
UNDERWRITING

HONG KONG UNDERWRITERS

BNP Paribas Capital (Asia Pacific) Limited
BOCI Asia Limited
China Everbright Securities (HK) Limited

THE HONG KONG PUBLIC OFFERING

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company is initially offering 45,000,000 Hong Kong Public Offer Shares for subscription under the Hong Kong Public Offering on the terms and subject to the conditions set out in this prospectus and the Application Forms.

Subject to (i) the Listing Committee granting listing of, and permission to deal in, the existing issued Shares, the Shares to be issued pursuant to the Capitalization Issue and the Global Offering and the Shares to be issued upon the exercise of any options which may be granted pursuant to the Share Option Scheme; and (ii) certain other conditions set out in the Hong Kong Underwriting Agreement (including, among others, the Joint Bookrunners (on behalf of the Underwriters) and us agreeing on the Offer Price), the Hong Kong Underwriters have severally but not jointly agreed to subscribe or procure subscribers for their respective applicable proportions (set out in the Hong Kong Underwriting Agreement) of the Hong Kong Public Offer Shares now being offered and which are not taken up under the Hong Kong Public Offering, on the terms and subject to the conditions set out in this prospectus, the Application Forms and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional upon and subject to the International Underwriting Agreement becoming, and continuing to be, unconditional in accordance with its terms (other than any condition for the Hong Kong Underwriting Agreement to become unconditional) and not having been terminated in accordance with its terms or otherwise.

Grounds for termination of the Hong Kong Underwriting Agreement

The Joint Bookrunners, at their sole and absolute discretion, may, for themselves and on behalf of the Hong Kong Underwriters, upon giving notice in writing to our Company, terminate the Hong Kong Underwriting Agreement with immediate effect if any of the following events occurs at or prior to 8:00 a.m. on the Listing Date:

- (a) there has come to the notice of the Joint Bookrunners:
 - (i) that any statement contained in any of this prospectus, the Application Forms, the formal notice and any announcement(s) or amendment(s) issued by or on

UNDERWRITING

behalf of our Company in connection with the Hong Kong Public Offering considered by the Joint Bookrunners (for themselves and on behalf of the other Hong Kong Underwriters) in their sole and absolute opinion to be material in the context of the Global Offering, was, when it was issued, or has become, untrue, inaccurate or incorrect in any material respect or misleading in any respect or that any forecast, expression of opinion, intention or expectation expressed in any of the aforesaid documents is not, in the sole and absolute opinion of the Joint Bookrunners, in all respects, fair and honest and based on reasonable assumptions, when taken as a whole; or

- (ii) that any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute an omission therefrom considered by the Joint Bookrunners (for themselves and on behalf of the other Hong Kong Underwriters) in their sole and absolute opinion to be material in the context of the Global Offering; or
- (iii) any breach, considered by the Joint Bookrunners (for themselves and on behalf of the other Hong Kong Underwriters) in their sole and absolute opinion to be material in the context of the Global Offering, of any of the obligations imposed upon any party (other than the Sole Global Coordinator, the Joint Bookrunners or any Hong Kong Underwriters) to the Hong Kong Underwriting Agreement or the International Underwriting Agreement (other than on the part of any of the Underwriters); or
- (iv) any event, act or omission which gives or is likely to give rise to any liability of any of the Company and the Warranting Shareholders under the Hong Kong Underwriting Agreement considered by the Joint Bookrunners in their sole and absolute opinion (for itself and on behalf of the other Hong Kong Underwriters) to be material in the context of the Global Offering; or
- (v) any change or development involving a prospective change in the conditions, assets, liabilities, business affairs, prospects, profits, losses or the financial or trading position or performance of any member of our Group considered by the Joint Bookrunners (for themselves and on behalf of the other Hong Kong Underwriters) in their sole and absolute opinion to be material in the context of the Global Offering; or
- (vi) any breach of, or any event rendering untrue, inaccurate or incorrect in any material respect or misleading in any respect, any of the Warranties considered by the Joint Bookrunners (for themselves and on behalf of the other Hong Kong Underwriters) in their sole and absolute opinion to be material in the context of the Global Offering; or

