
UNDERWRITING

UNDERWRITERS

China Galaxy International Securities (Hong Kong) Co., Limited
Cinda International Capital Limited
Eddid Securities and Futures Limited
Fosun Hani Securities Limited
HeungKong Securities Limited
Maxa Capital Limited
Southwest Securities (HK) Brokerage Limited
TUS Corporate Finance Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Public Offer Underwriting Agreement

Pursuant to the Public Offer Underwriting Agreement, our Company is offering initially 44,686,000 Offer Shares for subscription by the public in Hong Kong on and subject to the terms and conditions set out in this prospectus, the Application Forms and the Public Offer Underwriting Agreement at the Offer Price.

Subject to (a) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in the Shares in issue and to be offered as mentioned in this prospectus and (b) certain other conditions set out in the Public Offer Underwriting Agreement, the Underwriters have agreed severally (and not jointly or jointly and severally) to subscribe or procure subscribers for their respective applicable proportions of the Offer Shares now being offered which 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.

Grounds for Termination

If any of the events set out below occur at any time prior to 8:00 am on the Listing Date, the Sole Bookrunner (for itself and on behalf of the Underwriters) may, in their sole and absolute discretion be entitled by notice to the Company to terminate the Public Offer Underwriting Agreement by written notice to our Company with immediate effect 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 local, national, regional or international event or series of events or circumstance 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 or escalations of epidemic including but not limited to SARS, H5N1, MERS, coronavirus (including COVID-19 or such related or mutated forms), strikes, labor dispute, lock-outs, fire, explosion, flooding, earthquake, storm, volcanic eruption, other natural disaster, civil commotion, riots, severe transport disruption, air crash, public disorder, political instability, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God or acts of terrorism) in or affecting directly or indirectly any of Hong Kong, the PRC, the Cayman Islands, the United States, the United Kingdom, or the European Union (or any member thereof), Japan, Singapore or any other jurisdiction relevant to our Group (collectively, the “**Relevant Jurisdictions**”); or
 - (ii) any new law or regulation or any change or development involving a prospective change in existing laws or regulations, or any change or development involving a prospective change in the interpretation or application thereof by any court or other Governmental Authority in or affecting any of the Relevant Jurisdictions; or

UNDERWRITING

- (iii) any change or development involving a prospective change or development, or any event or series of events resulting or likely to result in or representing, in local, national, regional or international financial, economic, political, military, industrial, legal, fiscal, regulatory, currency, credit or market matters or conditions or equity securities or exchange control or any monetary or trading settlement system or other financial markets (including, without limitation, a change in the 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 United States dollar or revaluation of Hong Kong dollar or Renminbi against any foreign currencies or a change in any other currency exchange rates, in or affecting any of the Relevant Jurisdictions; or
- (iv) any general moratorium on commercial banking activities in Hong Kong (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent authority), New York (imposed at the U.S. Federal or New York State level or by any other competent authority), London, Singapore, the PRC, the European Union (or any member thereof), Japan or any of the 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
- (v) the imposition of any moratorium, suspension 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 New York Stock Exchange, the American Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Singapore Stock Exchange, the Tokyo Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange; or
- (vi) the imposition of economic sanctions, or the withdrawal of trading privileges, in whatever form, directly or indirectly, by, or for, any of the Relevant Jurisdictions; or
- (vii) any change or development or event involving a prospective change or amendment in or affecting taxation or foreign exchange control (or the implementation of any exchange control), currency exchange rates or foreign investment regulations (including, without limitation, a devaluation of the Hong Kong dollar or the Renminbi against any foreign currencies) in any of the Relevant Jurisdictions adversely affecting an investment in the Offer Shares; or
- (viii) any adverse change or development or event involving any prospective adverse change or development in the assets, liabilities, profit, losses, earnings, results of operations, business, performance, business prospects, financial or trading position, conditions or prospects (financial or otherwise) of our Group; or
- (ix) any Director or senior management of our Company as named in this prospectus being charged with an indictable offense or prohibited by operation of law or otherwise disqualified from taking part in the management of a company or the commencement by any government, political, regulatory body of any investigation or action against any Director in his capacity as such or an announcement by any governmental, political, regulatory body that it intends to take any such action; or
- (x) any Director or senior management of our Company vacating his office; or
- (xi) any Governmental Authority or a political or regulatory body or organization in any Relevant Jurisdiction commencing any investigation or take other action, or announcing an intention to investigate or take other action, against any member of our Group or any Director or any Controlling Shareholders; or

