

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Synertone Communication Corporation (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or other transferee or to the bank manager, licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)**

**PROPOSED GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES;  
RE-ELECTION OF RETIRING DIRECTORS;  
AND  
NOTICE OF 2016 ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at 5/F., Block B, Teng Bang Building, 1st Qingshuihe Road, Luohu District, Shenzhen, China on Friday, 30 September 2016 at 2:00 p.m. (the “2016 AGM”) (or any adjournment thereof), is set out on pages 12 to 16 of this circular. A form of proxy for use at the 2016 AGM is enclosed with this circular.

Whether or not you intend to attend the 2016 AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2016 AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the 2016 AGM or any adjournment thereof should you so desire and in such event, the instrument appointing a proxy shall be deemed to be revoked.

31 August 2016

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## DEFINITIONS

*In this circular, the following expressions have the following meanings unless the context requires otherwise:*

“2016 AGM or 2016 Annual General Meeting”	the annual general meeting of the Company to be held at 5/F., Block B, Teng Bang Building, 1st Qingshuihe Road, Luohu District, Shenzhen, China on Friday, 30 September 2016 at 2:00 p.m., notice of which is set out on pages 12 to 16 of this circular
“Articles of Association” or “Articles”	the articles of association of the Company, as amended from time to time
“Board”	board of Directors
“Company”	Synertone Communication Corporation, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the number of issued Shares as at the date of passing the relevant resolution as set out in resolution numbered 5(B) in the notice convening the 2016 Annual General Meeting
“Latest Practicable Date”	26 August 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase the fully paid-up Shares of up to 10% of the number of issued Shares as at the date of passing the relevant resolution as set out in resolution numbered 5(A) in the notice convening the 2016 Annual General Meeting

## DEFINITIONS

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 22 March 2012
“Share Registrar”	Tricor Investor Services Limited, being the branch share registrar and transfer office of the Company in Hong Kong at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Shareholder(s)”	at any time means the holder(s) of Shares at that time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



**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)**

*Directors:*

Mr. Wong Chit On (*Chairman*)  
Mr. Han Weining (*Chief Executive Officer*)  
Mr. Lam Ying Hung Andy\*  
Mr. Hu Yunlin\*  
Mr. Wang Chen\*

(\* *Independent non-executive Directors*)

*Registered Office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Principal Place of*

*Business in Hong Kong:*  
Room 1012, 10/F  
Tsim Sha Tsui Centre  
66 Mody Road  
Kowloon  
Hong Kong

31 August 2016

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES;  
AND  
RE-ELECTION OF RETIRING DIRECTORS**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding certain resolutions to be proposed at the 2016 AGM to seek approval of the Shareholders, including but not limited to (a) the proposed grant of general mandates to the Directors for the issue and repurchase of Shares; and (b) re-election of retiring Directors.

## LETTER FROM THE BOARD

### GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the 2016 AGM, the Directors propose to seek the approval of the Shareholders to grant to the Directors the Issue Mandate and the Repurchase Mandate.

#### **Issue Mandate**

An ordinary resolution will be proposed at the 2016 AGM to grant a general and unconditional mandate to the Directors to allot, issue and otherwise deal with Shares up to a maximum of 20% of the number of issued Shares as at the date of granting the Issue Mandate. In addition, a separate ordinary resolution will further be proposed to approve the addition to the Issue Mandate so granted to the Directors an amount representing the aggregate number of the Shares repurchased by the Company pursuant to the Repurchase Mandate. The Issue Mandate (if granted) shall continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in the relevant resolution in the notice of the 2016 AGM. The Board would like to state that it has no present intention to issue any new Shares pursuant to the Issue Mandate.

#### **Repurchase Mandate**

An ordinary resolution will be proposed at the 2016 AGM to grant a general and unconditional mandate to the Directors to repurchase the fully paid-up Shares on the Stock Exchange, provided that the total number of Shares to be purchased shall not exceed 10% of the number of issued Shares at the date of granting the Repurchase Mandate. The Repurchase Mandate (if granted) shall continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in the relevant resolution in the notice of the 2016 AGM. The Board would like to state that it has no present intention to repurchase any Shares pursuant to the Repurchase Mandate.