UNDERWRITING

- (vii) the approval by the Listing Committee of the listing of, and permission to deal in, the Shares is refused or not granted, other than subject to customary conditions, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or
 - (viii) our Company withdraws any of, among other things, this prospectus, the Application Forms, the offering circular for the International Offering (and any other documents used in connection with the contemplated subscription and sale of the Offer Shares) or the Global Offering; or
 - (ix) any person (other than the Sole Global Coordinator, the Joint Bookrunners and any of the Hong Kong Underwriters) has withdrawn or sought to withdraw its consent to being named in any of, among other things, this prospectus, the Application Forms and the offering circular for the International Offering or to the issue of any of such documents; or
- (b) there shall develop, occur, exist or come into effect:
- (i) any event, or series of events, in the nature of force majeure beyond the reasonable control of the Underwriters (including, without limitation, acts of government or orders of any courts, strikes, calamity, crisis, lock-outs, fire, explosion, flooding, earthquake, nuclear leakage, civil commotion, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God, acts of terrorism, declaration of a national or international emergency, riot, public disorder, economic sanctions, outbreaks of diseases or epidemics (including, without limitation, Severe Acute Respiratory Syndrome, Avian influenza (H5N1), swine flu (H1N1) or such related or mutated forms or interruption or delay in transportation) in or affecting any of Hong Kong, the PRC, the United States, the United Kingdom, Japan, the European Union (or any member thereof), the Cayman Islands, the British Virgin Islands or any other jurisdictions relevant to any member of our Group (together, the “**Specific Jurisdictions**”); or
 - (ii) any change or development involving a prospective change, or any event or series of events likely to result in any change or development involving a prospective change, in local, regional, national, international, financial, economic, political, military, industrial, fiscal, regulatory, currency or market conditions (including without limitation any moratorium, suspension or restriction on trading in securities generally on the Hong Kong Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the Tokyo Stock Exchange, the London Stock Exchange, the Shanghai Stock Exchange, or a material fluctuation in the exchange rate of the Hong Kong dollar against any foreign currency, or any interruption in monetary or trading or securities settlement or clearance services or procedures in or affecting Hong Kong or any of the Specific Jurisdictions); or

UNDERWRITING

- (iii) any new Law (as defined in the Hong Kong Underwriting Agreement) or change or development involving a prospective change in existing Laws 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 any of the Specific Jurisdictions; or
- (iv) any general moratorium on commercial banking activities in Hong Kong, New York, Japan, the European Union (or any member thereof) or the PRC or a material disruption in commercial banking or securities settlement or clearance services in any of the Specific Jurisdictions; or
- (v) the imposition of economic sanctions, in whatever form, directly or indirectly, on or against or affecting any of the Specific Jurisdictions; or
- (vi) a change or development occurs involving a prospective change in taxation or exchange control (or the implementation of any exchange control), currency exchange rates or foreign investment Laws in any of the Specific Jurisdictions or affecting an investment in the Shares; or
- (vii) any change or development involving a prospective change, or a materialisation of, any of the risks set out in the section headed “Risk Factors” in this prospectus; or
- (viii) any litigation or claim of any third party being threatened or instigated against any member of our Group or any Warranting Shareholders; or
- (ix) a Director being charged with an indictable offence or prohibited by operation of Law or otherwise disqualified from taking part in the management of a company; or
- (x) the chairman or chief executive officer or chief financial officer of our Company or any Director vacating his/her office; or
- (xi) the commencement by any governmental, regulatory or political body or organisation of any public action against a Director in his or her capacity as such or an announcement by any governmental, regulatory or political body or organisation that it intends to take any such action; or
- (xii) a contravention by any member of our Group of the Companies Ordinance or any of the Listing Rules or the applicable Laws; or
- (xiii) a governmental or regulatory or contractual or judicial prohibition on our Company for whatever reason from allotting the Offer Shares pursuant to the terms of the Global Offering; or

