
UNDERWRITING

HONG KONG UNDERWRITERS

J.P. Morgan Securities (Asia Pacific) Limited
China International Capital Corporation Hong Kong Securities Limited
Futu Securities International (Hong Kong) Limited
Livermore Holdings Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company is offering 1,370,000 Hong Kong Offer Shares (subject to adjustment) for subscription by the public in Hong Kong on the terms and subject to the conditions of this prospectus, the **GREEN** Application Form and the Hong Kong Underwriting Agreement at the Offer Price.

Subject to (i) 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(including any additional Shares that may be issued under the Over-allotment Option) and such approval not having been withdrawn; and (ii) certain other conditions set forth in the Hong Kong Underwriting Agreement (including, amongst others, the Joint Global Coordinators (for themselves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, on the terms and conditions of this prospectus, the **GREEN** Application Form and the Hong Kong Underwriting Agreement, for their respective proportions of the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering.

The Hong Kong Underwriting Agreement is conditional on and subject to, among 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 day that trading in the Shares commences on the Stock Exchange:

- (a) there shall develop, occur, exist or come into effect:
 - (i) any new law or regulation or any change or development involving a prospective change in any existing law or regulation, or any change or development involving a prospective change in the interpretation or application thereof by any court or other competent authority in or affecting Hong Kong, the Cayman Islands, the PRC, the United States, the United Kingdom, the European Union (or any member thereof), Japan or Singapore (collectively, the “**Relevant Jurisdictions**”); or
 - (ii) any change or development involving a prospective change or development in, or any event or circumstance or series of events or circumstances resulting or likely to

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result in or representing a change or development, or a prospective change or development, in any local, national, regional or international financial, political, military, industrial, legal, fiscal, economic, regulatory, credit, market or currency matters or conditions or exchange control or any monetary or trading settlement system (including but not limited to 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 U.S. 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, including any event which involves one or more members of the European Union announcing, voluntarily or compulsorily, its or their intention to leave the Economic and Monetary Union of the European Union; or

- (iii) the imposition after the date of the Hong Kong Underwriting Agreement 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 London Stock Exchange, the Singapore 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 Hong Kong (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent government authority), New York (imposed at Federal or New York State level or other competent government authority), London or any other Relevant Jurisdictions, 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) a change or development or event involving a prospective change in taxation or exchange control (or the implementation of any exchange control), currency exchange rates or foreign investment regulations (including, without limitation, a change in the system under which the value of the Hong Kong dollar is linked to the U.S. dollar, or a devaluation of the U.S. dollar, Euro, Hong Kong dollar or the Renminbi against any foreign currencies) in any of the Relevant Jurisdictions; or
- (vi) any imposition of economic sanctions, or the withdrawal of trading privileges, other than those publicly proposed on or prior to the date of the Hong Kong Underwriting Agreement, in whatever form, directly or indirectly, under any sanction Laws, or regulations in Hong Kong, the PRC or any of the Relevant Jurisdictions; or
- (vii) the outbreak or escalation of hostilities (whether or not war is or has been declared) involving or affecting any of the Relevant Jurisdictions or the declaration by any of the Relevant Jurisdictions of a national emergency or war or any other national or international calamity or crisis; or
- (viii) any event or circumstance or series of events or circumstances, in the nature of force majeure in or affecting any of the Relevant Jurisdictions including, without limiting

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the generality thereof, any act of God, act of government, declaration of a national or international emergency or war, calamity, crisis, riot, public disorder, civil commotion, flood, explosion, epidemic (including SARS, swine or avian flu, H5N1, H1N1, H7N9, COVID-19 or such related/mutated forms), pandemic (but excluding such epidemic and pandemic subsisting as of the date of the Hong Kong Underwriting Agreement which have not materially escalated thereafter), earthquake, terrorism, volcanic eruption or strike; or

