
UNDERWRITING

UNDERWRITERS

Hong Kong Underwriters

The Hongkong and Shanghai Banking Corporation Limited
J.P. Morgan Securities (Asia Pacific) Limited
ABCI Securities Company Limited
UBS AG, Hong Kong Branch
Cinda International Securities Limited
Sun Hung Kai Investment Services Limited

International Underwriters

The Hongkong and Shanghai Banking Corporation Limited
J.P. Morgan Securities plc
ABCI Securities Company Limited
UBS AG, Hong Kong Branch
BOCOM International Securities Limited
China International Capital Corporation Hong Kong Securities Limited
Platinum Securities Company Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

The Hong Kong Underwriting Agreement was entered into on January 22, 2013. Pursuant to the Hong Kong Underwriting Agreement, we are offering the Hong Kong Offer Shares for subscription on the terms and subject to the conditions set out in this prospectus, the Application Forms and the Hong Kong Underwriting Agreement at the Offer Price. Subject to the Listing Committee granting approval for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering (including any additional Shares which may be issued pursuant to the exercise of the options which may be granted under the Share Option Scheme) on the Main Board of the Stock Exchange, and to certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally to subscribe or procure subscribers for their respective applicable proportions of the Hong Kong Offer Shares now being offered 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 on and subject to the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

The Joint Global Coordinators (on behalf of themselves and the Hong Kong Underwriters) may in their absolute discretion terminate the Hong Kong Underwriting Agreement with immediate effect by notice to our Company at any time at or prior to 8:00 a.m. on the Listing Date if:

- (a) there develops, occurs, exists or comes into force:
 - (i) any event or series of events resulting in or representing a calamity or crisis or a change or prospective change, in local, national, regional or international financial, political, military, industrial, economic, fiscal or market conditions or sentiments (including,

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without limitation, conditions and sentiments in stock and bond markets, money and foreign exchange markets and inter-bank markets) or currency exchange rate or controls in or affecting Hong Kong, the PRC, the United States, Japan, Singapore, Canada, the Cayman Islands, Australia, the British Virgin Islands, Macau or the European Union (or any member thereof) (collectively the “**Relevant Jurisdictions**”);

- (ii) any new law or regulation or any change in existing law or regulation, or any change in the interpretation or application thereof by any court or other competent authority in or affecting any of the Relevant Jurisdictions; or
- (iii) any event or series of events in the nature of force majeure (including, without limitation, acts of government, strikes, lock-outs, fire, explosion, flooding, civil commotion, acts of war, acts of God, epidemic outbreak of infectious disease (including without limitation SARS, H5N1 or H1N1 or swine or avian influenza or such related/mutated forms), accident or interruption or delay in transportation) in or affecting any of the Relevant Jurisdictions; or
- (iv) without limiting the foregoing, any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), or other state of emergency or calamity or crisis in or affecting any of the Relevant Jurisdictions; or
- (v) the imposition or declaration of (A) any suspension or limitation on trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the New York Stock Exchange or the London Stock Exchange or (B) any moratorium on banking activities or foreign exchange trading or securities settlement or clearing services in or affecting any of the Relevant Jurisdictions; or
- (vi) any tax law or other change or development involving a change or prospective change in taxation or exchange controls having an adverse effect, or prospective adverse effect, on the Hong Kong Public Offering and/or the Global Offering, our Company or the Shares (or the transfer of any Shares) or an investment in the Shares;
- (vii) the commencement by any body, authority or agency of the government of any relevant state or territory (including political subdivisions), and includes central, provincial, municipal and other local or regional governments (“**Governmental Authority**”) or other regulatory or political body or organization of any public action or investigation against a Director or an announcement by any Governmental Authority or regulatory or political body or organization that it intends to take any such action,

and which, in any such case and in the sole opinion of the Joint Global Coordinators (on behalf of themselves and the Hong Kong Underwriters):

- (A) is or will or may be materially adverse to, or materially and prejudicially affect, the business or financial or trading position or prospects of our Group as a whole; or
- (B) has or will or may have a material adverse effect on the success of the Global Offering and/or make it impracticable or inadvisable for any material part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering to be performed or implemented as envisaged; or
- (C) will or may make it impracticable, inadvisable or inexpedient to proceed with the Hong Kong Public Offering and/or the Global Offering or the delivery of Shares on the date (which shall be the Listing Date unless otherwise agreed between the Company and the

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Joint Global Coordinators) on which certain obligations conditional upon the Hong Kong Underwriting Agreement have been duly fulfilled (or waived in accordance with the Hong Kong Underwriting Agreement) and on which the Hong Kong Offer Shares are to be issued, delivered and paid for pursuant to the Hong Kong Underwriting Agreement;