UNDERWRITING

- (xiv) non-compliance of this prospectus, the offering circular for the International Offering (or any other documents used in connection with the subscription and purchase of the Offer Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable Laws; or
- (xv) other than with the prior consent of the Joint Bookrunners, the issue or requirement to issue by our Company of a supplementary prospectus (or any other documents used in connection with the subscription or sale of the Offer Shares) pursuant to the Companies Ordinance or the Listing Rules; or
- (xvi) a valid demand by any creditor for repayment or payment of any indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or
- (xvii) any material loss or damage sustained by any member of our Group (howsoever caused and whether or not the subject of any insurance or claim against any person); or
- (xviii) a petition or an order is presented for the winding-up or liquidation of any member of our Group or any member of our Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of our Group or a provisional liquidator, receiver or manager is appointed to take over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurs in respect of any member of our Group,

which in each case or in aggregate in the sole and absolute opinion of the Joint Bookrunners (for themselves and on behalf of the Hong Kong Underwriters):

- (a) is or will or could be expected to have a material adverse effect on the general affairs, management, business, financial, trading or other condition or prospects or risks of our Company or any member of our Group taken as a whole; or
- (b) has or will have or could be expected to have a material adverse effect on the success of the Global Offering; or
- (c) makes it inadvisable, inexpedient or impracticable for the Global Offering to proceed; or
- (d) would have the effect of making any part of the Hong Kong Underwriting Agreement, the International Underwriting Agreement and the agreement to be entered into for the purpose of determining the Offer Price (including underwriting) or the Global Offering incapable of being performed or implemented as envisaged.

UNDERWRITING

Undertakings to the Hong Kong Stock Exchange under the Listing Rules

(A) Undertaking by us

Under Rule 10.08 of the Listing Rules, we have undertaken to the Hong Kong Stock Exchange that we will not issue any further Shares or securities convertible into our equity securities (whether or not of a class already listed) or enter into any agreement to such issue within six months from the Listing Date (whether or not such issue of Shares or our securities will be completed within six months from the commencement of dealing), except under the Global Offering or pursuant to the exercise of any options which may be granted pursuant to the Share Option Scheme or for the circumstances provided under Rule 10.08 of the Listing Rules.

(B) Undertaking by the Controlling Shareholders

In accordance with Rule 10.07(1)(a) of the Listing Rules, each of our Controlling Shareholders has undertaken to the Hong Kong Stock Exchange and our Company that, save as disclosed in this prospectus and except pursuant to the Global Offering (including pursuant to the Stock Borrowing Agreement) or the Over-allotment Option, it/he/she will not, and will procure that none of its/his/her controlled companies or associates will (a) at any time during the period commencing from the date of this prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interest or encumbrances in respect of, any of the Shares in respect of which it/he/she is shown by this prospectus to be the beneficial owners; and (b) at any time during the period of six months from the date on which the period referred to in paragraph (a) expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of its/his/her Shares referred to in paragraph (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it/he/she will, directly or indirectly or together with other Controlling Shareholders cease to be controlling shareholder of our Company.

Note (2) of Rule 10.07 of the Listing Rules provides that the rule does not prevent a controlling shareholder from using the shares beneficially owned by it as securities (including a charge or a pledge) 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. Each of our Controlling Shareholders has further undertaken to the Hong Kong Stock Exchange and our Company that it/he/she will, from the date of this prospectus and ending on the date which is 12 months from the Listing Date, immediately inform us of:

- (a) any pledges or charges of any securities of our Company beneficially owned by it/him/her in favor of any authorized institution as permitted under the Listing Rules, and the number of such securities so pledged or charged; and
- (b) any indication received by it/him/her, whether verbal or written, from any pledgee or chargee that any of the pledged/charged securities will be disposed of.

UNDERWRITING

We will also inform the Hong Kong Stock Exchange as soon as we have been informed of the above matters (if any) by any of our Controlling Shareholders and disclose such matters by way of an announcement as soon as possible after being so informed by any of our Controlling Shareholders.

