
UNDERWRITING

HONG KONG UNDERWRITERS

CITIC Securities Corporate Finance (HK) Limited
UBS AG, Hong Kong Branch
J.P. Morgan Securities (Asia Pacific) Limited
Morgan Stanley Asia Limited
BOCI Asia Limited
Haitong International Securities Company Limited
CCB International Capital Limited
ICBC International Securities Limited
Nomura International (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
China International Capital Corporation Hong Kong Securities Limited
BOCOM International Securities Limited
China Everbright Securities (HK) Limited
Citigroup Global Markets Asia Limited
Guotai Junan Securities (Hong Kong) Limited
Essence International Securities (Hong Kong) Limited
China Merchants Securities (HK) Co., Limited
ABCI Securities Company Limited
Guoyuan Securities Brokerage (Hong Kong) Limited
China Frontier Capital Investment Limited
Bright Smart Securities International (H.K.) Limited
Core Pacific-Yamaichi International (H.K.) Limited
Shenyin Wanguo Capital (H.K.) Limited
Sun Hung Kai Investment Services Limited
Tung Shing Securities (Brokers) Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

The Hong Kong Underwriting Agreement was entered into on October 30, 2013. Pursuant to the Hong Kong Underwriting Agreement, we are offering 261,278,000 H Shares for subscription by the public in Hong Kong on and subject to the terms and conditions set out in this prospectus and the Application Forms.

Subject to:

- the Listing Committee of the Hong Kong Stock Exchange granting approval for the listing of, and permission to deal in, the H Shares to be offered pursuant to the Global Offering as mentioned herein (including any additional H Shares which may be issued upon to the exercise of the Over-allotment Option); and
- certain other conditions set out in the Hong Kong Underwriting Agreement (including but not limited to the Offer Price being agreed upon between us (on behalf of ourselves and the Selling Shareholders) and the Joint Global Coordinators (on behalf of the Joint Bookrunners and the Underwriters)),

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the Hong Kong Underwriters have agreed severally but not jointly to subscribe or procure subscribers for the Hong Kong Public Offer Shares which are being offered but not taken up under the Hong Kong Public Offering on the terms and subject to the conditions in this prospectus, the Application Forms and the Hong Kong Underwriting Agreement. If, for any reason, the Offer Price is not agreed upon between us (on behalf of ourselves and the Selling Shareholders) and the Joint Global Coordinators (on behalf of the Joint Bookrunners and the Underwriters) the Global Offering will not proceed.

The Hong Kong Underwriting Agreement is conditional upon and subject to the International Purchase Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

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

- (a) there develops, occurs, exists or comes into effect:
 - (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, the PRC, Singapore, the United States, the 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, labour disputes, strikes, lock-outs, fire, explosion, flooding, civil commotion, riots, public disorder, 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 and such related/mutated forms, economic sanction, in whatever form) in or directly or indirectly affecting any Relevant Jurisdiction; or
 - (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

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- (v) any moratorium, suspension or limitation (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) 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 Singapore Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange or the Tokyo Stock Exchange; or
- (vi) any moratorium, suspension or restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on trading in any securities of any other member of the Bank listed or quoted on a stock exchange or an over-the-counter market; or
- (vii) any general moratorium on commercial banking activities in Hong Kong (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent Governmental Authority), New York (imposed at Federal or New York State level or other competent governmental authority), London, Singapore, the PRC, the European Union (or any member thereof), Japan or any disruption in commercial banking or foreign exchange trading or securities settlement or clearance services in any Relevant Jurisdiction; or
- (viii) 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
- (ix) the issue or requirement to issue by the Bank of a supplement or amendment to the prospectus, Application Forms, preliminary offering circular or offering circular or other documents in connection with the offer and sale of the H Shares pursuant to the Companies Ordinance or the Listing Rules or upon any requirement or request of the Hong Kong Stock Exchange or the SFC, in circumstances where the matter to be disclosed could, in the opinion of the Joint Global Coordinators, adversely affect the marketing for or implementation of the Global Offering; or
- (x) any litigation or claim being threatened or instigated against any member of the Bank; or
- (xi) any contravention by any member of the Bank or any Director of the Companies Ordinance, Company Law of the PRC or the Listing Rules; or
- (xii) a governmental authority or a regulatory body or organization in any Relevant Jurisdiction commencing any investigation or other action or proceedings, or announcing an intention to investigate or take other action or proceedings, against any member of the Bank; or
- (xiii) any of the chairman or president vacating his office, any executive Director being charged with an indictable offence or prohibited by operation of laws or otherwise disqualified from taking part in the management of a company; or
- (xiv) any material adverse change or prospective material adverse change in the earnings, results of operations, business, business prospects, financial or trading position, conditions (financial or otherwise) or prospects of any member of the Bank (including any litigation or claim of any third party being threatened or instigated against any member of the Bank); or

