
UNDERWRITING

JOINT GLOBAL COORDINATORS, JOINT BOOKRUNNERS AND JOINT LEAD MANAGERS

Joint Global Coordinators

Daiwa Capital Markets Hong Kong Limited
China Merchants Securities (HK) Co., Limited

Joint Bookrunners

Daiwa Capital Markets Hong Kong Limited
China Merchants Securities (HK) Co., Limited
RHB OSK Securities Hong Kong Limited

Joint Lead Managers

Daiwa Capital Markets Hong Kong Limited
China Merchants Securities (HK) Co., Limited
RHB OSK Securities Hong Kong Limited
SBI E2-Capital Financial Services Limited
Fulbright Securities Limited

HONG KONG UNDERWRITERS

Daiwa Capital Markets Hong Kong Limited
China Merchants Securities (HK) Co., Limited
RHB OSK Securities Hong Kong Limited
SBI E2-Capital Financial Services Limited
Haitong International Securities Company Limited
Fulbright Securities Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offer

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Public Offer, our Company is offering the 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 granting listing of, and permission to deal in, the Shares in issue, the Shares to be issued pursuant to the Global Offering and the Capitalization Issue and the Shares to be issued as mentioned in this prospectus (including any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option or the options which may be granted under the Share Option Scheme) 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 which are being offered but are not taken up under the Hong Kong Public Offer on the terms and subject to the conditions of this prospectus, the Application Forms and the Hong Kong Underwriting Agreement. The Hong Kong Offer Shares are fully underwritten pursuant to the Hong Kong Underwriting Agreement.

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Grounds for termination

The respective obligations of the Hong Kong Underwriters to subscribe for, or procure subscribers for, the Hong Kong Offer Shares are subject to termination. The Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled to terminate their obligations under the Hong Kong Underwriting Agreement upon the occurrence of any of the following events by notice in writing to our Company given by the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date (the “Termination Time”) if prior to the Termination Time,

- (a) there comes to the notice of the Joint Global Coordinators or any of the Hong Kong Underwriters:
 - (i) that any statement contained in this prospectus and the Application Forms (the “Hong Kong Public Offer Documents”), the formal notice in the agreed form required to be published in connection with the Hong Kong Public Offer in certain newspapers under Chapter 12 of the Listing Rules (the “Formal Notice”) and any announcements issued by our Company in connection with the Hong Kong Public Offer (including any supplement or amendment thereto) was, when it was issued, or has become, untrue, incorrect or misleading, or that any forecasts, expressions of opinion, intention or expectation expressed in the Hong Kong Public Offer Documents, the Formal Notice and/or any announcements issued by the Company in connection with the Global Offering (including any supplement or amendment thereto) are not, in the reasonable opinion of the Joint Global Coordinators (for themselves and behalf of the Hong Kong Underwriters), 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 any Hong Kong Public Offer Documents or any documents issued or expected to be issued in respect of the International Placing (the “International Offer Documents”) and having not been disclosed in such documents, constitute a material omission herefrom; or
 - (iii) any breach of any of the obligations imposed upon any party to the Hong Kong Underwriting Agreement (other than on any of the Hong Kong Underwriters); or
 - (iv) any event, act or omission which gives or is likely to give rise to any liability of any of the indemnifying parties pursuant to the Hong Kong Underwriting Agreement; or
 - (v) any material adverse change or development involving a prospective change (whether permanent or not) in the assets, liabilities, conditions, business affairs, prospects, profits, losses or financial or trading position or performance of any member of our Group; or
 - (vi) any breach of, or any event rendering untrue or incorrect in any material respects of the warranties set out in the Hong Kong Underwriting Agreement; or