An explanatory statement to provide relevant information in respect of the Repurchase Mandate is set out in Appendix I to this circular.

As at the Latest Practicable Date, the aggregate number of Shares in issue was 3,348,800,000. Accordingly, subject to the passing of the resolutions for the approval of the Issue Mandate and Repurchase Mandate and assuming no repurchase or issue of Shares prior to the 2016 AGM, the exercise of the Repurchase Mandate in full would enable the Company to repurchase up to 334,880,000 Shares and the exercise of the Issue Mandate in full would enable the Company to allot, issue and deal with up to 669,760,000 Shares.

## LETTER FROM THE BOARD

### RE-ELECTION OF RETIRING DIRECTORS

According to Article 84 of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. A retiring Director shall be eligible for re-election. In accordance with the said Article 84, Mr. Wong Chit On (“**Mr. Wong**”) and Mr. Lam Ying Hung Andy (“**Mr. Lam**”) shall retire from office by rotation at the 2016 AGM. All the retiring Directors, being eligible, will respectively offer themselves for re-election at the 2016 AGM.

An ordinary resolution will be proposed at the 2016 AGM to re-elect Mr. Wong and Mr. Lam as Director respectively.

Mr. Lam, independent non-executive Director appointed on 28 February 2011, has met the independence guidelines set out in Rule 3.13 of the Listing Rules and is not involved in the daily management and operation of the Company nor is he in any relationships or circumstance which would interfere with the exercise of his independent judgment. Moreover, Mr. Lam has demonstrated his ability to provide an independent view to the Company’s matters during his tenure of office. After re-election, Mr. Lam will be subject to the provisions of the Articles of Association regarding retirement and as the case may be, re-election at future annual general meeting of the Company. Hence, the Board is of the opinion that Mr. Lam remains independent and thus recommends him for re-election at the 2016 AGM.

Particulars of each of Mr. Wong and Mr. Lam required to be disclosed pursuant to Rule 13.74 of the Listing Rules are set out in Appendix II to this circular.

### 2016 AGM AND PROXY PROCEDURE

A notice convening the 2016 AGM for the purpose of considering and, if thought fit, passing, among other proposed resolutions, the abovementioned ordinary resolutions is set out on pages 12 to 16 of this circular. A form of proxy is enclosed for your use at the 2016 AGM. Shareholders are requested to complete and return the form of proxy to the Share Registrar as soon as possible, but in any event not later than 48 hours before the time appointed for the time of the 2016 AGM or any adjournment thereof. The lodging of a form of proxy will not preclude you from attending the 2016 AGM and voting in person should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all the resolutions set out in the notice of the 2016 AGM will be voted by poll. After the conclusion of the 2016 AGM the results of the Poll will be published on the websites of the Stock Exchange and the Company.

## LETTER FROM THE BOARD

### RECOMMENDATIONS

The Directors believe that the proposed grant of the Issue Mandate (including the extended Issue Mandate) and the Repurchase Mandate and the proposed re-election of the retiring Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that you vote in favour of the resolutions to be proposed at the 2016 AGM.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### MISCELLANEOUS

In case of any inconsistency between the English version and the Chinese translation of this Circular, the English version shall prevail.

Yours faithfully,  
For and on behalf of the Board of  
**Synertone Communication Corporation**  
**WONG CHIT ON**  
*Chairman and Executive Director*



*This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide all the information in relation to the Repurchase Mandate for your consideration.*

## **1. LISTING RULES RELATING TO THE REPURCHASES OF SHARES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions. All proposed repurchases of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of its shareholders, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up. A maximum of 10% of the number of issued Shares as at the date of passing the relevant resolution may be repurchased on the Stock Exchange.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 3,348,800,000 Shares. Subject to the passing of the proposed resolution granting the Repurchase Mandate and assuming that no further Shares will be issued or repurchased by the Company prior to the 2016 AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 334,880,000 Shares, representing 10% of the number of issued Shares as at the date of passing of the relevant resolution.