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- (xv) any demand by creditors for repayment of indebtedness or a petition being presented for the winding-up or liquidation of any member of the Bank, or any member of the Bank making any composition or arrangement with its creditors or entering into a scheme of arrangement or any resolution being passed for the winding-up of any member of the Bank or a provisional liquidator, receiver or manager being appointed over all or part of the assets or undertaking of any member of the Bank or anything analogous thereto occurs in respect of any member of the Bank; or
- (xvi) a governmental or regulatory prohibition on the Bank for whatever reason from allotting or selling the H Shares (including the H Shares to be issued pursuant to the Over-allotment Option) pursuant to the terms of the Global Offering; or

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Global Coordinators (for themselves and on behalf of the Joint Bookrunners and the 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, position or condition (financial or otherwise), or prospects of the Bank as a whole; or (B) has or will have or may 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 may 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 or may make it impracticable or inadvisable or incapable 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 (D) would have the effect of making a part of the Hong Kong Underwriting Agreement (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; or

there has come to the notice of the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, or any of the Hong Kong Underwriters:

- (i) that any statement contained in this prospectus, the web proof information pack and/or any notices, announcements, advertisements, communications issued or used by or on behalf of the Bank in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) was or has become untrue, incomplete, incorrect or misleading or any forecasts, estimate, expressions of opinion, intention or expectation expressed in this prospectus, the web proof information pack and/or any notices, announcements, advertisements, communications so issued or used are not fair and honest and made on reasonable grounds or, where appropriate, based on reasonable assumptions, when taken as a whole; or
- (ii) material non-compliance of this prospectus (or any other documents used in connection with the contemplated subscription and sale of the Offer Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable law or regulation; or
- (iii) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, not having been disclosed in this prospectus, constitutes a material omission therefrom; or

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- (iv) either (i) there has been a breach of any of the representations, warranties, undertakings or provisions of either the Hong Kong Underwriting Agreement or the International Purchase Agreement by the Bank or (ii) any of the representations, warranties and undertakings given by the Bank in the Hong Kong Underwriting Agreement or the International Purchase Agreement, as applicable, is (or would when repeated be) untrue, incorrect, incomplete or misleading; or
- (v) any of the reporting accountant, or any of the counsel or advisor of the Bank or other experts 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; or
- (vi) any event, act or omission which gives or is likely to give rise to any liability of the Bank pursuant to the indemnities given by the Bank under the Hong Kong Underwriting Agreement if such liability materially and adversely affects the business or financial positions of the Bank; or
- (vii) any litigation or dispute or potential litigation or dispute, which would materially and adversely affect the operation, financial condition or reputation of the Bank as a whole; or
- (viii) any material breach of any of the obligations of the Bank under the Hong Kong Underwriting Agreement or the International Purchase Agreement; or
- (ix) a significant portion of investment commitments by any cornerstone investors after signing of agreements with such cornerstone investors, have been withdrawn, terminated or cancelled; or
- (x) any person (other than the Joint Sponsor) has withdrawn its consent to being named in any of this prospectus or to the issue of any of this prospectus; or
- (xi) any adverse change or prospective adverse change or development involving a prospective adverse change in the assets, business, general affairs, management, shareholder's equity, profits, losses, properties, results of operations, in the position or condition (financial or otherwise) or prospects of the Bank and its subsidiaries, as a whole; or
- (xii) the Bank has withdrawn this prospectus (and/or any other documents issued or used in connection with the Global Offering) or the Global Offering,

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

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

Undertakings by our Bank

Pursuant to Rule 10.08 of the Listing Rules, no further shares or securities convertible into equity securities of our Bank (whether not of a class already listed) may be issued by us or form the subject of any agreement to such an issue by us within six months from the Listing Date (whether or not such issue of shares or securities will be completed within six months from the commencement of dealing), except:

- (a) in certain circumstances prescribed by Rule 10.08 of the Listing Rules; or

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- (b) pursuant to the Global Offering (including the Over-allotment Option).

Undertakings to the Hong Kong Underwriters

We have, pursuant to the Hong Kong Underwriting Agreement, undertaken to each of the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters that except pursuant to the Global Offering (including pursuant to the Over-allotment Option or pursuant to any transfer of H Shares to NSSF), at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the “First Six Month Period”), we will not, without the prior written consent of the Joint Sponsors and the Joint Global Coordinators (for themselves and on behalf of the Joint Bookrunners and the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules:

- (a) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, assign, mortgage, charge, pledge, assign, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, or repurchase, any legal or beneficial interest in the share capital or any other securities of us, as applicable, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share capital or other securities of us, as applicable), or deposit any share capital or other securities of us, as applicable, with a depository in connection with the issue of depository receipts; 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 (legal or beneficial) of Shares or any other securities of us or any shares or other securities of such other member of us, as applicable, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any shares of such other member of us, as applicable); or
- (c) enter into any transaction with the same economic effect as any transaction described in the sub-paragraphs (a) or (b) above; or
- (d) offer to or agree to do any of the foregoing or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise (whether or not the issue of such share capital or other securities will be completed within the First Six Month Period).