UNDERWRITING

- (xii) any litigation or claim being threatened or instigated against any member of our Group, the Controlling Shareholders or any Director; or
- (xiii) any contravention by any member of our Group or any Director of the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the PRC Company Law, the Listing Rules or other applicable laws and regulations; or
- (xiv) non-compliance of this prospectus, the Application Forms and any other documents issued, given or used in connection with the contemplated offering and sale of the Offer Shares or otherwise in connection with the Public Offer or any aspect of the Public Offer with the Listing Rules or any other applicable laws and regulations; or
- (xv) the issue or requirement to issue by our Company of any supplement or amendment to this prospectus, the Application Forms, post hearing information pack or other documents in connection with the offer 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 without the prior consent of the Sole Sponsor and the Sole Bookrunner (which consent not to be unreasonably withheld or delayed); or
- (xvi) an order or a petition is presented for the winding up or liquidation of any member of our Group falling under the ambit of Rule 13.25(2) of the Listing Rules 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 our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurs in respect of any member of our Group;
- (xvii) a valid demand by any creditor for repayment or payment of any of the indebtedness of any member of our Group or in respect of which that member of our Group is liable prior to its stated maturity, or any loss or damage sustained by that member of our Group (howsoever caused and whether or not the subject of any insurance or claim against any person); and
- (xviii) any change or prospective change or development which has the effect of materialization of any of the risks set out in the section headed “Risk Factors” in this prospectus,

which, in any such case individually or in the aggregate, in the “sole and absolute” opinion of the Sole Bookrunner (for itself and on behalf of the Underwriters) (1) is or will or is likely to have a material adverse effect on the assets, liabilities, business, general affairs, management, prospects, shareholders’ equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of our Company or our Group as a whole or to any present or prospective shareholder of our Company in its capacity as such; or (2) has or will have or is likely to have a material adverse effect on the success or marketability of the Public Offer or the level of applications under the Public Offer; or (3) makes or will make or is likely to make it inadvisable or inexpedient or impracticable or incapable for any part of the Public Offer Underwriting Agreement, or for any part of the Public Offer or the Public Offer or the delivery of the Offered Shares to be performed or implemented or proceed as envisaged or to market the Public Offer in the manner contemplated by this prospectus; or (4) has or will or is likely to have the effect of making any part of the Public Offer Underwriting Agreement (including underwriting the Public Offer and/or the Public Offer or the delivery of the Offer Shares on the terms and in the manner contemplated by this prospectus, the Application Forms or the press announcement in agreed form to be issued in connection with the Public Offer pursuant to the Listing Rules) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Public Offer or pursuant to the underwriting thereof; or

UNDERWRITING

- (b) there comes to the notice of the Sole Bookrunner after the date of the Public Offer Underwriting Agreement or it has reasonable cause to believe:
- (i) any statement contained in any of this prospectus, the Application Forms and the press announcement in agreed form to be issued in connection with the Public Offer pursuant to the Listing Rules and/or in any notices, announcements, post hearing information pack, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Public Offer (including any supplement or amendment thereto) (but excluding information relating to the Sole Sponsor and the Sole Bookrunner or the Underwriters) was, when it was issued, or has become, untrue, incomplete, 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, the Application Forms and the press announcement in agreed form to be issued in connection with the Public Offer pursuant to the Listing Rules and/or any notices, announcements, post hearing information pack, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Public Offer (including any supplement or amendment thereto) is not fair and honest and made on reasonable grounds or, where appropriate, based on reasonable assumptions with reference to the facts and circumstances then subsisting; or
 - (ii) non-compliance of this prospectus (or any other documents used in connection with the contemplated subscription and sale of the Offer Shares) or any aspect of the Public Offer with the Listing Rules or any other applicable law or regulation; or
 - (iii) any matter or event arising or has been discovered rendering or there coming to the notice of any of the Sole Sponsor and the Sole Bookrunner or the Underwriters any matter or event showing any of the representations, warranties and undertakings given by our Company, JBM Group BVI or Jacobson Pharma in the Public Offer Underwriting Agreement, is (or would when repeated be) untrue, incorrect or incomplete, or misleading or having been breached; or
 - (iv) any matter or event, act or omission which gives or is likely to give rise to any liability of our Company, JBM Group BVI or Jacobson Pharma pursuant to the indemnities given by our Company, JBM Group BVI and Jacobson Pharma or any of them under the Public Offer Underwriting Agreement; or
 - (v) there has been a breach of any of the representations, warranties, undertakings, obligations or provisions of either the Public Offer Underwriting Agreement by our Company and/or JBM Group BVI and Jacobson Pharma or it is (or would when repeated be) untrue, incorrect, incomplete in any material respect or misleading, provided however that where any of such representations, warranties, undertakings or provisions has been given on a materiality basis, then this termination right will be exercisable when such representation, warranty, undertaking or provision is (or would when repeated be) breached; or
 - (vi) any material adverse change or any development involving a prospective material adverse change, that is not or is not likely to be remedied by our Company prior to 8:00 a.m. on the Listing Date; or
 - (vii) any of the experts (other than the Sole Sponsor) specified in this prospectus 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
 - (viii) our Company has withdrawn this prospectus, the Application Forms (and/or any other documents issued or used in connection with the Public Offer) or the Public Offer; or

