
UNDERWRITING

HONG KONG UNDERWRITERS

China Merchants Securities (HK) Co., Limited

China Securities (International) Corporate Finance Company Limited

China Renaissance Securities (Hong Kong) Limited

ABCI Securities Company Limited

Haitong International Securities Company Limited

BOCOM International Securities Limited

Huatai Financial Holdings (Hong Kong) Limited

CMB International Capital Limited

Futu Securities International (Hong Kong) Limited

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

UNDERWRITING ARRANGEMENTS AND EXPENSES

The Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, we are offering 16,578,000 Hong Kong Offer Shares (subject to adjustment) for subscription by the public in Hong Kong on the terms and subject to the conditions in this prospectus, the Application Forms and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to (a) the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering as mentioned in this prospectus (including any Shares that may be issued, pursuant to the exercise of the Over-allotment Option and the Pre-IPO Share Option) and such approval not having been withdrawn, and (b) certain other conditions set out in the Hong Kong Underwriting Agreement (including, amongst others, the Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters) and our Company, agreeing upon the Offer Price), the Hong Kong Underwriters have agreed, severally but not jointly to subscribe, or procure subscribers to subscribe for their respective applicable proportions of the Hong Kong Offer Shares being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions as set out in this prospectus, the Application Forms and the Hong Kong Underwriting Agreement.

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The Hong Kong Underwriting Agreement is conditional on and subject to, amongst other things, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

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 prior to 8:00 a.m. on the Listing Date:

- (a) there shall develop, occur, exist or come into effect:
 - (i) any new Law (as defined in the Hong Kong Underwriting Agreement) or any change or development involving a prospective change in existing Law or in the interpretation or application thereof by any court or any other competent authority in or affecting Hong Kong, the PRC, the United States, the United Kingdom or the European Union (or any member thereof), the Cayman Islands or the British Virgin Islands (collectively, the “**Relevant Jurisdictions**” and each, a “**Relevant Jurisdiction**”); or
 - (ii) any change or development involving a prospective change or development in, or any event or circumstance or series of events resulting or likely to result in any change or development, or a prospective change or development, in any local, national, regional or international financial, political, military, industrial, fiscal, economic, regulatory, currency, credit, currency or market conditions, or any monetary or trading settlement system or other financial markets (including, but not limited to, a change in the conditions in stock and bond markets, money and foreign exchange markets, the interbank markets and credit markets or a change in the system under which the value of the Hong Kong dollar is linked to the U.S. dollar or Reminbi is linked to any foreign currency or currencies) in or affecting any of the Relevant Jurisdictions; or
 - (iii) any moratorium, suspension, limitation or restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on trading in securities generally on the Stock Exchange, the London Stock Exchange, the Tokyo Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the New York Stock Exchange, or in the NASDAQ Global Market; or
 - (iv) any general moratorium on commercial banking activities in or affecting Hong Kong (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent Authority(as defined in the Hong Kong Underwriting Agreement)), New York (imposed at the U.S. Federal or New York State level or by other competent Authority (as defined in the Hong Kong Underwriting Agreement)), London or any other Relevant Jurisdictions (declared by the relevant authorities), or any disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in or affecting any of the Relevant Jurisdictions; or

