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SYNERTONE

協同通信集團有限公司

Synertone Communication Corporation

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1613)

**POLL RESULTS OF EXTRAORDINARY GENERAL MEETING
HELD ON 23 MARCH 2016;
GRANT OF THE WHITEWASH WAIVER;
SHARE CONSOLIDATION;
INCREASE IN AUTHORISED SHARE CAPITAL;
AND
ADJUSTMENTS IN RELATION TO THE OUTSTANDING
SHARE OPTIONS AND WARRANTS**

POLL RESULTS OF THE EGM

The Board is pleased to announce that all the resolutions as set out in the Notice were duly passed by way of poll at the EGM held on 23 March 2016.

GRANT OF THE WHITEWASH WAIVER

The Executive has granted the Whitewash Waiver, subject to the fulfilment of the conditions set out therein. Accordingly, no mandatory general offer under Rule 26 of the Takeovers Code will be required to be made by the Underwriter as a result of the subscription of the Underwritten Shares by the Underwriter pursuant to the Underwriting Agreement.

SHARE CONSOLIDATION

All the conditions of the Share Consolidation have been fulfilled and the Share Consolidation will become effective on Thursday, 24 March 2016.

INCREASE IN AUTHORISED SHARE CAPITAL

The Increase in Authorised Share Capital will become effective on Thursday, 24 March 2016, being the effective date of the Share Consolidation.

ADJUSTMENTS IN RELATION TO THE OUTSTANDING SHARE OPTIONS AND WARRANTS

As a result of the Share Consolidation, adjustments shall be made to the exercise price of the outstanding Share Options, the subscription price of the Warrants and the number of Consolidated Shares to be allotted and issued upon full exercise of the subscription rights attached to the outstanding Share Options and the Warrants.

Reference is made to the circular (the “**Circular**”) and the notice (the “**Notice**”) of extraordinary general meeting (the “**EGM**”) dated 7 March 2016 of Synertone Communication Corporation (the “**Company**”). Unless otherwise stated, capitalised terms used herein shall bear the same meanings as those defined in the Circular.

POLL RESULTS OF THE EGM

The Board is pleased to announce that all the resolutions as set out in the Notice were duly passed by way of poll as ordinary resolutions at the EGM held on 23 March 2016.

Tricor Investor Services Limited, the Company’s branch share registrar in Hong Kong, was appointed as the scrutineer for the purpose of vote-taking at the EGM.

The poll results of the EGM are as follows:

Ordinary Resolutions (<i>Note</i>)		Number of Shares (%)	
		For	Against
1.	To approve the Share Consolidation in terms as set out in Ordinary Resolution number 1 in the Notice and to authorise any one Director to do all such acts and things, and execute all such further documents which he may consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Share Consolidation.	2,264,858,300 (81.02%)	530,544,000 (18.98%)

Ordinary Resolutions (Note)		Number of Shares (%)	
		For	Against
2.	To approve the Rights Issue and the transactions contemplated thereunder (including the Underwriting Agreement and the absence of arrangements for application for the Rights Shares by the Qualifying Shareholders in excess of their entitlements) in terms as set out in Ordinary Resolution number 2 in the Notice, and to authorise any Directors to sign or execute such documents and do all such acts and things in connection with the allotment and issue of the Rights Shares, the implementation of the Rights Issue and the Underwriting Agreement, the exercise or enforcement of any of the Company's rights under the Underwriting Agreement and to make and agree to make such variations of the terms of the Underwriting Agreement as they may in their discretion consider to be appropriate, necessary or desirable and in the interests of the Company and its shareholders.	2,264,858,300 (81.02%)	530,544,000 (18.98%)
3.	To approve the Whitewash Waiver granted or to be granted by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission to the Underwriter pursuant to Note 1 on the Dispensations from Rule 26 of the Hong Kong Code on Takeovers and Mergers from an obligation to make a general mandatory offer for all the issued shares of the Company not already owned by the Underwriter and the parties acting in concert with it as a result of the subscription of the Rights Shares by the Underwriter pursuant to the Underwriting Agreement and to authorize the Directors to do all such things and acts and execute all documents which they consider necessary, desirable or expedient to implement or to give effect to any matters relating to the Whitewash Waiver.	2,264,384,000 (81.00%)	531,018,300 (19.00%)
4.	To approve the increase in authorised share capital from HK\$200,000,000 divided into 4,000,000,000 Consolidated Shares of HK\$0.05 each to HK\$400,000,000 by the creation of an additional 4,000,000,000 Consolidated Shares of HK\$0.05 each and to authorize any Directors be and is/are authorized to do all such acts and things and execute all such documents which he may consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the increase in authorised share capital.	2,264,858,300 (81.02%)	530,544,000 (18.98%)