- (D) has or will or is likely to have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or
- (b) any of the following shall have come to the notice of any of the Joint Global Coordinators, the Joint Bookrunners or the Hong Kong Underwriters after the date of the Hong Kong Underwriting Agreement:
 - (i) that any statement contained in any of the Web Proof Information Pack of our Company, this prospectus, the Application Forms, the preliminary offering circular, the pricing term sheet, the final offering circular in connection with the International Offering, and any other written or visual material (including any advertisements, brochures, marketing materials and presentations) used or issued by our Company in connection with the Global Offering or approved by our Company in writing for use in connection with the Global Offering was or has become untrue, incorrect or misleading in any material respect; or
 - (ii) that any estimates or forecasts contained in any of the Web Proof Information Pack of our Company, this prospectus, the Application Forms, the preliminary offering circular, the pricing term sheet, the final offering circular in connection with the International Offering, and any other written or visual material (including any advertisements, brochures, marketing materials and presentations) used or issued by our Company in connection with the Global Offering or approved by our Company in writing for use in connection with the Global Offering (including but not limited to the profit forecast for the six months ending March 31, 2013, the text of which is set forth in Appendix III to this prospectus) was or has become unfair or misleading in any material respect or based on untrue, dishonest or unreasonable assumptions or given in bad faith; or
 - (iii) any matter which would, if this prospectus, the Application Forms, the preliminary offering circular, the pricing term sheet, the final offering circular in connection with the International Offering, or any other written or visual material (including any advertisements, brochures, marketing materials and presentations) used or issued by our Company in connection with the Global Offering or approved by our Company in writing for use in connection with the Global Offering were issued at that time, constitute a material omission therefrom; or
 - (iv) it becomes necessary for our Company to issue a supplemental prospectus; or
 - (v) that any of the representations and warranties given by the Company, the Controlling Shareholders or the Selling Shareholder under the Hong Kong Underwriting Agreement is (or would if repeated at that time be) untrue or breached; or
 - (vi) any event, act or omission which gives rise or is likely to give rise to any material liability of our Company or any of the Controlling Shareholders or the Selling Shareholder pursuant to the indemnities under the Hong Kong Underwriting Agreement; or
 - (vii) any breach of any of the obligations of any party (other than the Joint Global Coordinators, Joint Bookrunners or the Hong Kong Underwriters) to the Hong Kong Underwriting Agreement or any other of the Hong Kong Underwriting Agreement, the

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International Underwriting Agreement, the receiving banks agreement, the registrar's agreement, the principal registrar's agreement, the Deed of Non-competition, the pricing agreement, the Stock Borrowing Agreement, the deed of indemnity, or any relevant one or more of them as the context requires; or

- (viii) any adverse change, or any development involving a prospective adverse change, in the condition (financial or otherwise) or in the earnings, business, operations or trading position or prospects of our Group, or any change in capital stock or long-term debt of our Company or any other member of our Group, or any loss or interference with the assets, operations or business of our Company or any other member of our Group, which (in any such case) is not set forth or contemplated in this prospectus and the effect of which is, in the sole opinion of the Joint Global Coordinators, so material and adverse as to make it impracticable or inadvisable to proceed with the Hong Kong Public Offering and/or the Global Offering; or
- (ix) that the profit forecast of our Company for the six months ending March 31, 2013 or any forecast which appears in any of this prospectus, the Application Forms, the preliminary offering circular, the pricing term sheet, the final offering circular in connection with the International Offering, and any other written or visual material (including any advertisements, brochures, marketing materials and presentations) used or issued by our Company in connection with the Global Offering or approved by our Company in writing for use in connection with the Global Offering is or becomes incapable of being met or, in the opinion of the Joint Global Coordinators, unlikely to be met; or
- (x) that (A) any Director or chief financial officer of our Company named in this prospectus seeks to retire, or is removed from office, (B) any certificate given by our Company and the Selling Shareholder or any of its respective officers to any of the Joint Global Coordinators or Joint Bookrunners under or in connection with the Hong Kong Underwriting or the Global Offering is false or misleading in any material respect or (C) any Director or any member of senior management as named in this prospectus is prosecuted for a criminal offence involving fraud or dishonesty or an offence punishable by imprisonment;
- (xi) any litigation or claim of a material nature being threatened or instigated against any member of our Group; or
- (xii) an order or petition 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 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; or
- (xiii) the Company withdraws this prospectus (and/or any other documents used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or
- (xiv) any non-compliance of this prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable law; or
- (xv) any prohibition on the Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares pursuant to the terms of the Global Offering.