## **3. REASONS FOR REPURCHASES**

Whilst the Directors do not presently intend to repurchase any Shares immediately, they believe that the flexibility afforded by the Repurchase Mandate would be beneficial to the Company and the Shareholders as a whole.

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per share and/or its earnings per Share.

## **4. FUNDING OF REPURCHASES**

Repurchases pursuant to the Repurchase Mandate would be financed entirely from the Company's available cash flow or working capital facilities. Any repurchases will be made out of funds of the Company legally permitted to be utilised in this connection in accordance with the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands.

## **5. IMPACT OF REPURCHASES**

Based on the audited consolidated financial statements for the year ended 31 March 2016, there might be a material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the

circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

## **6. DISCLOSURE OF INTERESTS**

None of the Directors, and to the best of their knowledge, having made all reasonable enquiries, none of their close associates (as defined in the Listing Rules), have any present intention, if the Repurchase Mandate is approved by the shareholders and subsequently exercised, to sell any Shares to the Company or its subsidiaries.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company, nor has undertaken not to do so, if the Repurchase Mandate is approved by the shareholders and subsequently exercised.

## **7. DIRECTORS' UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

## **8. SHARE REPURCHASE MADE BY THE COMPANY**

As at the Latest Practicable Date, no repurchases of Shares have been made by the Company during the last six months (whether on the Stock Exchange or otherwise).

## **9. TAKEOVERS CODE CONSEQUENCES**

If as a result of a repurchase of Shares by the Company, Shareholders' proportionate interest in the voting rights of the Company increases, such increases will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of its or their shareholding, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Wong Chit On, the chairman of the Company and an executive Director, is beneficially interested in 1,194,710,296 Shares held under Excel Time Investments Limited, a company controlled by him, representing approximately 35.68% of the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares which are proposed to be granted pursuant to the Repurchase Mandate, the interest of Mr. Wong in the Company would increase to approximately 39.64%. As a result, Mr. Wong, together with the parties acting in concert, may be required to make a mandatory offer under Rule 26 of the Takeovers Code. The Company has no present intention to repurchase Shares to such extent that an obligation to make a general offer under the Takeovers Code will be triggered.

The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in the amount of Shares held by the public to fall below 25% of the total issued share capital of the Company.

## 10. MARKET PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

Month	Trading price per Share	
	Highest HK\$	Lowest HK\$
August 2015	0.914*	0.540*
September 2015	0.689*	0.485*
October 2015	0.696*	0.563*
November 2015	0.592*	0.478*
December 2015	0.515*	0.411*
January 2016	0.444*	0.270*
February 2016	0.300*	0.148*
March 2016	0.289*	0.183*
April 2016	0.201	0.143
May 2016	0.260	0.150
June 2016	0.195	0.162
July 2016	suspended	suspended
August 2016 (up to and including the Latest Practicable Date)	0.170	0.135

\* As regards share prices on or before 23 March 2016, the quoted prices were adjusted as a result of the share consolidation as described in the circular of the Company dated 7 March 2016 and the announcement of the Company dated 23 March 2016. As regards share prices on or before 29 March 2016, the quoted prices were also adjusted as a result of the rights issue of the Company as described in the prospectus of the Company dated 7 April 2016 and the announcement of the Company dated 28 April 2016.

## 11. EXTENSION OF ISSUE MANDATE

A resolution will also be proposed at the 2016 AGM authorising the Directors to increase the maximum number of new Shares which may be issued under the Issue Mandate for the issuance and allotment of additional Shares by adding to it the total number of Shares repurchased pursuant to the Repurchase Mandate.

The following are the biographical details of the two Directors proposed to be re-elected at the 2016 AGM. Save for the information set out below, there is no information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules (particularly in relation to sub-paragraphs (h) to (v) therein) nor are there other matters that need to be brought to the attention of the Shareholders in respect of the following Directors who stand for re-election at the 2016 AGM.