UNDERWRITING

- (ix) approval by the Listing Committee of the listing of, and permission to deal in, the Shares in issue (including the Shares to be issued pursuant to the Public Offer, subject only to allotment and the despatch of share certificates in respect thereof, 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, canceled, qualified (other than by customary conditions), revoked or withheld; or
- (x) a prohibition on our Company for whatever reason from offering, allotting, issuing or selling the Offer Shares pursuant to the terms of the Public Offer; or
- (xi) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, not having been disclosed in this prospectus, constitute a material omission from any of this prospectus, the Application Forms and/or in any notices, announcements, post hearing information pack, advertisements, communications or other documents (including any supplement or amendment thereto) issued or used by or on behalf of our Company in connection with the Public Offer.

Undertakings pursuant to the Public Offer Underwriting Agreement

(A) *Undertakings by our Company*

During the period commencing on the date of the Public Offer Underwriting Agreement and ending on, and including, the date that is six months from the Listing Date (the “**First Six-Month Period**”), our Company undertakes to each of the Sole Bookrunner, the Joint Lead Managers, the Underwriters and the Sole Sponsor not to, and to procure each subsidiary of our Company at Listing (the “**Subsidiaries at Listing**”) not to without the prior written consent of the Sole Bookrunner (for itself and on behalf of the Underwriters), such consent not to be unreasonably withheld or delayed, and unless in compliance with the requirements of the Listing Rules:

- (a) except for the issue, offer or sale of the Offer Shares by our Company pursuant to the Public Offer and under any of the circumstances as permitted under Rule 10.08 of the Listing Rules, offer, allot, issue, sell, accept subscription for, contract to allot, issue or sell, contract or agree to allot, issue or sell, mortgage (other than in the ordinary and usual course of business), charge (other than in the ordinary and usual course of business), pledge (other than in the ordinary and usual course of business), hypothecate, lend, assign, grant or sell any option, warrant, right 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, or otherwise transfer or dispose of, or create an Encumbrance (as defined below) over (other than in the ordinary and usual course of business) or agree to transfer or dispose of or create an Encumbrance over (other than in the ordinary and usual course of business), either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in any Shares or other securities of our Company, as applicable, or any interests in any of the foregoing (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, or any warrants or other rights to purchase, any Shares, or deposit any Shares or other securities of our Company, as applicable, with a depositary in connection with the issue of depositary receipts); or
- (b) offer, sell, contract to sell, contract or agree to sell, mortgage (other than in the ordinary and usual course of business), charge (other than in the ordinary and usual course of business), pledge (other than in the ordinary and usual course of business), hypothecate, lend, assign, grant or sell any option, warrant, right 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, or otherwise transfer or dispose of, or create an Encumbrance over (other than in the ordinary and usual course of business) or agree to transfer or dispose of or create an Encumbrance over (other than in the ordinary and usual course of business), either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in any shares or

UNDERWRITING

other securities of such other Subsidiary at Listing, as applicable, or any interests in any of the foregoing (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, or any warrants or other rights to purchase, any shares of such other Subsidiary at Listing), or deposit any shares or other securities of such other Subsidiary at Listing, as applicable, with a depositary in connection with the issue of depositary receipts); or