- (ix) any Director 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 action against any Director in his or her capacity as such or an announcement by any governmental, political or regulatory body that it intends to take any such action; or
- (x) the chairman of the Company or any of our Directors vacating his office or seeking to retire, or is removed from office; or
- (xi) an Authority (as defined in the Hong Kong Underwriting Agreement) in any Relevant Jurisdiction commencing any investigation or other similar action, or announcing an intention to investigate or take other similar action, against any member of the Group or any Director; or
- (xii) any litigation or claim or proceedings being threatened or instigated against any member of the Group or the Controlling Shareholder; or
- (xiii) any contravention by any member of the Group or any Director of the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Listing Rules or other applicable laws; or
- (xiv) a valid prohibition on the Company for whatever reason from offering, allotting or issuing the Offer Shares pursuant to the terms of the Global Offering; or
- (xv) non-compliance of this prospectus or the Application Forms (and/or any other documents issued or used in connection with the Global Offering) or any aspect of the Global Offering with the Listing Rules or any other applicable laws; or
- (xvi) except with the prior written consent of the Joint Global Coordinators, the issue or requirement to issue by the Company of any supplement or amendment to this prospectus or the Application Forms (and/or any other documents issued or used in connection with the Global Offering) 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; or
- (xvii) any change, development or event involving a prospective change in, or a materialization of, any of the risks set out in the section headed “Risk Factors” in this prospectus; or
- (xviii) 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

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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

- (xix) a valid demand by any creditor for repayment or payment of any of the Group's indebtedness or in respect of which the Group is liable prior to its stated maturity; or
- (xx) that a material portion of the orders placed or confirmed in the book-building process, or of the investment commitments made by any cornerstone investors under agreements signed with such cornerstone investors, have been withdrawn, terminated or canceled, or any Cornerstone Investment Agreement (as defined in the Hong Kong Underwriting Agreement) is terminated,

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

- (A) has or will have or is likely to have a Material Adverse Effect (as defined in the Hong Kong Underwriting Agreement) to the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profit, losses, results of operations, financial or trading position, or performance of the Group as a whole; or
 - (B) has or will have or is likely to have a Material Adverse Effect (as defined in the Hong Kong Underwriting Agreement) 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
 - (C) makes or will make or is likely to make it inadvisable or inexpedient or impracticable for the Global Offering to proceed or to market the Global Offering; or
 - (D) has or will have or is likely to have the effect of making any material part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or which prevents or delays 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 Global Coordinators after the date of the Hong Kong Underwriting Agreement:
- (i) that any statement contained in any of the Hong Kong Public Offering Documents (as defined in the Hong Kong Underwriting Agreement), the Preferential Offering Documents (as defined in the Hong Kong Underwriting Agreement) and/or in any notices or announcements published on the website of the Stock Exchange, any press release published on the website of the Company or communications with the Stock Exchange and the SFC issued by or on behalf of the Company in connection with the Hong Kong Public Offering and the Preferential Offering (including any supplement or amendment thereto but excluding information relating to the Underwriters, it being understood that such information consists of only their logos, names and

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addresses) was, when it was issued, or has become, untrue, incorrect, inaccurate or misleading in any material respect, or that any forecast, estimate, expressions of opinion, intention or expectation contained in any of the Hong Kong Public Offering Documents (as defined in the Hong Kong Underwriting Agreement or the Preferential Offering Documents (as defined in the Hong Kong Underwriting Agreement) was, when it was issued, or has become not fair and honest and based on reasonable assumptions; or

- (ii) any event, act or omission which gives or is likely to give rise to any material liability of any of the Indemnifying Parties (as defined in the Hong Kong Underwriting Agreement) pursuant to the indemnities given by any of them under the Hong Kong Underwriting Agreement or the International Underwriting Agreement, as applicable; or
- (iii) any material breach on the part of the Warrantors (as defined in the Hong Kong Underwriting Agreement) of any of the obligations under the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or
- (iv) any breach, or any event or circumstance rendering any of the Warranties (as defined in the Hong Kong Underwriting Agreement) untrue or incorrect or misleading; or
- (v) any material adverse change or development involving a prospective material adverse change or development in the assets, liabilities, business, management, prospects (financial or otherwise), shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Group as a whole; or
- (vi) any expert, whose consent is required for the issue of this prospectus with the inclusion of its reports, letters or opinions and references to its name included in the form and context in which respectively appears (other than 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 such reports, letters and/or legal opinion included in the form and context in which it respectively appears; or
- (vii) approval by the Listing Committee of the listing of, and permission to deal in, the Shares in issue and to be issued (including any additional Shares that may be issued pursuant to the exercise of the Over-allotment Option) under the Global Offering 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
- (viii) the Company withdraws this prospectus and the Application Forms (and/or any other documents issued or used in connection with the Global Offering) or the Global Offering,

then the Joint Global Coordinators (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.

