
UNDERWRITING

HONG KONG UNDERWRITERS

Sole Global Coordinator, Joint Bookrunner and Joint Lead Manager

China Tonghai Securities Limited

Joint Bookrunners and Joint Lead Managers

Blackwell Global Securities Limited

BOCOM International Securities Limited

CCB International Capital Limited

China Galaxy International Securities (Hong Kong) Co., Limited

CMBC Securities Company Limited

Eddid Securities and Futures Limited

Fortune (HK) Securities Limited

Guotai Junan Securities (Hong Kong) Limited

Innovax Securities Limited

Zhongtai International Securities Limited

Joint Lead Manager

uSmart Securities Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company is offering initially 12,500,000 Hong Kong Offer Shares (subject to adjustment) for subscription by way of the Hong Kong Public Offering at the Offer Price on and subject to the terms and conditions of this prospectus and the **GREEN** Application Form.

Subject to the Listing Committee granting the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering (including any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option and options that may be granted under the Share Option Scheme) as mentioned herein and to certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriter(s) have severally agreed to subscribe or procure subscriptions for their respective applicable proportions of the Hong Kong Offer Shares now being offered but which are not taken up under the Hong Kong Public Offering on the terms and conditions of this prospectus, the **GREEN** Application Form and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on and subject to, among other things, the International Underwriting Agreement having been signed and becoming unconditional.

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Grounds for Termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement are subject to termination if, at any time before 8:00 a.m. on the Listing Date:

- (i) there has come to the notice of the Sole Global Coordinator:
 - (a) that any statement contained in this prospectus, the **GREEN** Application Form, the formal notice, any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Global Offering (including any supplement or amendments thereto) (collectively, the “**Relevant Documents**”), was, when it was issued, or has become, untrue, incorrect, misleading or deceptive in any material respect or that any forecast, expression of opinion, intention or expectation expressed in any of the Relevant Documents is not, fair and honest and based on reasonable assumptions, when taken as a whole; or
 - (b) that any matter has arisen or has been discovered which would or might, had it arisen or been discovered immediately before the respective dates of the publication of the Relevant Documents, constitute a material omission therefrom; or
 - (c) any breach of any of the obligations imposed or to be imposed upon any party to the Hong Kong Underwriting Agreement or the International Underwriting Agreement (other than by the Sole Sponsor, the Sole Global Coordinator, the Joint Lead Managers, the Underwriters); or
 - (d) any event, act or omission which gives rise to any liability of our Company pursuant to the indemnities given by our Company under the Hong Kong Underwriting Agreement; or
 - (e) any breach of, or any event or circumstance rendering untrue or incorrect in any material respect, any of the representations, warranties given under the Hong Kong Underwriting Agreement or the International Underwriting Agreement (other than by the Sole Sponsor, the Sole Global Coordinator, the Joint Lead Managers, the Underwriters); or
 - (f) the approval by the Listing Committee of the listing of, and permission to deal in, the Shares (including any additional Shares that may be issued upon the exercise of the Over-allotment Option) is refused or not granted, or is qualified (other than subject to customary conditions), on or before the Listing Date, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or
 - (g) our Company withdraws this prospectus or any Relevant Documents or any other documents issued or used in connection with the Global Offering or the Global Offering; or

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- (h) any expert named in this prospectus (other than the Sole Sponsor) has withdrawn or sought to withdraw its consent to being named in any of the Relevant Documents or to the issue of any of the Relevant Documents; or
 - (i) that a petition or an order is presented for the winding-up or liquidation of any members of our Group or any members of our Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any members of our Group or a provisional liquidator, receiver or manager is appointed to take over all or part of the assets or undertaking of any members of our Group or anything analogous thereto occurs in respect of any members of our Group or its assets or undertaking; or
 - (j) an authority or any governmental, regulatory or political body or organisation in any relevant jurisdiction has commenced any investigation or other action, or announced an intention to investigate or take other action, against any members of our Group or any of our Directors as set out in the “Directors and Senior Management” section of this prospectus; or
 - (k) apportion of the orders in the book building process, which is considered by the Sole Global Coordinator (for itself and on behalf of the other Hong Kong Underwriter(s)) in its absolute opinion to be material, at the time the International Underwriting Agreement is being entered into, or the investment commitments by any cornerstone investors after signing of agreements with such cornerstone investor, have been withdrawn, terminated or cancelled, and the Sole Global Coordinator, in its sole and absolute discretion, conclude that it is therefore inadvisable or inexpedient or impracticable to proceed with the Global Offering; or
 - (l) a governmental or regulatory prohibition on our Company for whatever reason from allotting or selling Shares (including the Shares offered under the Over-allotment Option) pursuant to the terms of the Global Offering;
- (ii) there shall develop, occur, exist or come into effect:
- (a) any national or international event or series of events in the nature of force majeure (including, without limitation, any acts of government, declaration of a national or international emergency or war, calamity, crisis, epidemic, pandemic, outbreak of disease, economic sanctions, strikes, lock-outs, fire, explosion, flooding, earthquake, volcanic eruption, civil commotion, riots, public disorder, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God or acts of terrorism (whether or not responsibility has been claimed)) in or affecting any of Macau, Hong Kong, the PRC or any other jurisdiction relevant to any members of our Group (the “**Specific Jurisdiction**”); or