### EXECUTIVE DIRECTOR

Mr. Wong Chit On (王浙安) (formerly known as Wang Gang Jun (王鋼軍)) (“**Mr. Wong**”), aged 57, is the founder of the Group and was appointed as a Director in October 2006 and is currently an executive Director and the chairman of the Group. Until June 2015, he also served as Chief Executive Officer of the Company. He is also a director of certain subsidiaries of the Company. As Chairman, Mr. Wong is primarily responsible for formulating the overall corporate strategy of the Group and the management of the Board. Mr. Wong founded the Group in 2001 and has over 15 years of experience in the specialised communication industry. He was an executive director and the chairman of China Fortune Investments (Holding) Limited (中國幸福投資(控股)有限公司) (formerly known as China Public Healthcare (Holding) Limited (中國公共醫療(控股)有限公司), Global Resources Development (Holding) Limited (大地資源發展(控股)有限公司) and Neolink Cyber Technology (Holding) Limited (優能數碼科技(控股)有限公司\*)) (Stock Code: 8116), whose shares are listed on the Growth Enterprise Market of the Stock Exchange, from 1999 to 2001.

In 2004, Mr. Wong was appointed as an adjunct professor of Harbin Institute of Technology Shenzhen Graduate School (哈爾濱工業大學深圳研究生院). From 2005 to 2009, Mr. Wong served as a committee member of electronics and communications specialist working committee of Shenzhen City Specialist Working Association (深圳市專家工作聯合會). In 2009, Mr. Wong was recognized as one of the “2009 Outstanding and Innovation Entrepreneur in China” (2009中國優秀創新企業家). Mr. Wong was nominated as the standing supervisor of the China Users Association for Communications Broadcasting & Television in December 2010. Save as disclosed herein, Mr. Wong did not hold any directorship in any other listed companies in the past three years and does not hold any other position with the Group.

Mr. Wong is beneficially interested in 1,194,710,296 Shares held under Excel Time Investments Limited, a company controlled by him, representing approximately 35.68% of the total issued share capital of the Company as at the Latest Practicable Date and is interested in 1,456,604 share options granted under the Share Option Scheme, which carrying right to subscribe for 1,456,604 Shares at the adjusted exercise price of HK\$2.06 per Share during the exercise period from 24 December 2015 to 23 December 2018 under the Share Option Scheme. Save as disclosed herein, as at the Latest Practicable Date, Mr. Wong was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO and does not have any relationships with any Directors, senior management, substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

Mr. Wong has entered into a service contract with the Company as chairman and executive Director for a term of three years commencing from 18 April 2012, which shall continue thereafter until terminated by either party giving to the other party not less than three

\* for identification purpose only

months prior written notice. Mr. Wong is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to the aforesaid service agreement, the current annual salary (inclusive of Director's fee) payable to Mr. Wong is HK\$3,700,000 per year and discretionary bonus as may be determined by the Board. The remuneration package of Mr. Wong is determined with reference to his duties and responsibilities within the Group and the remuneration policy of the Company.

#### INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Lam Ying Hung Andy (林英鴻) (“**Mr. Lam**”), aged 51, was appointed as an independent non-executive Director in February 2011. He is the chairman of the audit committee of the Company and a member of each of the nomination committee and the remuneration committee of the Company. Mr. Lam has over 26 years of experience in logistics, accounting, banking and finance industry. Mr. Lam is a fellow of the Association of Chartered Certified Accountants (United Kingdom), a member of the Hong Kong Institute of Company Secretaries, the Institute of Chartered Secretaries and Administrators (United Kingdom) and the Chartered Institute of Bankers. Mr. Lam obtained his postgraduate diploma in corporate administration, master degree of professional accounting and master degree in E-commerce for executives from the Hong Kong Polytechnic University in 1997, 1999 and 2004 respectively. Mr. Lam is currently the managing consultant of Lontreprise Consulting Limited, and had been the finance director and administrative accountant in two logistics companies. Mr. Lam is currently an independent non-executive director of each of Xingfa Aluminium Holdings Limited (Stock Code: 0098) and Brilliant Circle Holdings International Limited (Stock Code: 1008), the shares of which are listed on the Main Board of the Stock Exchange. Mr. Lam was also an independent non-executive director of Gamma Logistics Corporation (now known as Dafeng Port Heshun Technology Company Limited) (Stock Code: 8310), the shares of which are listed on the Growth Enterprise Market of the Stock Exchange, from 22 August 2013 to 12 June 2014. Save as disclosed herein, Mr. Lam did not hold any directorship in any other listed companies in the past three years and does not hold any other position with the Group.

