market conditions (including, without limitation, conditions in stock and bond markets, money and foreign exchange markets and inter-bank markets) in or affecting any of Hong Kong, the PRC, BVI, Cayman Islands or any other jurisdictions where any member of our Group is incorporated or operates (collectively, the “**Relevant Jurisdictions**”); or
 - (iii) any deterioration of any pre-existing local, national, regional or international financial, economic, political, military, industrial, fiscal, regulatory, currency, credit or market conditions in or affecting any of the Relevant Jurisdictions; or
 - (iv) any new laws or any change (whether or not forming part of a series of changes) or development involving a prospective change in existing laws or any change or development involving a prospective change in the interpretation or application thereof by any court or governmental authority in or affecting any of the Relevant Jurisdictions; or

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- (v) a change or development or event involving a prospective change in taxation or exchange control (or in the implementation of any exchange control) or foreign investment regulations in or affecting any of the Relevant Jurisdictions adversely affecting an investment in shares; or
- (vi) any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared) or other state of emergency or crisis involving or affecting any of the Relevant Jurisdictions; or
- (vii) any event, act or omission which gives rise or is likely to give rise to any liability of any of our Company, our Controlling Shareholders and/or our executive Directors under the Public Offer Underwriting Agreement pursuant to the indemnities contained herein; or
- (viii) the imposition or declaration of (i) any suspension or restriction on dealings in shares or securities generally on the Stock Exchange or any other major international stock exchange or (ii) any moratorium on commercial banking activities or disruption in commercial banking activities or foreign exchange trading or securities settlement or clearance services in or affecting any of the Relevant Jurisdictions; or
- (ix) the imposition of economic or other sanctions, in whatever form, directly or indirectly, in or affecting any of the Relevant Jurisdictions; or
- (x) any event, or series of events, in the nature of force majeure (including without limitation, any acts of God, acts of government, declaration of a national or international emergency or war, acts or threat of war, calamity, crisis, economic sanction, riot, public disorder, civil commotion, fire, drought, severe snow or hail storms, flooding, explosion, earthquake, hurricanes, tornadoes, volcanic eruption, epidemic pandemic, outbreak of disease (including, without limitation, COVID-19, Severe Acute Respiratory Syndrome (SARS), swine or avian flu, H5N1, H1N1, H7N9, Ebola virus, Middle East respiratory syndrome and such related/mutated forms), radiation or chemical contaminations, terrorism, strike or lockout) in or affecting any of the Relevant Jurisdictions; or
- (xi) any change or development involving a prospective change, or a materialisation of any of the risks set out in the section headed “Risk Factors” in this prospectus; or
- (xii) any change in the system under which the value of the HK dollar is linked to that of the U.S. dollars or a material devaluation of HK dollars against any foreign currency; or
- (xiii) any demand by any creditor for repayment or payment of any indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or

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- (xiv) save as disclosed in this prospectus, a contravention by any member of our Group of the GEM Listing Rules or applicable Laws; or
- (xv) a prohibition on our Company for whatever reason from offering, allotting, issuing or selling any of the Shares (including the Shares which may be issued pursuant to the Offer Size Adjustment Option) pursuant to the terms of the Share Offer; or
- (xvi) material non-compliance of any statement or disclosure of this prospectus or Application Forms or any aspect of the Share Offer with the GEM Listing Rules or any other applicable laws; or
- (xvii) other than with the prior approval of the Joint Bookrunners (for themselves and on behalf of other Public Offer Underwriters), the issue by our Company of a supplementary prospectus (or any other documents used in connection with the contemplated subscription and sale of the Shares) pursuant to the Companies Ordinance or the GEM Listing Rules or any requirement or request of the Stock Exchange and/or the SFC; or
- (xviii) an order is made or a petition is presented for the winding-up or liquidation of any member of our Group or any member of our Group making any composition or arrangement with its creditors or entering into a scheme of arrangement or any resolution being passed for the winding-up of any member of our Group or a provisional liquidator, receiver or manager being appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto in respect of any member of our Group; or
- (xix) any material loss or damage sustained by any member of our Group; or
- (xx) save as disclosed in this prospectus, any litigation or claim of material importance of any third party being threatened or instigated against any member of our Group; or
- (xxi) a Director being charged with an indictable offence or prohibited by the operation of law or is otherwise disqualified from being a director or from taking part in the management of a company; or
- (xxii) the chairman or president of our Company vacating his office; or
- (xxiii) the commencement by any governmental, regulatory or judicial body or organisation of any action against a Director or an announcement by any governmental, regulatory or judicial body or organisation that it intends to take any such action; or
- (xxiv) our Company withdraws any of this prospectus or the Application Forms (and/or any other documents used in connected with the contemplated subscription of the Offer Shares); or