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- (b) any change or development involving a prospective change, or any event or circumstance or series of events or circumstances likely to result in any change or development involving a prospective change, in any national or international, financial, economic, political, military, industrial, fiscal, legal regulatory, currency, creditor market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, the interbank markets and credit markets) in or affecting Specific Jurisdictions; or
- (c) any moratorium, suspension or restriction on trading in securities generally (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) on the Stock Exchange, the New York Stock Exchange, the London Stock Exchange, the Nasdaq Global Market, the Shanghai Stock Exchange, the Shenzhen Stock Exchange and the Tokyo Stock Exchange; or
- (d) any new law(s), or any change or development involving a prospective change in existing laws, or any event or circumstance or series of events or circumstances likely to result in any change or development involving a prospective change in the interpretation or application of existing laws by any court or other competent authority, in each case, in or affecting any of the Specific Jurisdictions; or
- (e) any general moratorium on commercial banking activities, or any disruption in commercial banking activities, foreign exchange trading or securities settlement or clearance services or procedures or matters, in or affecting any of the Specific Jurisdictions; or
- (f) the imposition of economic sanctions, in whatever form, directly or indirectly, by or for any of the Specific Jurisdictions and the United States; or
- (g) a change or development involving a prospective change in or affecting taxation or exchange control (or the implementation of any exchange control), currency exchange rates or foreign investment laws (including, without limitation, any change in the system under which the value of the Hong Kong currency is linked to that of the currency of the United States or a material fluctuation in the exchange rate of the Hong Kong dollar or the Renminbi against any foreign currency) in or affecting any of the Specific Jurisdictions or affecting an investment in the Shares; or
- (h) 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 which result in the Global Offering being unable to proceed; or
- (i) any litigation or claim of any third party being threatened or instigated against any members of our Group; or
- (j) any of our Directors or the chief executive officer of our Company or the financial controller of our Company or the general manager of Synergy CCL set out in the section headed “Directors and Senior Management” in this prospectus being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management of a company; or

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- (k) the chairman of the Board and/or chief executive officer of our Company vacating his or her office; or
- (l) a contravention by any members of our Group of the Listing Rules, the Companies Ordinance or any other laws applicable to the Global Offering, unless a waiver or an exemption has been granted by the Stock Exchange and/or the SFC; or
- (m) non-compliance of this prospectus and the other Relevant Documents or any aspects of the Global Offering with the Listing Rules or any other applicable laws or regulations to the Global Offering, unless a waiver or an exemption has been granted by the Stock Exchange and/or the SFC,

which in each case individually or in aggregate in the sole and absolute opinion of the Sole Global Coordinator (for itself and on behalf of the other Hong Kong Underwriter(s)):

- (1) has or is or will or may or could be expected to have a material adverse effect on the assets, liabilities, business, general affairs, management, shareholders' equity, profits, losses, results of operation, financial, trading or other condition or prospects of our Company or any members of our Group taken as a whole; or
- (2) has or will or may have or could be expected to have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of interest under the International Placing; or
- (3) makes or will make or may make it inadvisable, inexpedient or impracticable for any part of the Hong Kong Underwriting Agreement or the Global Offering to be performed or implemented or proceeded with; or
- (4) has or will or may have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or which prevents the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof.

Restrictions and Undertakings to the Stock Exchange under the Listing Rules

Undertaking by us

Under Rule 10.08 of the Listing Rules, we have undertaken to the Stock Exchange that no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) may be issued by our Company or form the subject of any agreement to such an issue by our Company within six months from the Listing Date (whether or not such issue of Shares or our securities will be completed within six months from the commencement of dealing), except pursuant to the Capitalisation Issue, the Global Offering (including the exercise of the Over-allotment Option) or for the circumstances provided under Rule 10.08 of the Listing Rules.

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Restrictions on and Undertakings by the Controlling Shareholders

Pursuant to Rule 10.07(1) of the Listing Rules, each of the Controlling Shareholders shall not and shall procure that the relevant registered holder(s) shall not:

- (i) 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 six months from the Listing Date (the “**First Six-Month Period**”), either directly or indirectly, 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 securities of our Company in respect of which he/it is shown by this prospectus to be the beneficial owner; and
- (ii) in the period of six months from the expiry of the First Six-Month Period, either directly or indirectly, 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 securities of our Company referred to in paragraph (i) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he/it would cease to be a controlling shareholder of our Company.