- (c) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of subscription or ownership (legal or beneficial) of any Shares or other securities of our Company or any shares or other securities of such other Subsidiary at Listing, as applicable, or any interest therein (including, without limitation, any securities of which are convertible into or exchangeable or exercisable for, or represent the right to receive, or any warrants or other rights to purchase, any Shares or other securities of our Company or any shares or other securities of such other Subsidiary at Listing, as applicable); or
- (d) enter into any transaction with the same economic effect as any transaction described in paragraphs (a), (b) or (c) above; or
- (e) offer to or contract to or agree to announce, or publicly disclose that our Company will or may enter into any transaction described in paragraphs (a), (b) (c) or (d) above,

in each case, whether any of the transactions specified in paragraphs (a), (b), (c) or (d) above is to be settled by delivery of Shares or other securities of our Company or shares or other securities of such other Subsidiary at Listing, as applicable, 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). “**Encumbrance**” means any mortgage, charge, pledge, lien or other security interest or any option, restriction, right of first refusal, right of pre-emption or other third-party claim, right, interest or preference or any other encumbrance of any kind. In the event that, 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 enters into any of the transactions specified in paragraphs (a), (b), (c) or (d) above or offers to or agrees to or contracts to or announces, or publicly discloses, any intention to, enter into any such transactions, our Company shall take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of our Company.

Our Company has agreed and undertaken that it will not, effect any repurchase of the Shares, or agree to do so, which may reduce the holdings of the Shares held by the public (as defined in Rule 8.24 of the Listing Rules) to below 25% on or before the date falling one year after the Listing Date without first having obtained the prior written consent of the Sole Sponsor and the Sole Bookrunner (for itself and on behalf of the Underwriters).

(B) Undertakings by Jacobson Pharma and JBM Group BVI

Each of Jacobson Pharma and JBM Group BVI has undertaken to each of our Company, the Sole Sponsor, the Sole Bookrunner, the Joint Lead Managers and the Underwriters to procure that, except pursuant to the Public Offer or the Jacobson Pharma Distribution and arrangements relating thereto, without the prior written consent of the Sole Sponsor and the Sole Bookrunner (on behalf of the Underwriters) and unless in compliance with the requirements of the Listing Rules, it will not, and will cause its affiliates, not to:

- (i) at any time during the First Six-Month Period:
 - (a) sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, hedge, 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 over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other equity securities of our 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 deposit any Shares or other equity securities of our Company with a depositary in connection with the issue of depositary receipts, or

UNDERWRITING

- (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 Shares or other securities of our Company or any interest therein in (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
 - (c) enter into any transaction with the same economic effect as any transaction specified in (a) or (b) above; or
 - (d) offer to or agree to or announce any intention to effect any transaction specified in (a), (b) or (c) above, in each case, whether any of the transactions specified in (a), (b) or (c) above is to be settled by delivery of Shares or other equity securities of our Company or in cash or otherwise (whether or not the issue of such Shares or other equity securities will be completed within the First Six-Month Period and Second Six-Month Period); and
- (ii) at any time during the Second Six-Month Period:
- (a) enter into any of the transactions specified in (a),(b) or (c) above or offer to or agree to or announce any intention to effect any such transaction if, immediately following such transaction, it will cease to be a controlling shareholder (as defined under the Listing Rules) of the Company;
 - (b) until the expiry of the Second Six-Month Period, in the event that any of the Controlling Shareholders enters into any of the transactions specified in (a),(b) or (c) above or offer to or agrees to or announce any intention to effect any such transaction, it will take all reasonable steps to ensure that it will not create a disorderly or false market in the equity securities of the Company; and
- (iii) at any time after the date of Public Offer Underwriting Agreement up to and including the date falling 12 months from the Listing Date, it shall:
- (a) if and when it pledges or charges any securities of the 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) (the “**Banking Ordinance**”)) for a bona fide commercial loan, immediately inform the Company and the Sole Bookrunner in writing of such pledge or charge together with the number of Shares or other securities of the Company so pledged or charged, and procure the Company to forward such information to the Sole Bookrunner as soon as reasonably practicable upon receipt of such information from the Controlling Shareholders; and
 - (b) if and when it receives indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged Shares or other securities of the Company will be disposed of, immediately inform the Company and the Sole Bookrunner in writing of such indications, and procure the Company to forward such information to the Sole Bookrunner as soon as reasonably practicable upon receipt of such information from the Controlling Shareholders.