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(xxv) any person (other than the Sole Sponsor, the Joint Bookrunners and any of the Public Offer Underwriters and their legal advisers) has withdrawn or sought to withdraw its consent to being named in this prospectus or the Application Forms, or to the issue of any such documents; or

(xxvi) any matter or event resulting in a breach of any of the warranties, representations or undertakings contained in the Public Offer Underwriting Agreement or there has been a material breach of any other provisions thereof;

which, whether individually or in the aggregate, in the sole and absolute opinion of the Joint Bookrunners (for themselves and on behalf of the Public Offer Underwriters):

- (i) is or will or may individually or in the aggregate have a Material Adverse Effect (as defined in the Public Offer Underwriting Agreement) on the business, financial, trading or other condition or prospects of the Group taken as a whole; or
 - (ii) has or will or may have a Material Adverse Effect (as defined in the Public Offer Underwriting Agreement) on the success of the Public Offer, the Placing and/or the Share Offer or the level of Offer Shares being applied for or accepted or the distribution of Offer Shares; or
 - (iii) is or will or may make it impracticable, inadvisable, inexpedient or not commercially viable (i) for any material part of the Public Offer Underwriting Agreement, the Placing Underwriting Agreement, the Public Offer, the Placing and/or the Share Offer to be performed or implemented in accordance with its terms or (ii) to proceed with or to market the Share Offer on the terms and in the manner contemplated in this prospectus; or
- (b) any of the Public Offer Underwriters shall become aware of the fact that, or have cause to believe that:
- (i) any of the warranties given by our Company, our Controlling Shareholders and/or our executive Directors under the Public Offer Underwriting Agreement or pursuant to the Placing Underwriting Agreement is untrue, inaccurate, misleading or breached in any material respect when given or as repeated as determined by the Joint Bookrunners (in their sole and absolute discretion), or has been declared or determined by any court or governmental authorities to be illegal, invalid or unenforceable in any material respect;
 - (ii) any statement contained in this prospectus, the Application Forms, the formal notice or any announcement issued by our Company in respect of the Public Offer, the Placing and/or the Share Offer (including any supplemental or amendment thereto) was or is untrue, incorrect or misleading in any material respect, or any matter arises or is discovered which would, if this prospectus were to be issued at that time, constitute a material omission

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therefrom as determined by the Joint Bookrunners (in their sole and absolute discretion), or that any forecasts, expressions of opinion, intention or expectation expressed in this prospectus, the Application Forms, the formal notice and/or any announcements issued by our Company in connection with the Public Offer, the Placing and/or the Share Offer (including any supplemental or amendment thereto) are not fair and honest and based on reasonable assumptions in any material respect, when taken as a whole; or

- (iii) there has been a material breach on the part of any of our Company, our Controlling Shareholders and/or our executive Directors of any of the provisions of the Public Offer Underwriting Agreement or the Placing Underwriting Agreement.

Undertakings given to the Stock Exchange pursuant to the GEM Listing Rules

By our Company

We have undertaken to the Stock Exchange that we shall not issue any further Shares or securities convertible into our equity securities (whether or not of a class already listed) or enter into any agreement to issue any such Shares or securities within six months from the Listing Date (whether or not such issue of Shares will be completed within six months from the Listing Date), except in certain circumstances prescribed by Rule 17.29 of the GEM Listing Rules.

By our Controlling Shareholders

Pursuant to Rule 13.16A(1) of the GEM Listing Rules, each of our Controlling Shareholders has undertaken to us and to the Stock Exchange that except pursuant to the Share Offer or the Offer Size Adjustment Option or for the circumstances permitted pursuant to the GEM Listing Rules, he/it shall not and shall procure the relevant registered holder(s) shall not:

- (a) in the period commencing on the date by reference to which disclosure of his/its shareholdings in our Company is made in this prospectus and ending on the date which is twelve months from the Listing Date (the “**First Twelve-Month Period**”), dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares that he/it is shown to beneficially own in this prospectus (the “**Relevant Shares**”); or
- (b) in the period of a further twelve months commencing on the date on which the First Twelve-Month Period expires (the “**Second Twelve-Month Period**”), dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Relevant Shares if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he/it will cease to be a Controlling Shareholder.