In accordance with Note (3) to Rule 10.07(2) of the Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange that, within the period commencing on the date by reference to which disclosure of his/its shareholding in our Company is made in this prospectus and ending on the date which is 12 months from the Listing Date, it will:

- (i) when he/it pledges or charges any Shares beneficially owned by him/it in favour of an authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) pursuant to Note (2) to Rule 10.07(2) of the Listing Rules, immediately inform us of such pledge or charge together with the number of Shares so pledged or charged; and
- (ii) when it receives indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged Shares will be disposed of, immediately inform us of such indications.

Our Company shall also inform the Stock Exchange in writing as soon as it has been informed of the above matters (if any) by any of the Controlling Shareholders and disclose such matters by way of a public announcement to be published in accordance with the Listing Rules as soon as possible.

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Undertakings under the Hong Kong Underwriting Agreement

Undertaking by our Company

We have undertaken to each of the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriter(s) that, except for the issue of Shares under the Global Offering and the Over-allotment Option, at any time during the First Six-Month Period, our Company will not, save as permitted under the Listing Rules or with the prior written consent of the Sole Global Coordinator (for itself and on behalf of the Hong Kong Underwriter(s)):

- (i) offer, accept subscription for, pledge, charge, mortgage, allot, issue, sell, 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, lend or otherwise transfer or dispose of, either directly or indirectly, conditionally or unconditionally, or repurchase, any of our share capital or securities of our Company or any interest in our securities or any voting right or any other right attaching thereto (including but not limited any securities convertible into, exercisable or exchangeable for, or that represent the right to receive such share capital or securities or any interest in our share or debt capital); or
- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such share or debt capital or securities or any interest in our securities or any voting right or any other right attaching thereto; or
- (iii) offer or agree or contract to enter or enter into any transaction with the same economic effect as any transaction described in (a) or (b) above; or
- (iv) publicly announce any intention to enter into any transaction described in (a), (b) or (c) above, whether any of the foregoing transactions described in (a), (b) or (c) above is to be settled by delivery of share capital or such other securities, in cash or otherwise. We further agree that in the event of an issue or a disposal of any Shares, securities or any interest of our securities or any voting right or any other right attaching thereto after the First Six-Month Period, we will take all reasonable steps to ensure that such an issue or a disposal will not create a disorderly or false market for the Shares.

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Undertaking by our Controlling Shareholder

Our Controlling Shareholder has undertaken with our Company, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Sole Sponsor and the Hong Kong Underwriter(s) that, except pursuant to the Global Offering (including the exercise of the Over-allotment Option) or, if applicable, the stock borrowing arrangement that may be entered into with the Stabilising Manager or its agent, our Controlling Shareholder will not, save as permitted under the Listing Rules or with the prior written consent of the Sole Global Coordinator (for itself and on behalf of the Hong Kong Underwriter(s)), at any time:

- (i) during the First Six-Month Period:
 - (a) offer, pledge, charge, sell, contract to sell, sell any option or contract to purchase, purchase any option or grant, contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend, make any short sale or otherwise transfer or dispose of (nor enter into any agreement to transfer or dispose of or otherwise create any options, rights, interest or encumbrances in respect of), either directly or indirectly, conditionally or unconditionally, or cause us to repurchase, any of our share or debt capital or our other securities or any interest in our share or debt capital or any voting right or any other right attaching thereto (including but not limited to any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, any of our share or debt capital or our other securities or any interest in our share or debt capital whether now owned or subsequently acquired, owned directly by our Controlling Shareholder (including holding as a custodian) or with respect to which our Controlling Shareholder has beneficial ownership (collectively the “**Lock-up Shares**”)). The foregoing restriction is expressly agreed to preclude our Controlling Shareholder from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead to or result in a sale or disposition of the Lock-up Shares even if such Shares would be disposed of by someone other than our Controlling Shareholder. Such prohibited hedging or other transactions would include without limitation any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to any of the Lock-up Shares or with respect to any security that includes, relates to, or derives any significant part of its value from such Shares; or
 - (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any of our share or debt capital or our other securities or any interest in our share or debt capital or any voting right or any other right attaching thereto; or
 - (c) offer or agree or contract to enter or enter into any transaction with the same economic effect as any transaction described in (i)(a) or (i)(b) above; or
 - (d) publicly announce any intention to enter into, any transaction described in (i)(a), (i)(b) or (i)(c) above,

whether any transaction described in (i)(a), (i)(b) or (i)(c) above is to be settled by delivery of Shares or such other securities in cash or otherwise; and

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- (ii) during the period of six months commencing on the date on which the First Six-Month Period expires (the “**Second Six-Month Period**”) enter into any of the transactions in paragraphs (i)(a), (i)(b) or (i)(c) above or agree or contract to or publicly announce any intention to enter into any such transactions if, immediately following such transfer or disposal or upon the exercise or enforcement of such options, rights, interest or encumbrances, our Controlling Shareholder will cease to be our Controlling Shareholder. Our Controlling Shareholder further agrees that in the event of a disposal of any Shares, securities or any interest of our securities or any voting right or any other right attaching thereto after the Second Six-Month Period, our Controlling Shareholder will take all reasonable steps to ensure that such a disposal will not create a disorderly or false market for the Shares.

