



THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

CAUSE NO. FSD OF 2022 ( )

IN THE MATTER OF SYNERTONE COMMUNICATION CORPORATION 協同通信集團  
有限公司

AND IN THE MATTER OF THE COMPANIES ACT (2022 REVISION)

AND THE GRAND COURT RULES 1995 ORDER 102

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**PETITION**

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TO: The Grand Court of the Cayman Islands

THE PETITION of Synertone Communication Corporation 協同通信集團有限公司 shows  
as follows:

1. The object of this Petition is to seek an Order of the Court pursuant to section 15 of the Companies Act (Revised) (the “**Companies Act**”) confirming a reduction of the share capital of the Petitioner, Synertone Communication Corporation 協同通信集團有限公司 (the “**Company**”).
2. The Company was incorporated on 11 October 2006 under the Companies Act as an exempted company with registration number 175508.
3. The registered office of the Company is Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

4. As at the date of incorporation of the Company on 11 October 2006, its authorised share capital was HK\$100,000 divided into 10,000,000 shares of a nominal or par value of HK\$0.01 each.
5. By way of resolutions of the then shareholders of the Company passed on 9 February 2010, its authorised share capital was increased from HK\$100,000 to HK\$20,000,000 divided into 2,000,000,000 shares of a nominal or par value of HK\$0.01 each.
6. By way of resolutions of the then shareholders of the Company passed on 10 February 2014, its authorised share capital was increased from HK\$20,000,000 to HK\$200,000,000 divided into 20,000,000,000 shares of a nominal or par value of HK\$0.01 each.
7. By way of resolutions of the then shareholders of the Company passed on 23 March 2016, its authorised share capital was consolidated from 20,000,000,000 shares of a nominal or par value of HK\$0.01 each to 4,000,000,000 shares of a nominal or par value of HK\$0.05 each.
8. By way of resolutions of the then shareholders of the Company passed on 23 March 2016, its authorised share capital was increased from HK\$200,000,000 to HK\$400,000,000 divided into 8,000,000,000 shares of a nominal or par value of HK\$0.05 each.
9. By way of resolutions of the then shareholders of the Company passed on 20 March 2020, the authorised share capital of the Company was consolidated from 8,000,000,000 shares of a nominal or par value of HK\$0.05 each to 1,600,000,000 shares of a nominal or par value of HK\$0.25 each.

10. By way of resolutions of the then shareholders of the Company passed on 20 December 2022, the authorised share capital of the Company was consolidated from 1,600,000,000 shares of a nominal or par value of HK\$0.25 each to 320,000,000 shares of a nominal or par value of HK\$1.25 each (the “**Share Consolidation**”).
11. As at the date of this Petition, the authorised share capital of the Company is HK\$400,000,000 divided into 320,000,000 shares of a nominal or par value of HK\$1.25 each and its issued share capital is HK\$325,390,800 divided into 260,312,640 shares of a nominal or par value of HK\$1.25 each which have been fully paid-up or credited as fully paid-up.
12. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 18 April 2012 under stock code number 1613.
13. The objects for which the Company was established are unrestricted.
14. The Articles of Association of the Company provide, *inter alia*, as follows:
  - “6. The Company may from time to time by special resolution, subject to any confirmation or consent required by the Act, reduce its share capital or any capital redemption reserve or other undistributable reserve in any manner permitted by law.”
15. In accordance with section 14(1) of the Companies Act and by way of a special resolution of the shareholders of the Company passed at an extraordinary general meeting of the Company held on 20 December 2022 (the “**Special Resolution**”), it was resolved:

“**THAT** subject to and conditional upon (i) the Share Consolidation becoming effective; (ii) the Stock Exchange granting the listing of, and permission to deal in, the New Shares (as defined below) in issue and to be issued upon the Capital Reduction (as defined below) and the Sub-division (as defined below) becoming effective; (iii) the Grand Court of the Cayman Islands (the “**Court**”) granting an order confirming the Capital Reduction (as defined below); (iv) the compliance with any conditions which the Court may impose in relation to the Capital Reduction (as defined below); (v) the registration by the Registrar of Companies in the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction (as defined below) and the minute approved by the Court containing the particulars required under the Companies Act (2022 Revision) of the Cayman Islands with respect to the Capital Reduction (as defined below); (vi) the compliance with the relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Capital Reduction (as defined below) and the Sub-division (as defined below); and (vii) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reduction (as defined below) and the Sub-division (as defined below), with effect from the date on which the above conditions are fulfilled (the “**Second Effective Date**”):