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UNDERTAKINGS TO THE STOCK EXCHANGE PURSUANT TO THE LISTING RULES

Undertakings by our Company

In accordance with 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 us or form the subject of any agreement to such an 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 for in circumstances prescribed by Rule 10.08 of the Listing Rules or pursuant to the Global Offering (including the Over-allotment Option).

Undertakings by our Controlling Shareholders

In accordance with Rule 10.07(1) of the Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange and to our Company that, except pursuant to the Global Offering, it shall not and shall procure that the registered holder(s) controlled by it shall not:

- (i) in the period commencing on the date by reference to which disclosure of its/his shareholding is made in this prospectus and ending on the date which is six months from the Listing Date (“**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 Shares directly or indirectly beneficially owned by it; and
- (ii) in the period of six months commencing from the expiry of the period referred to in paragraph (i) above, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests, or encumbrances in respect of, any of the Shares referred to in paragraph (i) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it would cease to be a Controlling Shareholder of our Company.

Nothing in the above shall prevent our Controlling Shareholders from pledging or charging any Shares as security for a bona fide commercial loan in accordance with Note 2 to Rule 10.07(2) or the share lending arrangement to be entered into by the Controlling Shareholders pursuant to Rule 10.07(3) of the Listing Rules.

In accordance with Note 3 to Rule 10.07(2) of the Listing Rules, our Controlling Shareholders have further undertaken to the Stock Exchange and to our Company that during the period referred to in paragraphs (i) and (ii) above:

- (i) if any of them pledges or charges the Shares or securities beneficially owned by any of them 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, it will immediately inform our Company of such pledge or charge together with the number of Shares so pledged or charged; and
- (ii) if any of them receives indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged Shares will be disposed of, it/he will immediately inform our Company of such indications.

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We have agreed and undertaken to the Stock Exchange that, we shall 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 which is published in accordance with Rule 2.07C of the Listing Rules as soon as possible.

UNDERTAKINGS PURSUANT TO THE HONG KONG UNDERWRITING AGREEMENT

Undertakings by our Company

Except for the issue, offer or sale of the Offer Shares by our Company pursuant to the Global Offering (including pursuant to the Over-allotment Option), during the period commencing on the date of the Hong Kong Underwriting Agreement and ending on, and including, the date that is six months after the Listing Date (the “**First Six-Month Period**”), our Company hereby undertakes to each of the Joint Global Coordinators, the Hong Kong Underwriters and the Joint Sponsors not to, without the prior written consent of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules (and only after the consent of any relevant Authority (as defined in the Hong Kong Underwriting Agreement) (if so required) has been obtained):

- (i) offer, allot, issue, sell, accept subscription for, contract to allot, issue or sell, contract or agree to allot, issue or sell, 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 agree to transfer or dispose of, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the any Shares, or other equity securities of our Company, 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 other equity securities of our Company); or
- (ii) 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 equity securities of our Company, 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 equity securities of our Company); or
- (iii) enter into any transaction with the same economic effect as any transaction specified in sub-paragraph (i) or (ii) above; or
- (iv) offer to or contract to or agree to announce, or publicly disclose that our Company will or may enter into any transaction described in subparagraph (i), (ii) or (iii) above,

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

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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 sub-paragraph (i), (ii) or (iii) above or offers to or agrees to 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. The Controlling Shareholder, MicroPort, hereby undertakes to each of the Joint Sponsors, the Joint Global Coordinators and the Hong Kong Underwriters to procure our Company to comply with the undertakings in this sub-section.