Our Controlling Shareholder has undertaken to each of our Company, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriter(s) that at any time during the period from the commencement of the First Six-Month Period to the date on which the Second Six-Month Period expires, he shall:

- (i) if he pledges or charges or otherwise creates encumbrances over any Shares or securities of our Company or interests therein in respect of which he is the beneficial owner, whether directly or indirectly, immediately inform each of our Company, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriter(s) in writing of any such pledges or charges or encumbrances and the number of Shares or securities of our Company so pledged or charged or encumbered; and
- (ii) if he receives any indication, either verbal or written, from any pledgee or chargee or encumbrance or such third party that any of the pledged, charged, encumbered Shares or other securities of our Company will be disposed of, immediately inform each of our Company, the Sole Sponsor, the Joint Lead Managers, the Joint Bookrunners, the Sole Global Coordinator and the Hong Kong Underwriter(s) in writing of any such indication.

Indemnity

We and our Controlling Shareholder have agreed to indemnify the Hong Kong Underwriter(s) for certain losses which they may suffer, including losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by us of the Hong Kong Underwriting Agreement.

International Placing

In connection with the International Placing, we, our Controlling Shareholder, expect to enter into the International Underwriting Agreement with the International Underwriters. Under the International Underwriting Agreement, the International Underwriters, subject to certain conditions, will agree severally and not jointly to procure purchasers for, or themselves purchase, their respective proportions of the Placing Shares being offered under the International Placing.

Under the International Underwriting Agreement, we expect to grant to the International Underwriters the Over-allotment Option, exercisable by the Sole Global Coordinator (for itself and on behalf of the International Underwriters) at any time from the Listing Date up to (and including) the date which is the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require us to allot and issue up to an aggregate of 18,750,000 additional Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering. These Shares will be issued and sold at the Offer Price and will be solely for the purpose of covering over-allocations, if any, in the International Placing.

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It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors shall be reminded that if the International Underwriting Agreement is not entered into, the Global Offering will not proceed.

We and our Controlling Shareholder have agreed to indemnify the International Underwriters against certain liabilities.

Commissions and expenses

The Hong Kong Underwriter(s) will receive a commission of 3.5% of the aggregate Offer Price payable for the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering, out of which they will pay any sub-underwriting commissions. In addition, our Company may, at our sole and absolute discretion, pay to the Sole Global Coordinator (for itself and on behalf of Underwriters) an incentive fee of up to 1.0% of the aggregate Offer Price of all Hong Kong Offer Shares underwritten by the Hong Kong Underwriters, such amount to be allocated to or among one or more of the Underwriter(s), and accordingly retained in full or in part and/or paid to other Underwriter(s) by the Sole Global Coordinator, in such manner as the Sole Global Coordinator may at its sole and absolute discretion determine.

For unsubscribed Hong Kong Offer Shares reallocated to the International Placing, we will pay an underwriting commission at the rate applicable to the International Placing and such commission will be paid to the International Underwriters and not the Hong Kong Underwriter(s).

The commissions payable to the Underwriters will be borne by our Company in relation to the new Shares to be issued under the Global Offering.

The aggregate commissions (inclusive of any discretionary incentive fees), together with listing fees, SFC transaction levy, Stock Exchange trading fee and Financial Reporting Council transaction levy of 0.00015% in respect of the new Shares offered by us, legal and other professional fees and printing and other expenses relating to the Global Offering, are estimated to be approximately HK\$41.4 million (assuming an Offer Price of HK\$1.17, being the mid-point of the indicative Offer Price range, and the Over-allotment Option is not exercised) in total and are payable by us.

Underwriters' interest in our Group

Other than disclosed in the preceding paragraph, the obligations under the Hong Kong Underwriting Agreement and the International Underwriting Agreement and, if applicable, the stock borrowing arrangement that may be entered into between the Stabilising Manager or its agent with our Controlling Shareholders, none of the Underwriters has any shareholding interests in any member of our Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Sponsor's independence

The Sole Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

Minimum public float

Our Directors will ensure that there will be a minimum 25% of the total issued Shares held in public hands in accordance with Rule 8.08 of the Listing Rules after completion of the Global Offering.