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- (vii) approval by the Listing Committee of the listing of, and permission to deal in, the Shares in issue, the Shares to be issued pursuant to the Global Offering and the Capitalization Issue and the Shares to be issued as mentioned in this prospectus (including any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option or the options which may be granted under the Share Option Scheme) is refused or not granted, other than subject to customary conditions, on or before the date of approval of the listing, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or
 - (viii) our Company withdraws the Hong Kong Public Offer Documents or the International Offer Documents (and any other documents used in connection with the contemplated subscription of our Shares) or the Global Offering; or
- (b) there shall develop, occur, exist or come into effect:
- (i) commotion, riot, public disorder, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God, accident or interruption or delay in transportation or acts of terrorism or any state of emergency or calamity or crisis in or affecting Hong Kong, the Cayman Islands, the BVI, the United States, the PRC or any other jurisdiction related to any member of the Group (each a “Relevant Jurisdiction”); or
 - (ii) any change or development involving a prospective change or development, or any event or series of events or results, likely to result in or represents any change or prospective change, or development involving a prospective change, in local, national, regional or international financial, economic, political, military, industrial, fiscal, regulatory, currency or market conditions or any monetary or trading settlement system or matters and/or disaster (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, imposition or declaration of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange, or a material devaluation of Hong Kong dollars or the Renminbi against any foreign currencies, or any moratorium on banking activities or disruption in commercial banking activities or foreign exchange or securities settlement or clearance services or procedures) in or affecting any Relevant Jurisdiction; or
 - (iii) any general moratorium on commercial banking activities in Hong Kong (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent authority), the Cayman Islands, the BVI, the United States, the PRC or any other Relevant Jurisdiction, or there is a disruption in commercial banking or securities settlement or clearance services in those places; or
 - (iv) any new law or regulation or change or development involving a prospective change in existing laws or regulations 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 Relevant Jurisdiction; or

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- (v) the imposition of economic or other sanctions, in whatever form, directly or indirectly, by, or for any Relevant Jurisdiction; or
- (vi) a change or development occurs involving a prospective change in taxation or exchange control, currency exchange rates or foreign investment regulations (or the implementation of any exchange control) in any Relevant Jurisdiction; or
- (vii) any litigation or claim of any third party being threatened or instigated against any member of our Group; or
- (viii) 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
- (ix) the commencement by any regulatory body or organization of any action (including investigation) against a Director or an announcement by any regulatory body or organization that it intends to take any such action; or
- (x) a contravention by any member of our Group of the Companies Ordinance, the SFO, or any of the Listing Rules; or
- (xi) a prohibition on our Company for whatever reason from allotting our Shares (including Shares to be issued pursuant to the Over-allotment Option) pursuant to the terms of the Global Offering; or
- (xii) non-compliance of the Hong Kong Public Offer Documents or the International Offer Documents (or any other documents used in connection with the contemplated subscription for the Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable law or regulation; or
- (xiii) other than with the approval of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters), the issue or requirement to issue by our Company of a supplementary prospectus (or any other documents used in connection with the contemplated subscription for our Shares) pursuant to the Companies Ordinance or the Listing Rules; or
- (xiv) a petition is presented or an order is made 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
- (xv) 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

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(xvi) any loss or damage sustained by any member of our Group;

which, in any such case and in the sole opinion of the Joint Global Coordinators:

- (a) is or is likely or will individually or in aggregate have a material adverse effect on the business, financial condition or trading position or prospects of our Group as a whole; or
- (b) is or is likely or has or will have a material adverse effect on the success of the Hong Kong Public Offer or the Global Offering or the level of applications under the Hong Kong Public Offer or the level of interest under the International Placing; or
- (c) is or will or is likely to make it inadvisable or inexpedient or impracticable for Hong Kong Public Offer and/or the Global Offering to proceed or to market the Hong Kong Public Offer and/or the Global Offering; or
- (d) would or is or will or is likely to have the effect of making any part of the Hong Kong Underwriting Agreement or the Global Offering (including underwriting) incapable of performance in accordance with its terms or which prevents the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof.

International Placing

International Underwriting Agreement

In connection with the International Placing, it is expected that our Company will enter into the International Underwriting Agreement with the International Underwriters. It is expected that upon the entering into the International Underwriting Agreement, the International Placing will be fully underwritten.

Under the International Underwriting Agreement, subject to the conditions set forth therein, the International Underwriters are expected to severally agree to subscribe or procure purchasers for, or failing which, to purchase, the International Placing Shares initially being offered pursuant to the International Placing. It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors shall be reminded that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed. It is expected that pursuant to the International Underwriting Agreement, our Company will make similar undertakings as those given pursuant to the Hong Kong Underwriting Agreement as described in “Undertakings” below.

Commissions and expenses

The Underwriters will receive a commission of 3% of the aggregate Offer Price of the Offer Shares. In addition, at the discretion of our Company, the Underwriters may receive a discretionary incentive fee of up to 0.6% of the Offer Price for each Offer Share.