Undertakings by our Controlling Shareholder

The Controlling Shareholder, MicroPort, hereby undertakes to each of our Company, the Joint Sponsors, the Joint Global Coordinators, and the Hong Kong Underwriters that, except as pursuant to the Global Offering (including pursuant to the exercise of the Over-allotment Option) and the Stock Borrowing Agreement, without the prior written consent of the Joint Sponsors and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong 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) offer, pledge, charge, sell, contract 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 over, either directly or indirectly, conditionally or unconditionally, any Shares or other equity securities of our 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, any Shares or other equity securities of our Company and any securities in any company holding any interest in our Company); 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 capital or securities or any interest therein; or
 - (iii) enter into any transaction with the same economic effect as any transaction described in (i) or (ii) above; or
 - (iv) offer to or agree to do any of the foregoing or announce any intention to do so, whether any such transaction described in (i), (ii) or (iii) above is to be settled by delivery of such Shares or other securities of the Company, in cash or otherwise; and
- (b) it will not enter into any transaction described in (a)(i), (ii), (iii) or (iv) above or agree or contract to or publicly announce any intention to enter into any such transaction, if, immediately following such transaction, it would cease to be a controlling shareholder (as defined in the Listing Rules) of our Company during the Second Six-Month Period; and
- (c) until the expiry of the Second Six-Month Period, in the event that it enters into any such transactions specified in (a)(i), (ii), (iii) or (iv) above or agrees or contracts, or publicly

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announces an intention to enter into any such transactions, it will take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of our Company, provided that nothing contained in the above shall prevent our Controlling Shareholder from purchasing additional Shares or other securities of our Company and disposing of such additional Shares or other securities of our Company.

The Controlling Shareholder has further undertaken to each of the Joint Global Coordinators, the Joint Sponsors and the Hong Kong Underwriters that, within a period commencing on the date of the Hong Kong Underwriting Agreement and ending on a date which is 12 months from the Listing Date, it will:

- (a) when it or any of its subsidiaries pledges or charges any Shares or securities of our Company beneficially owned by it or its subsidiary (as the case may be) 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, to the extent permitted by applicable law, as soon as practicable inform the Joint Global Coordinators and the Joint Sponsors of such pledge or charge together with the number of Shares or securities of our Company so pledged or charged; and
- (b) when it or its subsidiary (as the case may be) receives 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, to the extent permitted by applicable law, as soon as practicable inform the Joint Global Coordinators and the Joint Sponsors of such indications.

Indemnity

We have agreed to indemnify the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners and the Hong Kong Underwriters for certain losses which they may suffer, including, among other things, losses arising from the performance of their obligations under the Underwriting Agreements and any breach by us of the Underwriting Agreements, as the case may be.

INTERNATIONAL OFFERING

International Underwriting Agreement

In connection with the International Offering, it is expected that our Company and MicroPort will enter into the International Underwriting Agreement with the Joint Sponsors, the Joint Global Coordinators, the Joint Lead Managers, the Joint Bookrunners and the International Underwriters. Under the International Underwriting Agreement, the International Underwriters will, subject to certain conditions set out therein, severally and not jointly, agree to procure subscribers or purchasers for, or to purchase, their respective proportions of the International Offer Shares being offered under the International Offering.

Our Company is expected to grant to the International Underwriters the Over-allotment Option, exercisable by the Joint Global Coordinators on behalf of the International Underwriters at any time within 30 days from the last date for lodging applications under the Hong Kong Public Offering, to require the Company to issue up to an aggregate of 2,055,000 Shares, representing 15% of the number of Offer Shares initially available under the Global Offering in aggregate, at the Offer Price, to cover over-allocations (if any) in the International Offering.

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

Our Company has agreed to indemnify the International Underwriters against certain liabilities, including liabilities under the U.S. Securities Act.

UNDERWRITING COMMISSIONS AND LISTING EXPENSES

The Underwriters will receive an underwriting commission per Offer Share of 3.0% of the Offer Price from our Company (including Offer Shares to be issued pursuant to the Over-allotment Option). Our Company may pay the Underwriters an incentive fee up to 1.0% of the Offer Price per Offer Share to be awarded at our Company's discretion. For any unsubscribed Hong Kong Public Offer Shares reallocated to the International Offering, we will pay the underwriting commission for such Shares to the International Underwriters (but not the Hong Kong Underwriters).