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Each of our Controlling Shareholders has further undertaken to us and the Stock Exchange that, within the period commencing on the date by reference to which disclosure of his/its shareholdings in our Company is made in this prospectus and ending on the date which is 24 months from the Listing Date, he/it will:

- (i) in the event that he/it pledges or charges an direct or indirect interest in the Shares or other securities of our Company pursuant to a pledge or charge in favour of an authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) as security for a bona fide commercial loan under Rule 13.18(1) of the GEM Listing Rules or pursuant to any right or waiver granted by the Stock Exchange pursuant to Rule 13.18(4) of the GEM Listing Rules, inform our Company immediately thereafter, disclosing the details specified in Rule 17.43(1) to (4) of the GEM Listing Rules; and
- (ii) having pledged or charged any interest in the Shares or other securities of our Company referred to in paragraph (i) above, inform our Company immediately in the event that he/it becomes aware that the pledgee or chargee has disposed of or intends to dispose of such interest and of the number of Shares or other securities of our Company affected.

We will also inform the Stock Exchange as soon as we have been informed of the matters mentioned in the paragraphs (i) and (ii) above by any of our Controlling Shareholders and subject to the then requirements of the GEM Listing Rules disclose such matters by way of an announcement which is published in accordance with Rules 16.17 and 16.18 of the GEM Listing Rules as soon as possible.

Undertakings given under the Public Offer Underwriting Agreement

Undertakings by our Company

We have, pursuant to the Public Offer Underwriting Agreement, undertaken to each of the Sole Sponsor, the Joint Bookrunners and the Public Offer Underwriters that, except pursuant to the Share Offer (including pursuant to the Offer Size Adjustment Option) during a period of six months commencing from the Listing Date (the “**First Six-Month Period**”), our Company will not without the prior written consent of the Sole Sponsor and the Joint Bookrunners (for themselves and on behalf of the Public Offer Underwriters) and unless in compliance with the requirements of the GEM Listing Rules:

- (a) offer, accept subscription for, pledge, charge, allot, issue, sell, lend, mortgage, assign, contract to allot, issue or sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, make any short sale, lend, mortgage, assign or otherwise transfer or dispose of, either directly or indirectly, conditionally or unconditionally or repurchase, any of its share capital or any equity securities or any interest therein (including but not limited to any securities convertible into or exercisable or exchangeable for or that represent the right to receive such share capital or equity securities or any interest therein); or

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- (b) enter into any swap, derivative, lending, repurchase and mortgage or other arrangement that or transfers to another, in whole or in part, any of the economic consequences of ownership of such share capital or equity securities; or
- (c) enter into any transaction with the same economic effect as any transaction specified above; or
- (d) agree or contract to, or publicly announce any intention to enter into, any transaction specified above,

in each case, whether any of the transactions above is to be settled by delivery of Shares or other securities of our Company, or in cash or otherwise (whether or not the issue of such Shares or other shares or securities will be completed within the First Six-Month Period). In the event that, during the period of six months commencing on the date on which the First Six-Month Period expires, our Company enters into any of the transactions specified above or offers to or agrees to or announces any intention to effect any such transaction, our Company shall take all reasonable steps to ensure that it will not create a disorderly or false market in any Shares or other securities of our Company.

Undertakings by our Controlling Shareholders

Each of our Controlling Shareholders has jointly and severally undertaken to each of our Company, the Sole Sponsor, the Joint Bookrunners and the Public Offer Underwriters that, save as permitted under the GEM Listing Rules, he/it shall not and shall procure his or its close associates (as defined under the GEM Listing Rules) and the relevant registered holders shall not:

- (a) in the First Twelve-Month Period, sell, dispose of, nor enter into any agreement to dispose of or otherwise create any pledge, charge, lien, mortgage, option, restriction, right of first refusal, security interest, claim, pre-emption rights, equity interest, third party rights or interests or rights of the same nature as that of the foregoing or other encumbrances or security interest of any kind or another type of preferential arrangement (including without limitation, retention arrangement) having similar effect (“**Encumbrances**”) in respect of any of the Relevant Shares; or
- (b) in the Second Twelve-Month Period, sell, dispose of, nor enter into any agreement to dispose of or otherwise create any Encumbrances in respect of any of the Shares if, immediately following such disposal or upon the exercise or enforcement of such Encumbrances, he/it would, either individually or taken together with the others of them, cease to be a Controlling Shareholder of our Company,

provided that the restrictions in the sub-paragraphs (a) and (b) above shall not apply to any Shares which the Controlling Shareholders or any of his/its respective associates may acquire or become interested in following the Listing Date.