Note: Please refer to the Notice for the full text of the above resolutions.

As majority of the votes were cast in favour of each of the above resolutions, all resolutions were duly passed as ordinary resolutions of the Company.

As at the date of the EGM, the total number of issued Shares was 8,372,000,000 Shares. To the best of the Directors' knowledge, information and belief, none of the Shareholders has any material interest in the Share Consolidation and the Increase in Authorised Share Capital and accordingly no Shareholders were required to abstain from voting in respect of the resolutions approving the Share Consolidation and the Increase in Authorised Share Capital at the EGM. As such, the total number of Shares entitling the Shareholders to attend and vote for or against Ordinary Resolutions number 1 and number 4 as set out in the Notice was 8,372,000,000 Shares.

In respect of the ordinary resolution number 2 as stated in the Circular, pursuant to Rule 7.19(6) of the Listing Rules, as the Company had no controlling Shareholder, the Directors (including the Underwriter (which is wholly and beneficially owned by Mr. Wong Chit On, an executive Director and the Chairman of the Company) but excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates were required to abstain from voting in favour of the ordinary resolution number 2. In respect of the ordinary resolution number 3 as stated in the Circular, the Underwriter, its concert parties and those who are involved in, or interested in, the Rights Issue and the Underwriting Agreement were required to abstain from voting in respect of such resolution. As at the date of the EGM, the Underwriter and its concert parties hold 1,230,000,000 Shares, representing approximately 14.69% of issued share capital of the Company. The Board confirms that the Underwriter, Mr. Wong Chit On and their respective associates and persons acting in concert with them had abstained from voting in respect of such resolutions regarding the Underwriting Agreement, the Rights Issue and the Whitewash Waiver at the EGM. Accordingly, the total number of Shares entitling the Independent Shareholders to attend and vote for or against each of the ordinary resolutions number 2 and number 3 was 7,142,000,000 Shares in total, representing approximately 85.31% of the total issued share capital of the Company.

Save as disclosed above, there were no Shares entitling the Shareholders to attend and abstain from voting in favor as set out in Rule 13.40 of the Listing Rules and none of the Shareholders were entitled to attend and vote only against the resolutions at the EGM.

GRANT OF THE WHITEWASH WAIVER

The Executive has granted the Whitewash Waiver, subject to the fulfilment of the conditions set out therein. Accordingly, no mandatory general offer under Rule 26 of the Takeovers Code will be required to be made by the Underwriter as a result of the subscription of the Underwritten Shares by the Underwriter pursuant to the Underwriting Agreement.

SHARE CONSOLIDATION

All the conditions of the Share Consolidation have been fulfilled and the Share Consolidation will become effective on Thursday, 24 March 2016. Please refer to the Circular for the details, including the trading arrangement of the Consolidated Shares and the exchange and replacement of share certificates in respect of the Share Consolidation. Shareholders should note that upon the Share Consolidation becoming effective, the new share certificates of the Company will be in the colour of orange.

INCREASE IN AUTHORISED SHARE CAPITAL

The Increase in Authorised Share Capital will become effective on Thursday, 24 March 2016, being the effective date of the Share Consolidation.