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- (v) any change or development involving a prospective change in or affecting Taxation (as defined in the Hong Kong Underwriting Agreement) or exchange control, currency exchange rates or foreign investment regulations (including, without limitation, a material devaluation of the U.S. dollar, Euro, Hong Kong dollar or the Renminbi against any foreign currencies), or the implementation of any exchange control, in any of the Relevant Jurisdictions; or
- (vi) any imposition of economic sanctions, or the withdrawal of trading privileges, in respect of any jurisdiction relevant to the business operations of the Group, in whatever form, directly and indirectly, by, or for, any Relevant Jurisdictions; or
- (vii) any event or series of events, in the nature of force majeure in or affecting, any of the Relevant Jurisdictions including, without limitation, declaration of a national or international emergency or war or calamity or crisis, any act of god, act of government, riot, civil commotion, public disorder, fire, flood, explosion, epidemic, pandemic or outbreak of infectious disease (including contagious coronavirus (COVID-19), SARS, swine or avian flu, H5N1, H1N1, H7N9 or such related/mutated forms), earthquake, terrorism, strike, earthquake, volcanic eruption, acts of terrorism (whether or not responsibility has been claimed), labor dispute or lock-out or any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared); or
- (viii) the issue or requirement to issue by the Company of any supplement or amendment to this prospectus or Application Forms (or to any other documents in connection with the contemplated offer, subscription and sale of the Offer Shares) pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or any requirement or request of the Stock Exchange and/or the SFC, unless such supplemental or amendment has been issued with the prior consent of the Joint Sponsors; or
- (ix) any change or development involving a prospective change which has the effect of materialization of, any of the risks set out in the section headed “Risk Factors” in this prospectus; or
- (x) an order or a petition is presented for the winding up or liquidation of any member of the Group or any member of the 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 member of the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group or anything analogous thereto occurs in respect of any member of the Group; or
- (xi) a prohibition on the Company for whatever reason from offering, allotting, issuing, selling the Offer Shares (including any additional Shares that may be issued pursuant to the exercise of the Over-allotment Option) pursuant to the terms of the Global Offering; or

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- (xii) a valid demand by any creditor for repayment or payment of any indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity; or
- (xiii) any contravention by any member of the Group or any executive Director of the Listing Rules or the Companies (Winding Up and Miscellaneous Provisions) Ordinance; or
- (xiv) non-compliance of this prospectus (or any other documents used in connection with the contemplated offer, subscription and sale of the Offer Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable Laws (as defined in the Hong Kong Underwriting Agreement); or
- (xv) any litigation, legal action (except for any investigation or other action as stipulated in paragraph (a)(xvi) below) or claim being threatened or instigated against any member of the Group or any Director; or
- (xvi) an Authority (as defined in the Hong Kong Underwriting Agreement) in any Relevant Jurisdiction commencing any investigation or other action, or announcing an intention to investigate or take other action, against any member of the Group or any executive Director; or
- (xvii) any executive Director vacating his or her office; or
- (xviii) any Director of the Company as named in this prospectus being charged with or found guilty of an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management of a company or taking directorship of a company,

which, individually or in the aggregate, in the sole and absolute opinion of the Joint Representatives (for on behalf of the Hong Kong Underwriters),

- (i) has or will have or is likely to have a material adverse effect on the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profit, losses, results of operations, financial or trading position or condition or performance of the Group as a whole; or
- (ii) has or will have or is likely 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 Offering; or
- (iii) makes or will or is likely to make it inadvisable or inexpedient or impracticable for the Global Offering to proceed as envisaged or to market the Global Offering; or