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Each of our Controlling Shareholders has further undertaken to each of our Company, the Sole Sponsor, the Joint Bookrunners and the Public Offer Underwriters that, within the period commencing on the date by reference to which disclosure of its shareholdings in our Company is made in this prospectus and ending on the date which is 24 months from the Listing Date, it will:

- (i) in the event that he/it pledges or charges any of his/its direct or indirect interests in the Shares under Rule 13.18(1) of the GEM Listing Rules or pursuant to any right or waiver granted by the Stock Exchange pursuant to Rule 13.18(4) of the GEM Listing Rules at any time during the relevant periods specified in the paragraphs above, he/it must inform our Company, the Sole Sponsor and the Joint Bookrunners immediately thereafter, disclosing the details as specified in Rules 17.43(1) to (4) of the GEM Listing Rules; and
- (ii) having pledged or charged any of his/its interests in the Shares under subparagraph (i) above, he/it must inform our Company, the Sole Sponsor and the Joint Bookrunners immediately in the event that he/it becomes aware that the pledgee or chargee has disposed of or intends to dispose of such interest and of the number of the Shares affected.

Undertakings by our existing Shareholders other than our Controlling Shareholders (the “Other Shareholders”)

Xseven Investment has undertaken to each of our Company, the Sole Sponsor and the Joint Bookrunners (for themselves and on behalf of the Underwriters) that without the prior written consent of our Company, the Sole Sponsor and the Joint Bookrunners (for themselves and on behalf of the Underwriters), it shall not at any time within the period commencing on the Listing Date and ending on the date which is twelve months from the Listing Date (i.e. 10 July 2021) (the “**Twelve-Month Period**”), sell, dispose of, nor enter into any agreement to dispose of or otherwise create any pledge, charge, lien, mortgage, options, restriction, right of first refusal, security interest, claim, pre-emption rights, equity interest, or encumbrances or security interest of any kind or another type of preferential arrangement (including without limitation, retention arrangement) having similar effect in respect of, all Shares or securities of our Company held by it.

Xseven Investment has further undertaken to our Company, the Sole Sponsor and the Joint Bookrunners (for themselves and on behalf of the Underwriters) that, within the Twelve-Month Period, it will:

- (a) when it pledges or charges any of its direct or indirect interests in the Shares beneficially owned by it in favour of a financial institution, immediately inform our Company, the Sole Sponsor and the Joint Bookrunners of such pledge or charge together with the number of Shares so pledged or charged; and
- (b) when it receives indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged Shares beneficially owned by it will be disposed of, immediately inform our Company, the Sole Sponsor and the Joint Bookrunners in writing of such indications.

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Each of our existing Shareholders other than our Controlling Shareholders and Xseven Investment, namely Bonyer Investment, Rocky Base Investment, Bigroad Investment, Hisky Investment, Dibell Investment, Gun Wealth Investment, ZH Fortune Investment, Lockxy Investment and Ms. Zhao Qi, has undertaken to each of our Company, the Sole Sponsor and the Joint Bookrunners (for themselves and on behalf of the Public Offer Underwriters) that without the prior written consent of the Sole Sponsor, Joint Bookrunners (for themselves and on behalf of the Public Offer Underwriters) and our Company, it/she shall not at any time within the period commencing on the Listing Date and ending on the date which is six months from the Listing Date (i.e. 10 January 2021), sell, dispose of, nor enter into any agreement to dispose of or otherwise create any pledge, charge, lien, mortgage, options, restriction, right of first refusal, security interest, claim pre-emption rights, equity interest or encumbrances or security interest of any kind or another type of preferential arrangement (including without limitation, retention arrangement) having similar effect in respect of, more than one-third of the Shares or securities of our Company held by them.

Each of our existing Shareholders other than our Controlling Shareholders and Xseven Investment have further undertaken to our Company, the Sole Sponsor and the Joint Bookrunners (for themselves and on behalf of the Underwriters) that, within the period commencing on the Listing Date and ending on the date which is six months from the Listing Date, it will:

- (i) when it/she pledges or charges any of its/her direct or indirect interests in more than one-third of the Shares or securities of our Company held by it/her in favour of a financial institution, immediately inform our Company, the Sole Sponsor and the Joint Bookrunners of such pledge or charge together with the number of Shares so pledged or charged; and
- (ii) when it/she receives indications, either verbal or written, from the pledgee or chargee that any of the Shares beneficially owned by it/her so pledged or charged under paragraph (i) above will be disposed of, immediately inform our Company, the Sole Sponsor and the Joint Bookrunners in writing of such indications.