Undertakings under the Hong Kong Underwriting Agreement

(A) *Undertaking by us*

Pursuant to the Hong Kong Underwriting Agreement, we have undertaken with each of the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that, and the Warranting Shareholders have undertaken to procure that, except pursuant to the Global Offering (including pursuant to the Over-allotment Option) and options which may be granted under a share option scheme or with the prior written consent of the Sole Global Coordinator (for itself and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

- (a) our Company will not, and will procure that our subsidiaries will not, allot or issue, or agree to allot or issue, Shares or other equity securities of our Company or grant or agree to grant any options, warrants, or other rights to subscribe for or convertible or exchangeable into Shares or other equity securities of our Company or repurchase Shares or other equity securities of our Company or enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequence of ownership of any Shares or other equity securities of the Company or offer to or agree to do any of the foregoing or announce any intention to do so from the date of the Hong Kong Underwriting Agreement up to the expiry of the six months immediately following the Listing Date (the “**First Six Months Period**”); and
- (b) our Company will ensure that if any of the transactions described in paragraph (a) are carried out during the period of six months immediately following the expiry of the First Six Months Period (the “**Second Six Months Period**”), we will take all reasonable steps to ensure that any such act will not create a disorderly or false market for any Shares or other securities of our Company.

(B) *Undertaking by the Warranting Shareholders*

Pursuant to the Hong Kong Underwriting Agreement, each of the Warranting Shareholders has jointly and severally undertaken to each of our Company, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that, except pursuant to the stock borrowing agreement to be entered into between the Sole Global Coordinator and Golden Wheel Realty:

- (a) during the First Six Months Period, it/he/she shall not, and shall procure that the relevant registered holder(s) and its/his/her associates and companies controlled by it/him/her and any nominee or trustee holding in trust for it/him/her shall not, without the prior written consent of the Sole Global Coordinator and unless in compliance

UNDERWRITING

with the requirements of the Listing Rules, (i) offer, pledge, charge, sell, contract to sell, sell any option 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, lend or otherwise transfer or dispose of, either directly or indirectly, any of the Shares or any securities convertible into or exercisable or exchangeable for, or that represent the right to receive any such Shares or such securities (together, the “**Relevant Securities**”); 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 the Relevant Securities, whether any of the foregoing transactions is to be settled by delivery of Shares or such other securities, in cash or otherwise; (iii) agree (conditionally or unconditionally) to enter into or effect any transaction with the same economic effect as any of the transactions referred to in paragraphs (i) or (ii) above; or (iv) announce any intention to enter into or effect any of the transactions referred to in paragraphs (i), (ii) or (iii) above;

- (b) it/he/she shall not, and shall procure that the relevant registered holder(s) and its/his/her associates or companies controlled by it/him/her and any nominee or trustee holding in trust for it/him shall not, during the Second Six Months Period, without the prior written consent of the Sole Global Coordinator and unless in compliance with the Listing Rules, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any Relevant Securities held by it/him/her or any of its/his/her associates or companies controlled by it/him/her or any nominee or trustee holding in trust for it/him/her if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it/he/she would, directly or indirectly, cease to be a controlling shareholder (as defined in the Listing Rules) of our Company or together with the other Controlling Shareholders cease to be a controlling shareholder (as defined in the Listing Rules) of our Company;
- (c) in the event of a disposal of any Relevant Securities or securities of our Company or any interest therein within the Second Six Months Period, it/he/she shall consult with the Sole Global Coordinator in advance and take all reasonable steps to ensure that such a disposal shall not create a disorderly or false market for any Shares or other securities of our Company; and
- (d) it/he/she shall, and shall procure that its/his/her associates and companies controlled by and nominees or trustees holding in trust for it/him/her shall, comply with all the restrictions and requirements under the Listing Rules on the sale, transfer or disposal by it/him/her or by the registered holder controlled by it/him/her of any Shares.

UNDERWRITING

Each of the Warranting Shareholders has further undertaken to each of our Company, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that, from the date of the Hong Kong Underwriting Agreement up to the expiry of the first 12 months from the Listing Date, it/he/she will:

- (a) when it/he/she pledges or charges any securities or interests in the Relevant Securities, immediately inform our Company and the Sole Global Coordinator in writing of such pledges or charges together with the number of securities and nature of interest so pledged or charged; and
- (b) when it/he/she receives indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged securities or interests in the securities of our Company will be sold, transferred or disposed of, immediately inform our Company and the Sole Global Coordinator in writing of such indications.

(C) Undertaking by the other Controlling Shareholders

Each of the Controlling Shareholders (other than the Warranting Shareholders) has also severally provided to each of our Company, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters the similar undertaking as those provided by the Warranting Shareholders as set out in (B) above.