The aggregate amount of sponsor fee payable by our Company to the Joint Sponsors is US\$1,000,000 (excluding expenses).

The aggregate underwriting commissions and fees (including the incentive fees and assuming full payment), together with the Stock Exchange listing fees, the SFC transaction levy, the FRC transaction levy, the Stock Exchange trading fee, sponsor fee, legal and other professional fees, printing and other expenses relating to the Global Offering, are estimated to be approximately HK\$59.5 million in aggregate (based on a fixed Offer Price of HK\$24.64 per Offer Share and the assumption that the Over-allotment Option is not exercised) and are to be borne by us.

ACTIVITIES BY SYNDICATE MEMBERS

We describe below a variety of activities that each of the Underwriters of the Hong Kong Public Offering and the International Offering, together referred to as "Syndicate Members," may individually undertake, and which do not form part of the underwriting or the stabilizing process. When engaging in any of these activities, it should be noted that the Syndicate Members are subject to restrictions, including the following:

- (a) under the agreement among the Syndicate Members, all of them (except for the Stabilizing Manager or its designated affiliate as the Stabilizing Manager) must not make bids or purchases or effect any other transactions (including but not limited to issuing any option or derivative or structured product which has, as its underlying asset, any Offer Shares), whether in the open market or otherwise, for the purpose of or with a view to creating actual, or apparent, active trading in the Offer Shares or raising, stabilizing or maintaining the price of the Offer Shares to or at levels other than those which might otherwise prevail in the open market; and
- (b) all of them must comply with all applicable laws, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

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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 accounts of others. In relation to the Shares, those activities could include acting as agent for buyers and sellers of the Shares, 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 the Shares as their or part of their underlying assets. Those activities may require hedging activity by those entities involving directly or indirectly, buying and selling 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 the 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 of these 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. These activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares, and the volatility of the Shares’ share price, and the extent to which this occurs from day to day cannot be estimated.

UNDERWRITERS’ INTEREST IN OUR GROUP

Except for the obligations under the Hong Kong Underwriting Agreement and the International Underwriting Agreement and, if applicable, the Stock Borrowing Agreement, none of the Underwriters has any shareholding or beneficial interest in any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

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

JOINT SPONSORS’ INDEPENDENCE

J.P. Morgan Securities (Far East) Limited satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

China International Capital Corporation Hong Kong Securities Limited had declared that in respect of its relationship with the Company, it is not or does not expect to be independent on the basis that (i) Ms. Wu Xia, one of the non-executive Directors, is an employee of CICC Capital Management Co., Ltd. (中金資本運營有限公司) (“CICC Capital”) and a director of CICC Healthcare Investment Opportunities V Limited (“CICC Healthcare”) and CICC Healthcare Investment Management Limited (“CICC Healthcare Investment”); (ii) CICC Healthcare is an existing shareholder of the Company with a shareholding of 4.57% in the Company as of the Latest Practicable Date; (iii) CICC

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Healthcare is owned as to 70% and controlled by CICC Healthcare Investment Fund, L.P., whose general partner is CICC Healthcare Investment; (iv) CICC Healthcare Investment is wholly owned by CICC Capital (Cayman) Limited, a wholly-owned subsidiary of China International Capital Corporation (Hong Kong) Limited (“CICC HK”); (v) CICC HK is the holding company of China International Capital Corporation Hong Kong Securities Limited, one of the Joint Sponsors and CICC HK is wholly owned by China International Capital Corporation Limited (中國國際金融股份有限公司) (“CICC”); and (vi) CICC Capital is a fellow subsidiary wholly owned by CICC. Having considered the aforementioned relationships, China International Capital Corporation Hong Kong Securities Limited considered that such relationships would be reasonably considered to affect their independence in performing its duties, or might reasonably give rise to a perception that its independence would be so affected under Rule 3A.07 of the Listing Rules.