Undertakings to the Stock Exchange pursuant to the Listing Rules

(A) Undertakings by our Company

In accordance with Rule 10.08 of the Listing Rules, we have undertaken to the Stock Exchange that within six months from the Listing Date, no further Shares or securities convertible into shares of our Company (whether or not of a class already listed) shall be issued or form the subject of any agreement to such an issue (whether or not such issue of shares or securities will be completed within six months from the commencement of dealing), except for Shares or securities issued pursuant to the Public Offer or any of the circumstances provided under Rule 10.08 of the Listing Rules.

UNDERWRITING

(B) Undertakings by our Controlling Shareholders

Pursuant to Rule 10.07(1) of the Listing Rules, our Controlling Shareholders have undertaken to us and to the Stock Exchange, except pursuant to the Public Offer or the Jacobson Pharma Distribution and arrangements relating thereto, that they shall not and shall procure that the relevant registered holder(s) controlled by them shall not:

- (a) in the First Six-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 securities or Shares of the Company in respect of which they are shown by this prospectus to be the beneficial owners (as defined in Rule 10.07(2) of the Listing Rules) (the “**Relevant Securities**”); or
- (b) in the Second Six-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 Securities if, immediately following such disposal or upon the exercise of such options, rights, interests or encumbrances, they as a group would cease to be our controlling shareholders (as defined in the Listing Rules).

In addition, in accordance with Note (3) of Rule 10.07(2) of the Listing Rules, our Controlling Shareholders have undertaken to us and to the Stock Exchange that, during the First Six-month Period and the Second Six-month Period, they shall:

- (a) when any of them pledges or charges any of our securities beneficially owned by them in favor of any authorized institution (as defined in the Banking Ordinance, Chapter 155 of the Laws of Hong Kong) for a bona fide commercial loan, immediately informs us in writing of such pledge or charge together with the number of securities so pledged or charged; and
- (b) when any of them receives indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged securities will be disposed of, immediately inform us in writing of such indications.

We will also inform the Stock Exchange as soon as we have been informed of the above matters, if any, by any of our Controlling Shareholders and disclose such matters in accordance with the publication requirements under Rule 2.07C of the Listing Rules as soon as possible after being so informed.

Undertakings by Mr. Sum, Ms. Yang and certain of our Directors

(A) Undertaking by Mr. Sum

In addition to the undertaking provided by Mr. Sum, as one of our Controlling Shareholders, to the Stock Exchange and us pursuant to Rule 10.07 of the Listing Rules (the “**Rule 10.07 Undertaking**”) (see further details in the section headed “— Undertakings to the Stock Exchange pursuant to the Listing Rules — (B) Undertakings by our Controlling Shareholders”), Mr. Sum has entered into a separate lock-up undertaking letter (the “**Mr. Sum Lock-Up Undertaking Letter**”) in favor of the Sole Bookrunner (for itself and on behalf of the Underwriters). Notwithstanding the terms contained in the Mr. Sum Lock-Up Undertaking Letter, Mr. Sum shall continue to be subject to the Rule 10.07 Undertaking which in all circumstances shall prevail over the Mr. Sum Lock-Up Undertaking Letter.

Pursuant to the Mr. Sum Lock-Up Undertaking Letter, Mr. Sum agrees that, except pursuant to the Public Offer or the Jacobson Pharma Distribution and arrangements relating thereto, he will not, and will cause his affiliates not to:

- (a) at any time during the period commencing on the date of this prospectus (i.e. January 26, 2021) and ending on the date which is six months from the Listing Date (the “**First Six-Month Period**”), dispose of any Relevant Shares or any interest in any company or entity holding or controlling (directly or indirectly) any Relevant Shares; and
- (b) at any time during the six months commencing on the date on which the First Six-Month Period expires (the “**Second Six-Month Period**,” together with the First Six-Month Period, the “**12-Month Period**”), dispose of any Relevant Shares or any interest in any company or entity holding or controlling (directly or indirectly) any Relevant Shares, if immediately following such transaction Mr. Sum (together with his affiliates) would cease to control 30% or more of the total voting rights of our Company.