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- (iv) has or will or is likely to have the effect of (i) making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or (ii) preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or
- (b) there has come to the notice of the Joint Representatives after the date of the Hong Kong Underwriting Agreement:
 - (i) that any statement contained in this prospectus and the Application Forms and in any public notices, announcements, advertisements, communications or other documents issued or used by or on behalf of the Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto but excluding information furnished by the Underwriters, being the logo, market name, legal name and address of such Underwriters and expert qualification of the sponsor appearing in these documents) was, when it was issued, or has become, untrue, incorrect, inaccurate or misleading in any respect or that any forecast, estimate, expression of opinion, intention or expectation expressed or contained in any of this prospectus and the Application Forms is not fair and honest, not made on reasonable grounds or, where appropriate, not based on reasonable assumptions with reference to the facts and circumstances then subsisting; or
 - (ii) that there is a breach of, or any matter circumstance or event rendering any of the Warranties (as defined in the Hong Kong Underwriting Agreement) given by the Warrantors (as defined in the Hong Kong Underwriting Agreement) in the Hong Kong Underwriting Agreement is (or might when repeated be) being untrue or misleading or inaccurate; or
 - (iii) any event, act or omission which gives rise to or is likely to give rise to any material liability of the Company or the Controlling Shareholders (as the case maybe) pursuant to the indemnities given by the Company and the Controlling Shareholders (as the case may be) under the Hong Kong Underwriting Agreement; or
 - (iv) that there is a material breach of any obligations or undertakings imposed upon any party to, the Hong Kong Underwriting Agreement or the International Underwriting Agreement (other than upon any of the Joint Representatives, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Joint Sponsors, Hong Kong Underwriters or the International Underwriters); or
 - (v) that there is any Material Adverse Change (as defined in the Hong Kong Underwriting Agreement); or
 - (vi) any of the experts specified in this prospectus (other than any of the Joint Sponsors) has withdrawn its respective consent to the issue of this prospectus with the inclusion of its reports, letters and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

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- (vii) that the approval of the Listing Committee of 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 that may be issued pursuant to the exercise of the Over-allotment Option) is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or
- (viii) that any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission or misstatement from any of the Offering Documents (as defined in the Hong Kong Underwriting Agreement); or
- (ix) that the Company withdraws this prospectus and the Application Forms or the Global Offering.

then the Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters) and the Joint Sponsors, may, in their sole and absolute discretion and upon giving notice in writing to the Company, terminate the Hong Kong Underwriting Agreement with immediate effect.

Undertakings to the Stock Exchange pursuant to the Listing Rules

Undertakings by the Company

Pursuant to Rule 10.08 of the Listing Rules, we have undertaken to the Stock Exchange that we will not issue any further Shares or securities convertible into equity securities (whether or not of a class already listed) or enter into any agreement to such issue within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except: (a) in certain circumstances prescribed by Rule 10.08 of the Listing Rules; or (b) pursuant to the Global Offering (including the Over-allotment Option).

Undertakings by the Controlling Shareholders

Pursuant to Rule 10.07(1) of the Listing Rules, the Controlling Shareholders have undertaken to the Stock Exchange and the Company that, except pursuant to the Global Offering (including pursuant to the Over-allotment Option and the Stock Borrowing Agreement), they will not, and shall procure that the relevant registered holder(s) (if any) will not, without the prior written consent of the Stock Exchange or unless otherwise in compliance with applicable requirements of the Listing Rules:

- (a) in the period commencing on the date by reference to which disclosure of their respective shareholding is made in this prospectus and ending on the date which is six months from the Listing Date, dispose of, or enter into any agreement to dispose of or otherwise create, any options, rights, interests or encumbrances in respect of, any of those Shares or securities of our Company in respect of which Controlling Shareholders shown in this prospectus to be the beneficial owner; and

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- (b) in the period of six months commencing on the date on which the period referred to in the preceding paragraph expires, dispose of, or enter into any agreement to dispose of or otherwise create, any options, rights, interests or encumbrances in respect of, any of the Shares or securities of our Company referred to in the preceding paragraph if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, they would cease to be a controlling shareholder (as defined in the Listing Rules) of our Company.

Pursuant to Note 3 to Rule 10.07(2) of the Listing Rules, the Controlling Shareholders have further undertaken to each of the Stock Exchange and our Company that within the period commencing on the date by reference to which disclosure of its shareholding is made in this prospectus and ending on the date which is 12 months from the Listing Date, they will immediately inform the Stock Exchange and our Company in writing of:

- (a) any pledges or charges of any Shares or other securities of our Company beneficially owned by it in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for *a bona fide* commercial loan, together with the number of such Shares or other securities of our Company so pledged or charged; and
- (b) any indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged Shares or securities of our Company will be disposed of.