The above restrictions shall not apply to, among others:

- (a) any charge, mortgage or pledge by the Other Shareholders of the Shares during the relevant lock-up periods mentioned above in favour of a financial institution to secure a loan or financing facility made to the Other Shareholders (the “**Loan**”) if the person making the Loan undertakes to be bound by the restrictions on disposal herein during the relevant lock-up periods and which restrictions shall include any disposal of the Shares on exercise of any enforcement action or foreclosure following a default under the Loan; or
- (b) any transfer with the prior written consent of the Sole Sponsor, Joint Bookrunners (for themselves and on behalf of the Public Offer Underwriters) and our Company; or

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- (c) any Shares acquired in open market transaction after the completion of the Share Offer; or
- (d) any transfer to any of the Other Shareholders' affiliate, provided that, prior to such transfer, such affiliate gives a written undertaking (addressed to and in favour of our Company in terms satisfactory to it and substantially the same as the Other Shareholders' lock-up undertaking) agreeing to, and the Other Shareholders undertake to procure that such affiliate will, be bound by the undertaking.

Underwriters' interests in our Group

Save for their respective obligations under the Public Offer Underwriting Agreement and the Placing Underwriting Agreement or as otherwise disclosed in this prospectus, as of the Latest Practicable Date, none of the Underwriters was interested directly or indirectly in any of our Shares or securities or any shares or securities of any other member of our Group or had any right or option (whether legally enforceable or not) to subscribe for, or to nominate persons to subscribe for, any of our Shares or securities or any shares or securities of any other member of our Group.

Following the completion of the Share Offer, the Underwriters and their affiliated companies may hold a certain portion of our Shares as a result of fulfilling their respective obligations under the Public Offer Underwriting Agreement and Placing Underwriting Agreement.

The Sole Sponsor's Independence

The Sole Sponsor satisfies the independence criteria applicable to sponsors set out in Rule 6A.07 of the GEM Listing Rules.

The Placing

Placing

In connection with the Placing, we entered into the Placing Underwriting Agreement with, among others, the Placing Underwriters. Under the Placing Underwriting Agreement, the Placing Underwriters would, subject to certain conditions, severally but not jointly, agree to purchase the Placing Shares or procure purchasers for the Placing Shares initially being offered pursuant to the Placing. For details, see "Structure and Conditions of the Share Offer — Placing" in this prospectus.

Under the Placing Underwriting Agreement, we granted to the Placing Underwriters the Offer Size Adjustment Option, exercisable in whole or in part at one or more times, at the sole and absolute discretion of the Joint Bookrunners (for themselves and on behalf of the Placing Underwriters) at any time during the period from the date of this prospectus up to 6:00 p.m. on the business day immediately prior to the date of the announcement of the level of indications of interest in the Share Offer, to require us to issue and allot up to an aggregate of 30,000,000 additional Offer Shares, representing 15% of the Offer Shares

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initially available under the Share Offer and at the Offer Price, to cover, among other things, any over-allocations in the Placing, if any. The Offer Size Adjustment Option will lapse if it is not exercised within the above period.

Total Commission and Expenses

We will pay the Joint Bookrunners (for themselves and on behalf of the other Underwriters) an underwriting commission of 12% of the aggregate Offer Price of the Public Offer Shares initially offered under the Public Offer (excluding any Placing Shares reallocated to the Public Offer and any Public Offer Shares reallocated to the Placing), out of which the Underwriters will pay all sub-underwriting commission, if any. For unsubscribed Public Offer Shares reallocated to the Placing, we will pay an underwriting commission at the rate applicable to the Placing and such commission will be paid to the Joint Bookrunners and the relevant Placing Underwriters, but not the Public Offer Underwriters. We will pay the Joint Bookrunners (for themselves and on behalf of the other Underwriters) an underwriting commission of 12% of the aggregate Offer Price of the Placing Shares initially offered under the Placing.

In addition to the above underwriting commission, the Underwriters will also receive an incentive bonus of up to 6% of the aggregate Offer Price of the Offer Shares initially offered under the Share Offer if the final Offer Price is fixed at HK\$0.30 or above.