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Assuming the Over-allotment Option is not exercised, based on an Offer Price of HK\$1.93, being the mid-point of the Offer Price range, the aggregate fees and commissions in connection with the Global Offering, together with the SFC transaction levy, the Stock Exchange trading fee, legal and other professional fee, printing, and other expenses related to the Global Offering, are estimated to be approximately HK\$74.5 million. Such commissions, fees and expenses are payable by us.

Non-disposal Undertakings

Each of Mr. Zhang Lei, Mr. Salum Zheng Lee, Fantastic Energy and Super Land has given an undertaking to each of the Company, the Sole Sponsor, the Joint Global Coordinators and the Hong Kong Underwriters that:

- (a) during the period from the date of this prospectus up to and including the date falling six months from the Listing Date (the “First Six-month Period”), he/it shall not, and shall procure that the relevant registered holder(s) and his/its associates and companies controlled by him/it and any nominee or trustee holding in trust for himself/itself shall not, without the prior written consent of the Joint Global Coordinators and unless as a result of any exercise of the Over-allotment Option or otherwise in compliance with the requirements of the Listing Rules, (a) 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 our Shares or any securities convertible into or exercisable or exchangeable for, or that represent the right to receive any such Shares or such securities; or (b) 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 Shares, whether any of the foregoing transactions is to be settled by delivery of Shares or such other securities, in cash or otherwise; or (c) 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 (a) or (b) above; or (d) announce any intention to enter into or effect any of the transactions referred to in paragraphs (a), (b) or (c) above;

- (b) he/it shall not, and shall procure that the relevant registered holder(s) and his/its associates or companies controlled by him/it and any nominee or trustee holding in trust for himself/itself shall not, without the prior written consent of the Joint Global Coordinators at any time during the six-month period immediately following the expiry of the First Six-month Period (the “Second Six-month Period”), dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any Shares held by him/it or any of his/its associates or companies controlled by him/it or any nominee or trustee holding in trust for himself/itself if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he/it would cease to be controlling shareholder (as defined in the Listing Rules) of the Company or the aggregate interest of all members of the Controlling Shareholders would be less than 30% of our Company’s issued share capital; and

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- (c) in the event of a disposal of any Shares or securities of our Company or any interest therein during the Second Six-month Period, he/it shall take all reasonable steps to ensure that such a disposal shall not create a disorderly or false market for the Shares or other securities of our Company;

except for using securities of our Company beneficially owned by the Controlling Shareholders as security (including a charge or pledge) in favor of any authorized institution (as defined in the Banking Ordinance of the laws of Hong Kong) for a bona fide commercial loan or such other circumstances as permitted under the Listing Rules.

Each of Mr. Zhang Lei, Mr. Salum Zheng Lee, Fantastic Energy and Super Land has given an undertaking to the Company, the Sole Sponsor, the Joint Global Coordinators and the Hong Kong Underwriters that within the First Six-month Period and the Second Six-month Period, he/it shall:

- (a) if and when he or it pledges or charges, directly or indirectly, any Shares or other securities of our Company beneficially owned by him or it (or any beneficial interest therein), immediately inform our Company, the Sole Sponsor and the Joint Global Coordinators in writing of such pledge or charge together with the number of such Shares or other securities so pledged or charged; and
- (b) if and when he or it receives indications, either verbal or written, from any pledgee or chargee that any Shares or other securities in our Company (or any beneficial interest therein) pledged or charged by him or it will be disposed of, immediately inform our Company, the Sole Sponsor and the Joint Global Coordinators in writing of such indications.

Our Company will notify the Stock Exchange as soon as we have been informed of such event and shall make a public disclosure by way of announcement in accordance with the Listing Rules.

Each of the Company, Mr. Zhang Lei, Mr. Salum Zheng Lee, Fantastic Energy, and Super Land represents, warrants and undertakes to the Sole Sponsor, the Joint Global Coordinators and the Hong Kong Underwriters and the Company that he/it shall procure the Controlling Shareholders to comply with the undertakings as set out above.

UNDERWRITERS' INTEREST IN OUR COMPANY

Save for their respective obligations under the Underwriting Agreements, as at the Latest Practicable Date, none of the Underwriters was interested, directly or indirectly, in any shares or securities in any member of the Group or had any right or option (whether legally enforceable or not) to subscribe for, or to nominate persons to subscribe for, any shares or securities in any member of the Group.

MINIMUM PUBLIC FLOAT

Our Directors and the Joint Global Coordinators will ensure that there will be a minimum 25% of the total issued Shares held in public hands in accordance with Rule 8.08 of the Listing Rules after completion of the Global Offering.