
UNDERWRITING

Hong Kong Underwriters

Joint Lead Managers

Goldman Sachs (Asia) L.L.C.
J.P. Morgan Securities (Asia Pacific) Limited
China Galaxy International Securities (Hong Kong) Co., Limited
ABCI Securities Company Limited
Nomura International (Hong Kong) Limited
UBS AG, Hong Kong Branch
CCB International Capital Limited
Deutsche Bank AG, Hong Kong Branch
Standard Chartered Securities (Hong Kong) Limited
ICBC International Securities Limited
Credit Suisse (Hong Kong) Limited
Haitong International Securities Company Limited
CITIC Securities Corporate Finance (HK) Limited
Guotai Junan Securities (Hong Kong) Limited
Essence International Securities (Hong Kong) Limited
Merrill Lynch Far East Limited
BOCI Asia Limited
The Hongkong and Shanghai Banking Corporation Limited
Citigroup Global Markets Asia Limited
BOCOM International Securities Limited
China Everbright Securities (HK) Limited

Co-lead Managers

Bright Smart Securities International (H.K.) Limited
China Merchants Securities (HK) Co., Limited
KGI Capital Asia Limited
Shenyin Wanguo Capital (H.K.) Limited
Taiping Securities (HK) Co., Ltd.
Tung Shing Securities (Brokers) Limited

Underwriting Arrangements and Expenses

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company is offering initially 156,766,500 Hong Kong Offer Shares for subscription by the public in Hong Kong on and subject to the terms and conditions of this prospectus and the Application Forms. Subject to the Listing Committee of the Hong Kong Stock Exchange granting listing of, and permission to deal in, our

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H Shares to be offered pursuant to the Global Offering as mentioned herein and to certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally and not jointly 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 and subject to the terms and conditions of this prospectus, the Application Forms and the Hong Kong Underwriting Agreement. The Hong Kong Underwriting Agreement is conditional upon and subject to, among other things, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

One of the conditions is that the Offer Price must be agreed between us, on behalf of ourselves and the Selling Shareholder, and the Joint Global Coordinators, on behalf of the Hong Kong Underwriters. For applicants applying under the Hong Kong Public Offering, this prospectus and the Application Forms contain the terms and conditions of the Hong Kong Public Offering. The International Offering is expected to be fully underwritten by the International Underwriters. If, for any reason, the Offer Price is not agreed between us, on behalf of ourselves and the Selling Shareholder, and the Joint Global Coordinators, on behalf of the Hong Kong Underwriters, the Global Offering will not proceed.

Grounds for Termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement are subject to termination. If any of the events set out below occurs at any time prior to 8:00 a.m. on the day that trading in our H Shares commences on the Hong Kong Stock Exchange:

- (a) there develops, occurs, exists or comes into force:
 - (i) any new law or regulation or any change or development involving a prospective change in existing law or regulation, 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 Hong Kong, China, the United States, United Kingdom, the European Union (or any member thereof) or Japan (each a “Relevant Jurisdiction”); or
 - (ii) any change or development involving a prospective change or development, or any event or series of events likely to result in or representing a change or development, or prospective change or development, in local, national, regional or international financial, political, military, industrial, economic, currency market, fiscal or regulatory or market conditions or any monetary or trading settlement system (including, without limitation, conditions in stock and bond markets, money and foreign exchange markets and inter-bank markets, a change in the system under which the value of the Hong Kong currency is linked to that of the currency of the United States or a devaluation of the Hong Kong dollars or an appreciation of the Renminbi against any foreign currencies) in or affecting any Relevant Jurisdiction; 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 terrorism (whether or not responsibility has been claimed), acts of God, accident or interruption in transportation, outbreak of diseases or epidemics including, but not limited to, SARS, swine or avian flu, H5N1, H1N1, H7N9 and such related/mutated forms, economic sanction, in whatever form) directly or indirectly in or affecting any Relevant Jurisdiction; or