Assuming the Offer Size Adjustment Option is not exercised and based on an Offer Price of HK\$0.325 (being the mid-point of the stated range of the Offer Price between HK\$0.25 and HK\$0.40), the aggregate commissions and estimated expenses, together with the Stock Exchange listing fee, SFC transaction levy, Stock Exchange trading fee, legal and other professional fees, printing and other fees and expenses relating to the Share Offer, are estimated to amount in aggregate to HK\$37.0 million in total and are payable by us.

Indemnity

We have undertaken to indemnify and keep indemnified on demand (on an after-tax basis) and hold harmless each of the Sole Sponsor and the Public Offer Underwriters (for themselves and on trust for its directors, officers, employees, agents, assignees and affiliates) from and against certain losses which they may suffer, including losses arising from their performance of their obligations under the Public Offer Underwriting Agreement.

Restrictions on the Offer Shares

No action has been taken to permit a public offering of the Offer Shares, other than in Hong Kong, or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation.

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Hard Underwriting Agreement

Hard Underwriting Agreement

On 23 June 2020, our Company entered into Hard Underwriting Agreement. The underwriting commitment may be satisfied through the following methods:

- (a) the subscriptions of the Offer Shares (i) solely entered through exclusive agents of the relevant Underwriter and/or the relevant Underwriter directly; and (ii) in respect of duplicate orders from other Joint Bookrunners, provided that the relevant Underwriter can provide evidence which is reasonably satisfactory to our Company showing that the orders were first placed through the relevant Underwriter one calendar day(s) before such duplicate orders were placed through any other Joint Bookrunners (excluding subscriptions from the list of investors agreed between our Company and the relevant Underwriter prior the Hard Underwriting Agreement). For the avoidance of doubt, duplicate orders placed through other Joint Bookrunners on the same day during the book building period shall be shared equally among such Joint Bookrunners;
- (b) in relation to subscriptions by same investors through the relevant Underwriter and other Joint Bookrunners, such subscriptions shall be regarded as subscriptions solely entered through the relevant Underwriter if such investors have specified the same in their orders (for the avoidance of doubt, if such investors make subscriptions through the relevant Underwriter and other Joint Bookrunners, but specify certain amounts of the subscriptions are entered solely through or solely attributable to the relevant Underwriter, such certain amounts of the subscriptions will be regarded as solely entered through the relevant Underwriter), provided that the relevant Underwriter can provide evidence which is reasonably satisfactory to our Company showing such effect, or otherwise such orders shall be allocated equally amongst the Joint Bookrunners who have received such orders on the first day investor subscribed;
- (c) the subscriptions of the Offer Shares through the relevant Underwriter under the Public Offer; and/or
- (d) the subscriptions of the Offer Shares by the relevant Underwriter.

Each of the relevant Underwriter irrevocably agrees that it will perform its underwriting commitment under the respective Hard Underwriting Agreements in the aggregate amount of HK\$50.0 million pursuant to the Public Offer Underwriting Agreement and the Placing Underwriting Agreement.

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Conditions

The underwriting commitment of each of the relevant Underwriter under the Hard Underwriting Agreement is subject to the following conditions:

- (a) the relevant Underwriter being appointed by our Company as one of the Joint Bookrunners for the Share Offer;
- (b) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Offer Shares (and such listing and permission not subsequently revoked prior to Listing);
- (c) the Underwriting Agreements have become unconditional and have not been terminated in accordance with their respective terms; and
- (d) the final Offer Price shall be fixed at HK\$0.25 per Offer Share.

Grounds for termination

If the conditions (a) and (b) above are not fulfilled or satisfied by 8:00 a.m. on the Listing Date, the obligations of the relevant Underwriter under the Hard Underwriting Agreement shall lapse and be null and void and neither our Company nor the Directors shall have any claim against the relevant Underwriter for costs, damages, compensation or otherwise save for such claims that are caused by the Underwriter's own fraud, gross negligence, willful default or misconduct and the Hard Underwriting Agreement shall terminate.

Fees

Our Company shall pay to the relevant Underwriter upon Listing an underwriting commission as specified in the Underwriting Agreements.

In the event the final Offer Price is fixed at HK\$0.30 or above, in addition to the underwriting commission specified in the Underwriting Agreements, the Company shall pay the relevant Underwriter an incentive bonus of up to 6% of the aggregate Offer Price of the Offer Shares initially offered under the Share Offer.