SHAREHOLDING STRUCTURE OF THE COMPANY

With effect from 24 March 2016, the Company will have 1,674,400,000 Consolidated Shares in issue. The table below depicts the shareholding structure of the Company (i) on 24 March 2016; (ii) immediately upon completion of the Rights Issue assuming all Rights Shares are accepted by the existing Shareholders; and (iii) immediately upon completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders, and assuming there is no other change in the shareholding structure of the Company, for illustrative purposes only:

	As at 24 March 2016		Immediately upon completion of the Rights Issue assuming all Rights Shares are accepted by the existing Shareholders		Immediately upon completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders	
	<i>Number of Consolidated Shares</i>	<i>Approx. %</i>	<i>Number of Consolidated Shares</i>	<i>Approx. %</i>	<i>Number of Consolidated Shares</i>	<i>Approx. %</i>
Excel Time and parties acting in concert with it (<i>Note 1</i>)	246,000,000	14.69	492,000,000	14.69	1,920,400,000	57.35
Ms. Ni Yunzi (<i>Note 2</i>)	120,000,000	7.17	240,000,000	7.17	120,000,000	3.58
Other public Shareholders	<u>1,308,400,000</u>	<u>78.14</u>	<u>2,616,800,000</u>	<u>78.14</u>	<u>1,308,400,000</u>	<u>39.07</u>
Total	<u>1,674,400,000</u>	<u>100.00</u>	<u>3,348,800,000</u>	<u>100.00</u>	<u>3,348,800,000</u>	<u>100.00</u>

Notes:

1. The entire issued share capital of Excel Time is owned by Mr. Wong Chit On, the Chairman of the Board and an executive Director. Mr. Wong Chit On also holds 6,000,000 Share Options, of which 2,000,000 Share Options have been vested.
2. Ms. Ni Yunzi is the ex-spouse of Mr. Wong Chit On and is not a person acting in concert with Mr. Wong Chit On under the Takeovers Code.

ADJUSTMENTS IN RELATION TO THE OUTSTANDING SHARE OPTIONS AND WARRANTS

(i) Adjustments in relation to the outstanding Share Options

Pursuant to the terms of the share option scheme of the Company adopted on 22 March 2012, the exercise price of the Share Options and the number of Consolidated Shares to be allotted and issued upon exercise in full of the subscription rights attached to the outstanding Share Options shall be adjusted, with effect from 24 March 2016, in the following manner as a result of the Share Consolidation becoming effective on 24 March 2016:

Date of grant	Immediately before the Share Consolidation having become effective		Immediately upon the Share Consolidation having become effective	
	Exercise price per Share (HK\$)	Number of Shares to be allotted and issued upon full exercise of the subscription rights attached to the outstanding Share Options	Exercise price per Consolidated Share (HK\$)	Number of Consolidated Shares to be allotted and issued full exercise of the subscription rights attached to the outstanding Share Options
24 December 2013	0.5	343,200,000	2.5	68,640,000

(ii) Adjustments in relation to the Warrants

Pursuant to the terms of the Warrants, the subscription price of the Warrants and the number of Consolidated Shares to be allotted and issued upon full exercise of the subscription rights attached to the Warrants shall be adjusted, with effect from the close of business in Hong Kong on 23 March 2016, in the following manner as a result of the Share Consolidation becoming effective on 24 March 2016:

Date of issue	Immediately prior to the close of business on 23 March 2016		Immediately after the close of business on 23 March 2016	
	Subscription price per Share (HK\$)	Number of Shares to be allotted and issued upon full exercise of the subscription rights attached to the Warrants	Subscription price per Consolidated Share (HK\$)	Number of Consolidated Shares to be allotted and issued full exercise of the subscription rights attached to the Warrants
22 September 2014	0.59	660,000,000	2.95	132,000,000

The above adjustments in relation to the Share Options and the Warrants have been reviewed and confirmed in writing by Goldin Financial Limited.

By order of the Board
Synertone Communication Corporation
Wong Chit On
Chairman and Executive Director

Hong Kong, 23 March 2016

As at the date of this announcement, the executive Directors are Mr. Wong Chit On and Mr. Han Weining; and the independent non-executive Directors are Mr. Lam Ying Hung Andy, Mr. Hu Yunlin and Mr. Wang Chen.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any such statement contained in this announcement misleading.