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- (iv) any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared) or other state of emergency or calamity or crisis in or affecting any Relevant Jurisdiction; or
- (v) (A) any moratorium, suspension or limitation on trading in shares or securities generally on the Hong Kong Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Shanghai Stock Exchange or the Tokyo Stock Exchange or (B) a general moratorium on commercial banking activities in any Relevant Jurisdiction declared by the relevant authorities, or a disruption in commercial banking activities or foreign exchange trading or securities settlement or clearance services in or affecting any Relevant Jurisdiction; or
- (vi) any (A) change or prospective change in exchange controls, currency exchange rates or foreign investment regulations, or (B) any change or prospective change in taxation in any Relevant Jurisdiction adversely affecting an investment in the H Shares; or
- (vii) any material litigation or claim being threatened or instigated against or any material contravention of the Companies Ordinance, the Company Law or any of the Listing Rules by any member of the Group; or
- (viii) any demand by creditors for repayment of indebtedness or a petition is presented for the winding-up or liquidation of any member of the Group or any member of the 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 the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the Group or anything analogous thereto occurs in respect of any member of the Group, which will have a material adverse effect on the financial position of the Group as a whole; or
- (ix) a governmental or regulatory prohibition on the Company for whatever reason from allotting or selling the H Shares (including for itself or on behalf of the Selling Shareholder and the H Shares offered under the Over-allotment Option) pursuant to the terms of the Global Offering,

and which, in any such case and in the sole and absolute opinion of the Joint Global Coordinators (for themselves and on behalf of the other Hong Kong Underwriters): (A) is or will be materially adverse to, or materially and prejudicially affects, the assets, liabilities, business, general affairs, management, shareholder's equity, profit, losses, results of operations, financial or trading position, or prospects of the Company or the Group as a whole; or (B) has or will have a material adverse effect on the success of the Global Offering or the level of Offer Shares being applied for or accepted or subscribed for or purchased or the distribution of Offer Shares and/or has made or is likely to make or will make it impracticable or inadvisable or incapable, 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) makes or will make it impracticable to proceed with the Hong Kong Public Offering and/or the Global Offering or the delivery of the Offer Shares on the terms and in the manner contemplated by this prospectus, the Application Forms, the formal notice, the preliminary offering circular or the offering circular; or

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there has come to the notice of the Joint Global Coordinators or any of the Hong Kong Underwriters after the date of the Hong Kong Underwriting Agreement:

- (i) that any statement contained in this prospectus and any announcements in the agreed form issued by the Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) was or has become untrue, incomplete, incorrect or misleading in any material respect or any forecasts, expressions of opinion, intention or expectation expressed in this prospectus are not fair and honest and made on reasonable grounds or, where appropriate, based on reasonable assumptions, when taken as a whole, in any material respect; or
- (ii) any matter has arisen or has been discovered which would, had it arisen immediately before the date of this prospectus, not having been disclosed in this prospectus, constitutes an omission therefrom; or
- (iii) either (i) there has been a material breach of any of the representations, warranties, undertakings or provisions of the Hong Kong Underwriting Agreement by the Company or (ii) any of the representations, warranties and undertakings given by the Company in the Hong Kong Underwriting Agreement is (or would when repeated be) untrue, incorrect, incomplete or misleading in any material respect; or
- (iv) any of the reporting accountants, or any of the counsel or adviser of the Company has withdrawn its respective consent to the issue of this prospectus with the inclusion of its reports, letters, summaries of valuations and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears, which will have a material adverse effect on the success of the Global Offering; or
- (v) any event, act or omission which gives or is likely to give rise to any liability of the Company pursuant to the indemnities given by the Company under the Hong Kong Underwriting Agreement which liability has a material adverse effect on the business or financial or trading position of the Company and its subsidiaries, as a whole; or
- (vi) any material breach of any of the obligations of the Company under the Hong Kong Underwriting Agreement; or
- (vii) any material adverse change or prospective material adverse change or development in the assets, business, general affairs, management, shareholder's equity, profits, losses, properties, results of operations, in the financial, trading position or prospects of the Company and its subsidiaries, as a whole,

then the Joint Global Coordinators (for themselves and on behalf of the other Hong Kong Underwriters) may, after consultation with the Company, terminate the Hong Kong Underwriting Agreement with immediate effect in their sole and absolute discretion upon giving notice in writing to the Company.