- (a) the issued share capital of the Company be reduced by cancelling the paid-up capital of the Company to the extent of HK\$1.15 on each of the issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$1.25 to HK\$0.1 (the “**Capital Reduction**”);
- (b) immediately following the Capital Reduction becoming effective, each of the authorised but unissued Consolidated Shares with a par value of HK\$1.25 each be subdivided (the “**Sub-division**”) into 12.5 unissued new shares with a par value of HK\$0.1 each (the “**New Shares**”), and such New Shares shall rank *pari passu* in all respects with each other and have the

rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the memorandum and articles of association of the Company;

- (c) immediately following the Capital Reduction and the Sub-division, the authorised share capital of the Company be changed from HK\$400,000,000 divided into 320,000,000 Consolidated Shares to HK\$400,000,000 divided into 4,000,000,000 New Shares;
  - (d) the credit arising from the Capital Reduction be applied towards offsetting the accumulated losses of the Company as at the Second Effective Date (the “**Accumulated Losses**”) and the balance of any such credit remaining after offsetting the Accumulated Losses be transferred to a distributable reserve account of the Company which may be applied by the Company in any manner as permitted under the applicable laws and the memorandum and articles of association of the Company; and
  - (e) the Directors be and are hereby authorised to do all such acts and things and execute (under hand or as a deed and where appropriate, under the common seal of the Company) all such documents on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to or in connection with the implementation of the Capital Reduction and the Sub-division.”
16. The special resolution to approve and give effect to the Capital Reduction was duly passed by the shareholders of the Company at an extraordinary general meeting held on 20 December 2022, thus satisfying the requirements for passing a special resolution to approve the Capital Reduction under the Articles of Association of the Company and under the Companies Act.

17. The proposed Capital Reduction does not involve either the diminution of any liability in respect of unpaid capital and the Company has no intention to make any payment of paid up capital of the Company to its shareholders. Furthermore, the proposed Capital Reduction will not alter the underlying assets, business operations, management or financial position of the Company.
18. The form of Minute proposed to be registered is as follows:

*“The issued share capital of Synertone Communication Corporation 協同通信集團有限公司 (the “Company”) was by virtue of a Special Resolution passed on 20 December 2022 and with the sanction of an Order of the Grand Court of the Cayman Islands dated [ ] 2022, reduced from HK\$1.25 per each issued ordinary share to HK\$0.1 per each issued share (the “Capital Reduction”). Upon the Capital Reduction becoming effective, each authorised but unissued ordinary share of HK\$1.25 each shall be subdivided into twelve and a half unissued ordinary shares of HK\$0.1 each in the share capital of the Company. At the date of the registration of this Minute, the authorised share capital of the Company is HK\$400,000,000 divided into 4,000,000,000 ordinary shares of HK\$0.1 each.”*

Your Petitioner, the Company, therefore prays as follows:

- (1) That the Capital Reduction of the Company proposed to be effected by the Special Resolution set forth in paragraph 15 of this Petition may be confirmed and that the above-mentioned Minute may be approved by the Court.
- (2) That to this end, all necessary inquiries and directions may be made and given.

(3) Such further and other order as this Honourable Court shall think fit.

Dated this 23<sup>rd</sup> day of December 2022

*Conyers Dill & Pearman LLP*

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Conyers Dill & Pearman LLP  
Attorneys-at-Law for the Petitioner herein

This Petition was filed by Conyers Dill & Pearman LLP, Attorneys-at-Law for and on behalf of the Petitioner herein whose address for service is that of its Attorneys, SIX, 2<sup>nd</sup> Floor, Cricket Square, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands

Notice of Hearing

This Petition having been presented to the Court on the      day of  
2022 will be heard at the Law Courts, George Town, Grand Cayman on the \_\_\_ day of  
\_\_\_\_\_ 2023 at \_\_\_\_\_ am/pm or as soon thereafter as the Petition can be  
heard.