We will inform the Stock Exchange as soon as we have been informed of the above matters (if any) by the Controlling Shareholders and disclose such matters by way of an announcement published in accordance with Rule 2.07 of the Listing Rules as soon as possible.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by our Company

Our Company has, pursuant to the Hong Kong Underwriting Agreement, undertaken to, inter alia, the Joint Sponsors, the Joint Representatives, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, and the Hong Kong Underwriters that, except for the offer, allotment, issue and sale of the Offer Shares pursuant to the Global Offering (including pursuant to the Over-allotment Option) and the issue of shares under the Pre-IPO Share Options, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the “**First Six Month Period**”), it will not, without the prior written consent of the Joint Sponsors and the Joint Representatives (for themselves and on behalf of the Hong Kong Underwriters), and unless in compliance with the requirements of the Listing Rules:

- (a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of, or agree to transfer or dispose of, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of the Company, as applicable or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to

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receive, or any warrants or other rights to purchase, any Shares or other securities of the Company, as applicable, or any interest in any of the foregoing), or deposit any Shares or other securities of the Company, as applicable with a depository in connection with the issue of depository receipts; 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 (legal or beneficial) of any Shares or other securities of the Company, as applicable, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, or other securities of the Company, as applicable); or
- (c) enter into any transaction with the same economic effect as any transaction specified in paragraph (a) or (b) above; or
- (d) offer to or agree to or announce any intention to enter into any transaction specified in paragraph (a), (b) or (c) above,

in each case, whether any of the transactions specified in the paragraph (a), (b) or (c) above is to be settled by delivery of Shares or other securities of the Company, in cash or otherwise (whether or not the issue of such Shares or other securities of the Company will be completed within the First Six-Month Period).

In the event that our Company enters into any of the transactions specified in paragraph (a), (b) or (c) above or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the First Six-Month Period expires (the “**Second Six-Month Period**”), our Company will take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of the Company.

Undertakings by Controlling Shareholders

Each of the Controlling Shareholders has jointly and severally undertaken to each of our Company, the Joint Sponsors, the Joint Representatives, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that, without the prior written consent of the Joint Sponsors and the Joint Representatives (for themselves and on behalf of the Underwriters), and unless in compliance with the requirements of the Listing Rules:

- (a) it will not, at any time during the First Six-Month Period, (i) sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an Encumbrance (as defined in the Hong Kong Underwriting Agreement) over, or agree to transfer or dispose of or create an Encumbrance (as defined in the Hong Kong Underwriting Agreement) over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of the Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities of the Company, as applicable), or deposit any Shares or other securities of the Company with a depository in connection with the issue of depository receipts, or (ii) enter into any swap or other

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arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Shares or other securities of the Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities of the Company, as applicable), or (iii) direct the Family Trust Singapore or the Employee Trust Hong Kong to dispose any Shares or other securities of the Company via entering into any transaction with the same economic effect as any transaction specified in paragraph (a)(i) or (a)(ii) above, or (iv) enter into any transaction with the same economic effect as any transaction specified in paragraph (a)(i), (a)(ii) or (a)(iii) above, or (iv) offer to or agree to or announce any intention to enter into any transaction specified in paragraph (a)(i), (a)(ii), (a)(iii) or (a)(iv) above, in each case, whether any of the transactions specified in paragraph (a)(i), (a)(ii), (a)(iii) or (a)(iv) above is to be settled by delivery of Shares or other securities of the Company or in cash or otherwise (whether or not the issue of such Shares or other securities will be completed within the First Six-Month Period);

- (b) it will not, during the Second Six-Month Period, enter into any of the transactions specified in paragraph (a)(i), (a)(ii), (a)(iii) or (a)(iv) above or offer to or agree to or announce any intention to enter into any such transaction if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or Encumbrance (as defined in the Hong Kong Underwriting Agreement) pursuant to such transaction, it will cease to be a “controlling shareholder” (as the term is defined in the Listing Rules) of the Company; and
- (c) until the expiry of the Second Six-Month Period, in the event that it enters into any of the transactions specified in paragraph (a)(i), (a)(ii), (a)(iii) or (a)(iv) above or offers to or agrees to or announces any intention to enter into any such transaction, it will take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of the Company.

provided that none of the foregoing shall prevent the Controlling Shareholders from (i) purchasing additional Shares or other securities of the Company and disposing of such additional Shares or other securities of the Company, (ii) using the Shares or other securities of the Company or any interest therein beneficially owned by them as security (including without limitation a charge or a pledge) in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan.