Undertakings to the Hong Kong Stock Exchange pursuant to the Hong Kong Listing Rules

Undertakings by Us

We have undertaken to the Hong Kong Stock Exchange that, except in certain circumstances prescribed by Rule 10.08 of the Hong Kong Listing Rules or pursuant to the proposed A Share

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Offering, the Global Offering and the Over-allotment Option, no further shares or securities convertible into securities of our Company (whether or not of a class already listed) may be issued or form the subject of any agreement to such an issue within six months from the Listing Date (whether or not such issue of shares or securities will be completed within six months from the Listing Date).

Undertakings by the Controlling Shareholder

Pursuant to Rule 10.07 of the Hong Kong Listing Rules, our controlling shareholder has undertaken to us and to the Hong Kong Stock Exchange, except pursuant to the Global Offering (including pursuant to the Over-allotment Option) or our proposed A Share Offering, that it will not, and shall procure that any other registered holder(s) (if any) will not, without the prior written consent of the Hong Kong Stock Exchange or unless otherwise in compliance with applicable requirements of the Hong Kong Listing Rules:

- (a) in the period commencing on the date of this prospectus and ending on the date which is six months from the Listing Date (“First Six-Month Period”), dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of our Shares in respect of which it is shown by this prospectus to be the beneficial owner (as defined in Rule 10.07(2) of the Hong Kong Listing Rules) (the “Parent Shares”); or
- (b) in the period of six months commencing on the date on which the First Six-Month Period expires (the “Second Six-month Period”), dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Parent Shares if, immediately following such disposal, or upon the exercise or enforcement of such options, rights, interests or encumbrances, it would cease to be our controlling shareholder (as defined in the Hong Kong Listing Rules).

Further, pursuant to Note (3) to Rule 10.07(2) of the Hong Kong Listing Rules, our controlling shareholder has undertaken to us and to the Hong Kong Stock Exchange that, during the First Six-Month Period and the Second Six-Month Period, it will:

- (a) when it pledges or charges any of our securities beneficially owned by it in favor of an authorized institution (as defined in the Banking Ordinance, Chapter 155 of the Laws of Hong Kong) as security for a bona fide commercial loan, immediately inform us of such pledge or charge together with the number of securities so pledged or charged; and
- (b) when it receives indications, either verbal or written, from the pledgee or chargee that any of our pledged or charged securities will be disposed of, immediately inform us of such indications.

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 shareholder and disclose such matters in accordance with the publication requirements under Rule 2.07C of the Hong Kong Listing Rules as soon as possible after being so informed.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by Us

We have also undertaken to each of the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Joint Sponsors and the Hong Kong Underwriters (and are expected to

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undertake to the International Underwriters) that, except pursuant to the Global Offering (including pursuant to the Over-allotment Option) or otherwise pursuant to the proposed A Share Offering, at any time during the First Six-Month Period, we will not without the prior written consent of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Hong Kong Listing Rules:

- (i) offer, accept subscription for, pledge, lend, assign, mortgage, charge, allot, issue, sell, contract to allot, issue or 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, or repurchase, any of its share capital or any securities convertible into or exercisable or exchangeable for or that represent the right to receive, or interests in, such share capital or any derivatives with our shares as underlying 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 such share capital or securities or any interest therein; or
- (iii) enter into any transaction with the same economic effect as any transaction described above; or
- (iv) offer to or agree to do any of the foregoing or announce any intention to do so,

whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise or publicly disclose that we will or may enter into any transaction described above, provided that the foregoing restrictions shall not apply to our issuance of A Shares pursuant to the A Shares Offering.

In the event of an issue or disposal of any H Shares or any interest therein after the date falling six months from the date on which dealings in the H Shares commence on the Hong Kong Stock Exchange, we will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of us will, create a disorderly or false market for any Shares or other securities of us.