Mr. Lam is interested in 1,456,604 share options granted under the Share Option Scheme, which carrying right to subscribe for 1,456,604 Shares at the adjusted exercise price of HK\$2.06 per Share during the exercise period from 24 December 2015 to 23 December 2018 under the Share Option Scheme. Save as disclosed herein, as at the Latest Practicable Date, Mr. Lam was not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO and does not have any relationships with any Directors, senior management, substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

Mr. Lam has entered into a letter of appointment with the Company as an independent non-executive Director for a term of three years commencing from 22 March 2015, which shall continue thereafter until terminated by either party giving to the other party not less than three months prior written notice. Mr. Lam is subject to retirement by rotation and re-election in accordance with the Articles of Association. He is entitled to a director's remuneration of HK\$100,000 per annum, which is based on the Company's remuneration policy adopted for independent non-executive Directors.



**SYNERTONE**  
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**SYNERTONE COMMUNICATION CORPORATION**  
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**NOTICE IS HEREBY GIVEN** that an annual general meeting of Synertone Communication Corporation (the “**Company**”) will be held at 5/F., Block B, Teng Bang Building, 1st Qingshuihe Road, Luohu District, Shenzhen, China on Friday, 30 September 2016 at 2:00 p.m. to transact the following businesses as ordinary resolutions:

1. To receive and approve the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and the auditor (the “**Auditor**”) of the Company for the year ended 31 March 2016;
2. To re-appoint CCIF CPA Limited as the Auditor and to authorise the board of Directors to fix the remuneration of the Auditor;
3. (a) To re-elect Mr. Wong Chit On as Director;  
(b) To re-elect Mr. Lam Ying Hung Andy as Director;
4. To authorise the board of Directors to fix the remuneration of the Directors;
5. To, as special business, consider and, if thought fit, pass the following resolutions, with or without modifications, as ordinary resolutions:
  - A. “**THAT:**
    - (a) subject to paragraph (b) below in this resolution numbered 5A, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase the shares of the Company on The Stock Exchange of Hong Kong Limited or any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited for such purpose, in accordance with all the applicable laws and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the rules and regulations of the Securities and Futures Commission be and is hereby generally and unconditionally approved;
    - (b) the aggregate number of shares of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) above in this resolution numbered 5A shall not exceed 10 per cent of the number of

## NOTICE OF 2016 ANNUAL GENERAL MEETING

issued shares of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) above shall be limited accordingly;

- (c) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of shares of the Company subject to the limit set out in paragraph (b) above shall be adjusted to the effect that the number of shares of the Company subject to the limit set out in paragraph (b) above as a percentage of the total number of issued shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same; and
- (d) for the purpose of this resolution “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the Cayman Islands or the articles of association of the Company to be held; or
  - (iii) the revocation or variation of the authority given under this resolution by ordinary resolution by the shareholders of the Company of the Cayman Islands in general meeting.”