Notwithstanding the foregoing, for the avoidance of doubt, the lock-up provisions provided above shall not apply to:

- (a) pledge, charge or other security interests of Shares granted in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan (the “**Permitted Encumbrance**”), provided that the relevant agreements concerning such Permitted Encumbrance shall be in a form satisfactory to the Joint Sponsors and shall not allow the charge or pledgee to (i) exercise their rights under the relevant agreements within the Lock-up Period; or (ii) dispose the Shares charged or pledged to them within the Lock-up Period);
- (b) exercise of options granted under the Pre-IPO Share Option Scheme; and

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- (c) shares issued by the Company pursuant to the exercise of options granted under the Pre- IPO Share Option Scheme which are beneficially owned by employees other than Directors and senior management as disclosed in this prospectus, provided that the Company shall comply with the minimum public float requirement.

Undertakings by Other Shareholders

Pursuant to the deeds of lock-up undertakings (the “**Deeds of Lock-up**”) entered into by each of Taurus Holding, Golden Basin (through which Ms. Zhai holds the Shares in the Company) and Glesason Global (through which Ms. Liu holds the Shares in the Company) (collectively, the “**Lock-up Shareholders**”) in favor of, among others, the Company and the Joint Representatives (for themselves and on behalf of the Underwriters), each of the Lock-up Shareholders has undertaken to the Company and the Joint Representatives (for themselves for and on behalf of the Underwriters) that it will not and will procure that no company controlled by it or any nominee or trustee holding the Shares in trust for it will, at any time during the period commencing on the date of the relevant Deed of Lock-up, and ending on a date which is six months from the Listing Date:

- (a) offer, pledge, charge, sell, contract or agree to sell, mortgage, charge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant, or purchase any option, warrant, contract or right to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other equity securities of the Company or any interest in any of the foregoing (including, but not limited to, any securities that are convertible into or exchangeable or exercisable for, or that represent the right to receive, or any warrants or other rights to purchase, any Shares or other equity securities of the Company) held by it immediately prior to the completion of the Global Offering (the “**Existing Shares**”);
- (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 Existing Shares;
- (c) enter into any transaction with the same economic effect as any transaction described in (a) or (b) above; or
- (d) offer to or contract to or agree to or publicly disclose that it will or may enter into any transaction described in (a), (b) or (c) above,

whether any such transaction described in (a), (b) or (c) above is to be settled by delivery of such Shares or other equity securities of the Company, in cash or otherwise (whether or not the settlement or delivery of such Shares or other equity securities will be completed within period commencing on the date of the relevant Deed of Lock-up, and ending on a date which is six months from the Listing Date).

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Notwithstanding the foregoing, for the avoidance of doubt, the lock-up provisions provided above shall not prevent the Lock-up Shareholders from transferring any Existing Shares:

- (a) as may be required by applicable law or regulation or by any competent authority;
- (b) with the prior written consent of the Joint Representatives;
- (c) to any affiliate of such Lock-up Shareholder, provided that such affiliate transferee shall be subject to the undertakings provided by the Lock-up Shareholders in the relevant Deed of Lock-up;
- (d) as part of the acceptance of a general or public tender offer for the Shares made in accordance with the relevant public takeover rules, the provision of an irrevocable undertaking to accept such an offer, a sale to an offeror (or potential offeror) which is named in a public announcement of a firm intention to make an offer (or possible intention to make such an offer) or a sale of shares to an offeror (or potential offeror) during an offer period (as defined by the relevant public takeover rules);
- (e) pursuant to any scheme of compromise or arrangement providing for the acquisition, by any person or group of persons acting in concert, of 50% or more of the equity share capital of the Company, or any disposal of Shares in connection with a scheme of reconstruction under laws applicable to the Company; or
- (f) pursuant to an offer by the Company to repurchase its own Shares, as long as this is executed on a *pro rata* basis.