UNDERWRITING

For the purpose of the Mr. Sum Lock-Up Undertaking Letter, “**Relevant Shares**” means any and all Shares, as reclassified, redesignated and subdivided from the Shares as held by Mr. Sum and/or his affiliates on the date of this undertaking in the manner as set out in this prospectus as if the reclassification, redesignation and subdivision has been completed on the date of the Mr. Sum Lock-Up Undertaking Letter and any such other additional Shares obtained by Mr. Sum and/or his affiliates from the date of the Mr. Sum Lock-Up Undertaking Letter up to the Listing.

The restrictions set out in the Mr. Sum Lock-Up Undertaking Letter shall not apply to:

- (a) any charge or pledge by Mr. Sum of the Relevant Shares during the 12-Month Period in favor of an authorized institution (as defined in the Banking Ordinance) for a bona fide commercial loan (“**Loan**”);
- (b) any Shares acquired in open market transactions after the completion of the Public Offer; or
- (c) any transfers of the Relevant Shares to any of the entities wholly owned by Mr. Sum, provided that, prior to such transfer, such entity gives a written undertaking (addressed to and in favor of our Company and the Sole Bookrunner (for itself and on behalf of the Underwriters) in terms reasonably satisfactory to them and substantially the same as the Mr. Sum Lock-Up Undertaking Letter) agreeing to, and Mr. Sum undertakes to procure that such entity will, be bound by the undertaking.

(B) Undertaking by Ms. Yang

Ms. Yang has entered into a lock-up undertaking letter (the “**Ms. Yang Lock-Up Undertaking Letter**”) in favor of the Sole Bookrunner (for itself and on behalf of the Underwriters). Pursuant to the Ms. Yang Lock-Up Undertaking Letter, Ms. Yang agrees that, she will not, and will cause her affiliates not to, at any time during the period commencing on the date of this prospectus (i.e January 26, 2021) and ending on the date which is six months from the Listing Date (the “**Six-Month Period**”), dispose of any Relevant Shares.

For the purpose of the Mr. Yang Lock-Up Undertaking Letter, “**Relevant Shares**” means any and all of the 30,000,000 Shares allotted and issued to Ms. Yang pursuant to the share purchase agreement dated July 27, 2020 entered into between Ms. Yang, Sampan and our Company (as further described in the section headed “History, Reorganization and Corporate Structure — Reorganization — Acquisition of Minority Interest in Orizen”).

The restrictions set out in the Ms. Yang Lock-Up Undertaking Letter shall not apply to:

- (a) any charge or pledge by Ms. Yang of the Relevant Shares during the Six-Month Period in favor of an authorized institution (as defined in the Banking Ordinance) for a Loan;
- (b) any transfer of the Relevant Shares with the prior written consent of our Company and the Sole Bookrunner;
- (c) any Shares acquired in open market transactions after the completion of the Public Offer; or
- (d) any transfers of the Relevant Shares to any of the entities wholly owned by Ms. Yang, provided that, prior to such transfer, such entity gives a written undertaking (addressed to and in favor of our Company and the Sole Bookrunner (for itself and on behalf of the Underwriters) in terms reasonably satisfactory to them and substantially the same as the Ms. Yang Lock-Up Undertaking Letter) agreeing to, and Ms. Yang undertakes to procure that such entity will, be bound by the undertaking.

UNDERWRITING

(C) Undertakings by certain of our Directors

Each of Mr. Chan Kam Chiu, Simon, Mr. Chu Ka Wing, Mr. Wong Yat Wai, Patrick, Mr. Yeung Kwok Chun, Henry and Mr. Yim Chun Leung (the “**Lock-up Directors**”) has entered into a lock-up undertaking letter in favour of the Sole Bookrunner (for and on behalf of the Underwriters) (each a “**Director Lock-Up Undertaking Letter**,” and together with the Mr. Sum Lock-Up Undertaking Letter and the Ms. Yang Lock-Up Undertaking Letter, the “**Lock-Up Undertaking Letters**”). Pursuant to the Director Lock-Up Undertaking Letters, each of the Lock-up Directors agrees that, he will not, and will cause his affiliates not to, at any time during the period commencing on the date of this prospectus (i.e January 26, 2021) and ending on the date which is two months from the Listing Date (the “**Two-Month Period**”), dispose of any Relevant Shares.