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Undertakings to the Stock Exchange Pursuant to the Listing Rules

(A) Undertakings by Our Company

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

(B) Undertakings by the Controlling Shareholders

Pursuant to Rule 10.07 of the Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange and to our Company that, except pursuant to any lending of Shares by Easy Star pursuant to the Stock Borrowing Agreement or any selling of Shares by Easy Star pursuant to the Over-allotment Option, he or it will not and will procure that the relevant registered holder(s) will not:

- (a) in the period commencing on the date by reference to which disclosure of his or its shareholding in our Company is made in this prospectus and ending on the date which is six months from the date on which dealings in the Shares commence on the Stock Exchange, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which he or it is shown by this prospectus to be the beneficial owner; and
- (b) in the period of six months commencing on the date on which the period referred to in paragraph (a) above 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 the Shares if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he or it would cease to be a controlling shareholder of our Company.

Pursuant to Note 3 to Rule 10.07(2) of the Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange and to our Company that, within the period commencing on the date by reference to which disclosure of his or its shareholding in our Company is made in this prospectus and ending on the date which is 12 months from the date on which dealings in the Shares commence on the Stock Exchange, he or it will:

- (i) when he or it pledges or charges any Shares beneficially owned by him or it in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform our Company of such pledge or charge together with the number of Shares so pledged or charged; and
- (ii) when he or it receives indications, either verbal or written, from the pledgee or chargee of any Shares that any of the pledged or charged Shares will be disposed of, immediately inform our Company of such indications.

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Undertakings Pursuant to the Hong Kong Underwriting Agreement

(A) Undertakings by Our Company

Our Company has undertaken to the Joint Global Coordinators, the Joint Bookrunners and the Hong Kong Underwriters that, and the Controlling Parties undertake to procure that, except:

- (a) pursuant to the Global Offering (including the Over-allotment Option); or
- (b) pursuant to the Share Option Scheme; or
- (c) with the prior written consent of the Joint Global Coordinators on behalf of themselves and the Hong Kong Underwriters;

and unless in compliance with the Listing Rules, neither our Company nor any of its subsidiaries shall, during a period of six months from the Listing Date and whether conditionally or unconditionally (i) allot, issue, offer, sell, contract to sell, hedge, grant any option or right to subscribe for or purchase or create any interests or encumbrance in respect of, transfer or otherwise dispose of, directly or indirectly, any Shares or any securities exchangeable or convertible into Shares or which carry rights to subscribe for or purchase Shares, or (ii) deposit Shares with a depositary in connection with the issue of depositary receipts, or (iii) enter into a transaction (including, without limitation, a swap or other derivative transaction) that transfers, in whole or in part, any of the economic consequences of ownership of any Shares or has an effect on the market in the Shares similar to that of a sale or (iv) offer or agree or announce any intention to do any of the foregoing.

(B) Undertakings by the Controlling Shareholders

Each of the Controlling Shareholders has undertaken to each of the Joint Global Coordinators, the Joint Bookrunners and the Hong Kong Underwriters and our Company to comply with all restrictions applicable to it from time to time under the Listing Rules on the disposal by it of any Shares of our Company in respect of which it is (directly or indirectly), or is shown in this prospectus to be, the beneficial owner (in either case, immediately following completion of the Global Offering, and unless waived by the Stock Exchange). The relevant provisions of the Listing Rules to which the Hong Kong Underwriting Agreement applies are those of Rule 10.07 of the Listing Rules (as current at the date of the Hong Kong Underwriting Agreement) or any provision covering similar matters subsequently amending or replacing that Listing Rule.

Without in any way limiting or affecting the Hong Kong Underwriting Agreement, each of the Controlling Shareholders represents, warrants and undertakes to each of the Joint Global Coordinators, the Joint Bookrunners and the Hong Kong Underwriters and our Company that:

- (a) all interests of any of the Controlling Shareholders in Shares or other securities of our Company are fully and accurately disclosed in this prospectus, and such interests are and will be unchanged on and as of the Listing Date;
- (b) it has no present intention of disposing of any Share which may be beneficially owned or controlled by it on completion of the Global Offering, or any interest therein; and
- (c) within the period of six months from the Listing Date, without the prior written consent of the Joint Global Coordinators (on behalf of themselves and the Hong Kong Underwriters), it shall not (and it shall procure that none of its subsidiaries shall) whether conditionally or unconditionally:
 - (i) dispose of (A) any Shares or any direct or indirect interest therein (including, without limitation, by granting or creating any option, mortgage, pledge, charge or other security interest or encumbrance) or (B) any securities convertible into or exercisable or exchangeable for any Shares; or

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- (ii) enter into any swap or other derivative transaction or other arrangement that transfers, in whole or in part, any economic consequence of ownership of any Shares or any securities convertible into or exercisable or exchangeable for any Shares; or
 - (iii) dispose of any direct or indirect interest in any company or entity holding any Shares or any securities convertible into or exercisable or exchangeable for any Shares;
- or offer or agree to do any of the foregoing or announce any intention to do so; and
- (d) in the event of such a disposal of any Shares or any interest therein within the further period of six months following the expiry of the six month period referred to in (c) above, it will not cease to be a controlling shareholder of our Company within the meaning of the Listing Rules and will take all reasonable steps to ensure that such a disposal will not create a disorderly or false market.