Indemnity

Each of our Company and our Controlling Shareholders has agreed to indemnify among others, the Joint Sponsors, the Joint Representatives, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters for certain losses which they may suffer, including, among other matters, losses incurred arising from the performance of their obligations under the Hong Kong Underwriting Agreement and any breach by us of the Hong Kong Underwriting Agreement.

Commission and Expenses and Joint Sponsors' Fee

The Underwriters will receive an underwriting commission of 2.0% of the aggregate Offer Price in respect of all Offer Shares in the Global Offering, out of which they will pay any sub-underwriting commissions. In addition, at the sole and absolute discretion of our Company, the Underwriters may also receive an incentive fee of up to 1.0% of the aggregate Offer Price in respect of all Offer Shares (including any Shares to be issued pursuant to the exercise of the Over-allotment Option).

Assuming the Over-allotment Option is not exercised and based on an Offer Price of HK\$5.63 (being the mid-point of our Offer Price range stated in this prospectus), the aggregate commissions and fees, together with the Stock Exchange listing fees, the Stock Exchange trading fee of 0.005% per Share, SFC transaction levy of 0.0027% per Share, brokerage fee, legal and other professional fees and printing and other expenses relating to the Global Offering, are estimated to be approximately HK\$60.5 million.

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An aggregate amount of US\$0.8 million (excluding expenses) is payable by the Company as sponsor fees to the Joint Sponsors.

Hong Kong Underwriters' Interests in Our Company

Save for the obligations under the Hong Kong Underwriting Agreement, none of the Hong Kong Underwriters has any shareholding or beneficial interests in any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or purchase or to nominate persons to subscribe for or purchase securities in any member of our Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their obligations under the Underwriting Agreements.

The International Offering

International Underwriting Agreement

In connection with the International Offering, it is expected that we and our Controlling Shareholders will enter into the International Underwriting Agreement with, among others, the International Underwriters. Under the International Underwriting Agreement and subject to the Over-allotment Option, it is expected that the International Underwriters would, subject to certain conditions set out therein, severally but not jointly, agree to procure purchasers for, or to purchase, the International Offering Shares being offered pursuant to the International Offering or procure purchasers for their respective applicable proportions of International Offering Shares. Please refer to the section headed “Structure of the Global Offering—The International Offering” for details.

Potential investors are reminded that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed.

Over-allotment Option and Stabilization

For more details of the arrangements relating to the Over-allotment Option and stabilization, see “Structure of the Global Offering”.

Activities by Syndicate Members

The underwriters of the Hong Kong Public Offering and the International Offering (together, the “**Syndicate Members**”) and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In relation to the Shares, those activities could include acting as agent for buyers and sellers of the Shares, entering into transactions with those buyers and sellers in a principal capacity, proprietary trading in the Shares, and entering into over the counter or listed derivative transactions or listed and unlisted securities transactions (including issuing securities such as derivative

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warrants listed on a stock exchange) which have as their underlying assets, assets including the Shares. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the Shares. All such activity could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the Shares in most cases.

All such activities may occur both during and after the end of the stabilizing period described in the section headed “Structure of the Global Offering” in this prospectus. Such activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares and the volatility of the price of the Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

- (a) the Syndicate Members (other than the Stabilizing Manager or any person acting for it) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and
- (b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Independence of the Joint Sponsors

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.