For the purpose of the Director Lock-Up Undertaking Letters, “**Relevant Shares**” means any and all Shares, as reclassified, redesignated and subdivided from the Shares as held by the relevant Lock-up Director on the date of the relevant Director Lock-Up Undertaking Letter in the manner as set out in this prospectus as if the reclassification, redesignation and subdivision has been completed on the date of the relevant Director Lock-Up Undertaking Letter and any such other additional Shares obtained by the relevant Lock-up Director from the date of the relevant Director Lock-Up Undertaking Letter up to the Listing.

The restrictions set out in each of the Director Lock-Up Undertaking Letters shall not apply to:

- (a) any charge or pledge by a relevant Lock-up Director of his Relevant Shares during the Two-Month Period in favor of an authorized institution (as defined in the Banking Ordinance) for a Loan;
- (b) any transfer of the Relevant Shares with the prior written consent of our Company and the Sole Bookrunner;
- (c) any Shares acquired in open market transactions after the completion of the Public Offer; or
- (d) any transfers of the Relevant Shares to any of the entities wholly owned by a relevant Lock-up Director, provided that, prior to such transfer, such entity gives a written undertaking (addressed to and in favor of our Company and the Sole Bookrunner (for itself and on behalf of the Underwriters) in terms reasonably satisfactory to them and substantially the same as the Director Lock-Up Undertaking Letters) agreeing to, and the relevant Lock-up Director undertakes to procure that such entity will, be bound by the undertaking.

For the purpose of the Lock-Up Undertaking Letters:

- (a) “**affiliate**” means, in relation to an individual or entity, its holding company or subsidiary, or any subsidiary of its holding company or person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the individual or entity specified;
- (b) “**control**” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, nomination right of board of directors, by contract, or otherwise;
- (c) “**Encumbrance**” means any mortgage, charge, pledge, lien or other security interest or any option, restriction, right of first refusal, right of pre-emption or other third-party claim, right, interest or preference or any other encumbrance of any kind; and
- (d) “**dispose of**” or “**Disposal**” means:
 - (i) sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, hedge, 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 over, or agree to transfer or dispose of or create an Encumbrance over,

UNDERWRITING

either directly or indirectly, conditionally or unconditionally, any Relevant Shares or other equity securities of our 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 Relevant Shares), or deposit any Relevant Shares or other equity securities of our Company with a depositary in connection with the issue of depositary receipts; 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 any Relevant Shares or other securities of our Company or any interest therein in (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 Relevant Shares); or
- (iii) enter into any transaction with the same economic effect as any transaction specified in paragraph (i) or (ii) above; or
- (iv) offer to or agree to or announce any intention to effect any transaction specified in paragraph (i), (ii) or (iii) above, in each case, whether any of the transactions specified in paragraph (i), (ii) or (iii) above is to be settled by delivery of Relevant Shares or other equity securities of our Company or in cash or otherwise (whether or not the issue of Relevant Shares or other equity securities will be completed within the entirety of the relevant lock-up period).

Underwriters' interests in our Company

Save as disclosed in this prospectus and save for its obligations under the Public Offer Underwriting Agreement, as of the Latest Practicable Date, none of the Underwriters was interested, legally or beneficially, directly or indirectly, in any Shares or any securities of any member of our Group or had any shareholding interests in our Company or the right or option (whether legally enforceable or not) to subscribe for or purchase, or nominate persons to subscribe for or purchase, any Shares or any securities in our Company or any member of our Group.

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

Commissions and Expenses

The Underwriters will receive an underwriting commission of 3.2% of the aggregate Offer Price of all the Offer Shares. In addition, our Company may pay to the Sole Bookrunner for its account a discretionary bonus of 1.0% of the aggregate Offer Price for each Offer Share.

At an Offer Price of HK\$1.20 per Share, the aggregate commissions and fees, together with listing fees, SFC transaction levy, Stock Exchange trading fee, legal and other professional fees and printing and other expenses, payable by our Company relating to the Public Offer and the Jacobson Pharma Distribution are estimated to be approximately HK\$43.0 million in total.

Indemnity

Each of our Company and our Controlling Shareholders has agreed to indemnify the Underwriters for certain losses that they may suffer, including certain losses arising from the performance of their obligations under the Public Offer Underwriting Agreement and any breach by our Company and/or any of our Controlling Shareholders of the Public Offer Underwriting Agreement.

UNDERWRITING

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Public Offer (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 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 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.

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 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.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking and other services to our Company and its affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.