(D) Indemnity by the Company and the Warranting Shareholders

Each of the Company and the Warranting Shareholders has agreed to indemnify the Hong Kong Underwriters for certain losses which they may suffer, including (among other things) losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by any of the Company and the Warranting Shareholders of the Hong Kong Underwriting Agreement.

Commission

The Hong Kong Underwriters will receive a commission of 3.2% of the aggregate Offer Price of all the Hong Kong Public Offer Shares less any unsubscribed Hong Kong Public Offer Shares reallocated to the International Offering and ignoring for this purpose any Hong Kong Public Offer Shares reallocated from the International Offering due to over-subscription, out of which the Hong Kong Underwriters will pay any sub-underwriting commission. The underwriting commission for such reallocated Shares in each case will be payable to the International Underwriters in accordance with the International Underwriting Agreement.

UNDERWRITING

THE INTERNATIONAL OFFERING

In connection with the International Offering, it is expected that our Company and our Warranting Shareholders will enter into the International Underwriting Agreement with the International Underwriters. Under the International Underwriting Agreement, it is expected that the International Underwriters would, subject to certain conditions, severally and not jointly, agree to subscribe for or purchase, or to procure subscribers to subscribe for or purchasers to purchase, their respective applicable proportions (set out in the International Underwriting Agreement) of the International Offer Shares being offered pursuant to the International Offering.

Under the International Underwriting Agreement, our Company is expected to grant to the Joint Bookrunners the Over-allotment Option, exercisable by the Sole Global Coordinator (on behalf of the Joint Bookrunners and after notification to the Joint Bookrunners) at any time from the Listing Date until 30 days from the last day for the lodging of applications under the Hong Kong Public Offering, to require our Company to allot and issue up to 67,500,000 additional Shares, representing 15% of the number of Offer Shares initially available under the Global Offering. These Shares will be sold at the Offer Price per Share (plus brokerage of 1%, SFC transaction levy of 0.003% and Hong Kong Stock Exchange trading fee of 0.005% of the Offer Price) and will be for the purpose of, among other things, covering over-allocations, if any, in the International Offering. An announcement will be made in the event that the Over-allotment Option is exercised.

It is expected that the International Underwriting Agreement will be conditional on and subject to, among other things, the Hong Kong Underwriting Agreement having been executed, becoming unconditional and not having been terminated.

TOTAL COMMISSIONS AND EXPENSES

Assuming an Offer Price of HK\$1.55 per Share (being the mid-point of the indicative Offer Price range stated in this prospectus), the aggregate commissions and fees, together with the Hong Kong Stock Exchange listing fee, SFC transaction levy and Hong Kong Stock Exchange trading fee, legal and other professional fees, printing and other expenses payable by the Company relating to the Global Offering, are estimated in aggregate to be approximately HK\$57.80 million in total (assuming the Over-allotment Option is not exercised) or HK\$62.20 million (assuming the Over-allotment Option is exercised in full).

UNDERWRITERS' INTERESTS IN OUR COMPANY

Save for their respective obligations under the Hong Kong Underwriting Agreement and the International Underwriting Agreement, none of the Underwriters has any shareholding interests in our Company or any of our subsidiaries or any right or options (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or any of our subsidiaries.

SPONSOR'S INDEPENDENCE

The Sole Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

UNDERWRITING

ACTIVITIES BY SYNDICATE MEMBERS

We describe below a variety of activities that underwriters of the Hong Kong Public Offering and the International Offering, together referred to as “**Syndicate Members**”, may each 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 Sole Global Coordinator and its affiliates as the Stabilizing Manager) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and
- (b) 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.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In relation to the Shares, those activities could include acting as agent for buyers and sellers of the Shares, entering into transactions with those buyers and sellers in a principal capacity, proprietary trading in the Shares and entering into over the counter or listed derivative transactions or listed and unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have 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 activities could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the Shares as their or part of their underlying assets, whether on the Hong Kong Stock Exchange or on any other stock exchange, the rules of the relevant 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 under the section headed “Structure of the Global Offering — Stabilization”. These activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares and the volatility of their share price, and the extent to which this occurs from day to day cannot be estimated.