The International Offering

In connection with the International Offering, it is expected that our Company and the Selling Shareholder will enter into the International Underwriting Agreement with the International Underwriters. Under the International Underwriting Agreement, the International Underwriters will, subject to certain conditions set out therein, severally and not jointly, agree to procure subscribers or purchasers for the International Offer Shares, failing which they agree to subscribe for or purchase their respective proportions of the International Offer Shares which are not taken up under the International Offering.

Our Company (for itself and on behalf of the Selling Shareholder) is expected to grant to the International Underwriters the Over-allotment Option, exercisable by the Joint Global Coordinators on behalf of the International Underwriters at any time from the date of the International Underwriting Agreement until 30 days after the last date for the lodging of applications under the Hong Kong Public Offering, to require our Company to issue and allot and the Selling Shareholder to sell up to an aggregate of 235,149,500 additional Offer Shares representing approximately 15% of the initial Offer

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Shares, at the same price per Offer Share under the International Offering to cover, among other things, over-allocations (if any) in the International Offering.

It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors should note that if the International Underwriting Agreement is not entered into, or is terminated, the Global Offering will not proceed.

Total Commission and Expenses

According to the Hong Kong Underwriting Agreement, the Hong Kong Underwriters will receive an underwriting commission of 2% on the Offer Price of the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering, out of which they will pay any sub-underwriting commission. For unsubscribed the Hong Kong Offer Shares reallocated to the International Offering, our Company will pay an underwriting commission at the rate applicable to the International Offering and such commission will be paid to the Joint Global Coordinators and the relevant International Underwriters (but not the Hong Kong Underwriters). In addition, the Company may, in its sole discretion, pay certain Underwriters an incentive fee of up to 1% of the Offer Price per Offer Share.

Assuming the Over-allotment Option is not exercised at all and based on an Offer Price of HK\$5.88 per H Share (being the mid-point of the indicative offer price range of HK\$4.99 to HK\$6.77 per H Share), the aggregate commissions and fees, together with listing fees, SFC transaction levy, Hong Kong Stock Exchange trading fee, legal and other professional fees and printing and other expenses, payable by our Company relating to the Global Offering (collectively the “Commissions and Fees”) are estimated to be approximately HK\$328.8 million in total.

Underwriting

We have agreed to indemnify the Hong Kong Underwriters and International Underwriters for certain losses which they may suffer, including liabilities under the U.S. Securities Act, losses incurred arising from their performance of their obligations under the Underwriting Agreements and any breach by our Company of the Underwriting Agreements.

Hong Kong Underwriters’ Interests in Our Company

Save as disclosed in this prospectus and save for its obligations under the Hong Kong Underwriting Agreement, none of the Hong Kong Underwriters has any shareholding interests in our Company or the right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company.

Following the completion of the Global Offering, the Underwriters and their affiliated companies may hold a certain portion of the H Shares as a result of fulfilling their obligations under the Underwriting Agreements.

Other Services provided by Underwriters

Certain of the Joint Global Coordinators, the Underwriters or their respective affiliates have, from time to time, provided and expect to provide in the future, investment banking and other services

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to you, other potential investors, our Company and our respective affiliates, for which such Joint Global Coordinators, Underwriters or their respective affiliates have received or will receive customary fees and commissions. The Joint Global Coordinators and Underwriters may in their ordinary course of business provide financing to investors secured by the H Shares offered by this prospectus. Such Joint Global Coordinators and Underwriters may enter into hedges and/or dispose of such H Shares in relation to the financing, which may have a negative impact on the trading price of the H Shares.

Over-allotment and Stabilization

Details of the arrangements relating to the Over-allotment Option and stabilization are set forth in “Structure of the Global Offering—The International Offering—Over-allotment Option” and “Information About This Prospectus and the Global Offering—Stabilization.”

Sponsors’ Independence

Galaxy International Securities, being one of the Joint Sponsors, is one of our subsidiaries. It is not an independent sponsor according to the independence criteria applicable to sponsors set out in Rule 3.07 of the Listing Rules.

Apart from Galaxy International Securities, the other Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3.07 of the Listing Rules.