However, nothing in this section “Undertakings by the Controlling Shareholders” under the heading “Undertakings Pursuant to the Hong Kong Underwriting Agreement” shall prohibit the disposal by any of the Controlling Shareholders of any Shares pursuant to the Stock Borrowing Agreement and the Over-allotment Option.

Hong Kong Underwriters’ Interests in Our Company

Save for their respective obligations under the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement and, if applicable, the Stock Borrowing Agreement, as at the Latest Practicable Date, none of the Hong Kong Underwriters was interested legally or beneficially, directly or indirectly, in any shares or securities of our Company or any other member of the Group or had any right or option (whether legally enforceable or not) to subscribe for or purchase, or to nominate persons to subscribe for or purchase, any shares or securities of our Company or any other member of the Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their respective obligations under the Hong Kong Underwriting Agreement and/or the International Underwriting Agreement.

International Offering

International Underwriting Agreement

In connection with the International Offering, our Company, the Selling Shareholder, and the Controlling Shareholders expect to enter into the International Underwriting Agreement with the Joint Bookrunners of the International Offering on behalf of the International Underwriters. Under the International Underwriting Agreement and subject to the Over-allotment Option, it is expected that the International Underwriters would, subject to certain conditions set out therein, severally agree to subscribe for, or procure subscribers for, their respective applicable proportion of the International Offer Shares initially being offered pursuant to the International Offering. Please refer to the section headed “Structure of the Global Offering — The International Offering” for further details.

Commission and Expenses

The Underwriters will receive an aggregate underwriting commission of US\$8 million plus up to 3% of the aggregate Offer Price of all the Offer Shares (including Offer Shares sold pursuant to the exercise of the Over-allotment Option), out of which they will pay any sub-underwriting commissions and other fees.

For any unsubscribed Hong Kong Offer Shares reallocated to the International Offering, the underwriting commission will not be paid to the Hong Kong Underwriters but will instead be paid, at the rate applicable to the International Offering, to the relevant International Underwriters.

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The aggregate commissions and fees, together with the Stock Exchange listing fees, the SFC transaction levy and the Stock Exchange trading fee, legal and other professional fees and printing and all other expenses relating to the Global Offering, which are estimated to amount in aggregate to approximately HK\$131.2 million (assuming an Offer Price of HK\$3.98 per Share (being the mid-point of the indicative Offer Price range stated in this prospectus), shall be borne by the Company, save for the commissions and fees relating to the Offer Shares to be sold by the Selling Shareholder pursuant to the exercise of the Over-allotment Option, which shall be borne by the Selling Shareholder, and for certain fees and expenses which shall be borne by the Underwriters.

Indemnity

We, the Controlling Shareholders and the Selling Shareholder have agreed to indemnify the Hong Kong Underwriters for certain losses which they may suffer, including losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by us of the Hong Kong Underwriting Agreement.

INDEPENDENCE OF THE JOINT SPONSORS

J.P. Morgan satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules. HSBC and its affiliates have current business relationships with our Company and our Controlling Shareholders including, amongst others, providing certain loan facilities to our Company and acting as trustee of The Pan Family Trust, which may be considered to affect HSBC's independence for the purposes of Rule 3A.07 of the Listing Rules. Accordingly, HSBC does not consider itself to be independent according to Rule 3A.07 of the Listing Rules.

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the "Syndicate Members") and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

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 as their underlying assets, assets including the Shares. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of the Shares. All such activity could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in the Shares, in baskets of securities or indices including the Shares, in units of funds that may purchase the Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having the Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in the Shares in most cases.

All such activities may occur both during and after the end of the stabilizing period described in the section headed "Structure of the Global Offering" in this prospectus. Such activities may affect the market price or value of the Shares, the liquidity or trading volume in the Shares and the volatility of the price of the Shares, and the extent to which this occurs from day to day cannot be estimated.

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It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

- (a) the Syndicate Members (other than the Stabilizing Manager or any person acting for it) 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) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

Certain of the Syndicate Members or their respective affiliates have provided from time to time, and expect to provide in the future, investment banking and other services to the Company and its affiliates for which such Syndicate Members or their respective affiliates have received or will receive customary fees and commissions.