### B. “**THAT**:

- (a) subject to paragraph (c) below in this resolution numbered 5B, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company, and to make or grant offers, agreements, options and other rights, or issue warrants and other securities including bonds, debentures and notes convertible into shares of the Company which might require the exercise of such power, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above in this resolution numbered 5B shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options and other rights, or issue warrants and other securities including bonds, debentures and notes convertible into shares of the Company which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), (ii) the exercise of any option granted under any option scheme

## NOTICE OF 2016 ANNUAL GENERAL MEETING

or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries and/or other persons of options to subscribe for, or rights to acquire, shares of the Company, (iii) any scrip dividend scheme or similar arrangement providing for allotment of shares of the Company in lieu of the whole or part of any dividend on shares of the Company in accordance with the articles of association of the Company; (iv) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company, or any other securities which are convertible into shares of the Company, or (v) other similar arrangement pursuant to any specific authority granted by the shareholders of the Company in general meeting, shall not exceed 20 per cent of the number of issued shares of the Company as at the date of the passing of this resolution, and the authority pursuant to paragraph (a) above in this resolution numbered 5B shall be limited accordingly;

- (d) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of shares of the Company subject to the limit set out in paragraph (c) above shall be adjusted to the effect that the number of shares of the Company subject to the limit set out in paragraph (c) above as a percentage of the total number of issued shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same; and
- (e) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the Cayman Islands or the articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting; and

“**Rights Issue**” means an offer of shares of the Company or its other securities open for a period fixed by the Directors to the shareholders of the Company whose name appear on the register of members on a fixed record date in proportion to their then shareholdings in the Company (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws or the requirements



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of any recognised regulatory body or any stock exchange in any territory outside Hong Kong or the expense and delay that may be incurred in the determination of any such restrictions or obligations).”

6. To, as special business, consider and, if thought fit, pass the following resolution, with or without modification, as ordinary resolution:

“**THAT**, conditional upon the passing of resolutions numbered 5A and 5B above, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional shares of the Company pursuant to resolution numbered 5B referred to above be and is hereby extended by adding thereto an amount representing the aggregate number of shares of the Company purchased by the Company pursuant to resolution numbered 5A referred to above (provided that such amount shall not exceed 10 per cent of the number of issued shares of the Company as at the date of the passing of this resolution).”

By order of the Board  
**Synertone Communication Corporation**  
**Tse Kam Fai**  
*Company Secretary*

Hong Kong, 31 August 2016

*Notes:*

- (1) A member entitled to attend and vote at the above meeting is entitled to appoint one or if he is a holder of more than one share of the Company, one or more proxies to attend and vote in his stead in accordance with the articles of association of the Company. A proxy need not be a member of the Company, but must be present to represent the member.
- (2) In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power of attorney or other authority, must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof. Delivery of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting convened or any adjournment thereof.
- (3) Concerning the resolution set out in resolution numbered 3 of above notice, Mr. Wong Chit On and Mr. Lam Ying Hung Andy shall retire from the office of directorship and shall offer themselves for re-election in accordance with the articles of association of the Company. Details of the retiring Directors which are required to be disclosed under the Listing Rules is set out in the Appendix II to the circular of which this notice of annual general meeting forms part.
- (4) Concerning the resolutions set out in resolution numbered 5B and in resolution numbered 6 of the above notice, the approval is being sought from members as a general mandate in compliance with the Listing Rules. The Directors have no immediate plans to issue any new shares of the Company.
- (5) Concerning the resolutions set out in resolution numbered 5A of the above notice, the Directors would like to state that they will exercise the powers conferred thereby to purchase shares of the Company in circumstances which they deem appropriate for the benefit of the Company and its shareholders as a whole. An explanatory statement containing the information necessary to enable the shareholders of the Company to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in the Appendix I to the circular of which this notice of the annual general meeting forms part.

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- (6) Pursuant to Rule 13.39(4) of the Listing Rules, at any general meeting a resolution put to the vote of the meeting shall be decided by poll.
- (7) Where there are joint holders of shares of the Company, any one of such persons may vote at the above meeting (or any adjournment thereof), either personally or by proxy, in respect of such share as if he is solely entitled thereto; but if more than one of such joint holders present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such share will alone be entitled to vote in respect thereof.
- (8) As at the date of this notice, the board of Directors consists of five Directors, namely Mr. Wong Chit On and Mr. Han Weining as executive Directors; and Mr. Lam Ying Hung Andy, Mr. Hu Yunlin and Mr. Wang Chen as independent non-executive Directors.