In the event we enters into any of the transactions described in sub-paragraphs (a), (b) or (c) above or offers to or agrees to or announces any intention to effect any such transaction after the First Six Month Period, 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.

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Indemnity

We have agreed to indemnify, among others, the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters for certain losses which they may suffer, including, among other matters, losses arising from the performance of their obligations under the Hong Kong Underwriting Agreement and any breach by us of the Hong Kong Underwriting Agreement as the case may be.

Hong Kong Underwriters' Interest in our Bank

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

The International Offering

In connection with the International Offering, it is expected that we and the Selling Shareholders will enter into the International Purchase Agreement with, among others, the Joint Global Coordinators, the Joint Bookrunners and the International Purchasers on or about the Price Determination Date, shortly after the determination of the Offer Price. Under the International Purchase Agreement, the International Purchasers would, subject to certain conditions, severally and not jointly, agree to purchase, or procure purchasers to purchase, their respective applicable proportions of the International Offer Shares being offered pursuant to the International Offering.

Restrictions on the Offer Shares

No action has been taken to permit a public offering of the Offer Shares, other than in Hong Kong, or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make an offer or invitation. In particular, the Offer Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, in the PRC.

Over-allotment and Stabilization

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market, during a specified period of time, to curb and, if possible, prevent, any decline in the market price of the securities below the offer price. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the Offer Price.

In connection with the Global Offering, the Stabilizing Manager, on behalf of the Joint Bookrunners and the Underwriters, may over-allocate or effect short sales or any other stabilizing transactions with a view to stabilizing or maintaining the market price of the H Shares at a level higher than the otherwise prevailing price in the open market. Short sales involve the sale by the Stabilizing Manager of a greater number of H Shares than the Underwriters are required to purchase in the Global Offering. "Covered" short sales are sales made in an amount not greater than the Over-allotment Option. The Stabilizing Manager may close out the covered short position by either exercising the Over-allotment Option to purchase additional H Shares or purchasing H Shares in the open market. In

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determining the source of the H Shares to close out the covered short position, the Stabilizing Manager will consider, among other things, the price of H Shares in the open market as compared to the price at which they may purchase additional H Shares pursuant to the Over-allotment Option. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or curbing a decline in the market price of the H Shares. Any market purchases of the H Shares may be effected on any stock exchange, including the Hong Kong Stock Exchange, any over-the-counter market or otherwise, provided that they are made in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the Stabilizing Manager to conduct any such stabilizing activity, which if commenced, will be done at the absolute discretion of the Stabilizing Manager and may be discontinued at any time. Any such stabilizing activity is required to be brought to an end within 30 days of the last day for the lodging of applications under the Hong Kong Public Offering. The number of the H Shares that may be over-allocated will not exceed the number of the H Shares that may be sold under the Over-allotment Option, namely, 391,916,000 H Shares, which is approximately 15% of the number of Offer Shares initially available under the Global Offering.

In Hong Kong, stabilizing activities must be carried out in accordance with the Securities and Futures (Price Stabilizing) Rules. Stabilizing actions permitted pursuant to the Securities and Futures (Price Stabilizing) Rules include:

- (a) over-allocation for the purpose of preventing or minimizing any reduction in the market price of the H Shares;
- (b) selling or agreeing to sell the H Shares so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of the H Shares;
- (c) purchasing or subscribing for, or agreeing to purchase or subscribe for, the H Shares pursuant to the Over-allotment Option in order to close out any position established under (a) or (b) above;
- (d) purchasing, or agreeing to purchase, the H Shares for the sole purpose of preventing or minimizing any reduction in the market price of the H Shares;
- (e) selling or agreeing to sell the H Shares to liquidate any position held as a result of those purchases; and
- (f) offering or attempting to do anything described in (b), (c), (d) and (e) above.

Stabilizing actions by the Stabilizing Manager will be entered into in accordance with the laws, rules and regulations in place in Hong Kong on stabilization.

As a result of effecting transactions to stabilize or maintain the market price of the H Shares, the Stabilizing Manager may maintain a long position in the H Shares. The size of the long position, and the period for which the Stabilizing Manager will maintain the long position is at the discretion of the Stabilizing Manager and is uncertain. In the event that the Stabilizing Manager liquidates this long position by making sales in the open market, this may lead to a decline in the market price of the H Shares.

Stabilizing action by the Stabilizing Manager is not permitted to support the price of the H Shares for longer than the stabilizing period, which begins on the day on which trading of the H Shares commences on the Hong Kong Stock Exchange and ends on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilizing period is expected to end on Thursday, December 5, 2013. As a result, demand for the H Shares, and their market price, may fall

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after the end of the stabilizing period. These activities by the Stabilizing Manager may stabilize, maintain or otherwise affect the market price of the H Shares. As a result, the price of the H Shares may be higher than the price that otherwise may exist in the open market. Any stabilizing action taken by the Stabilizing Manager may not necessarily result in the market share of the H Shares staying at or above the Offer Price either during or after the stabilizing period. Bids for or market purchases of the H Shares by the Stabilizing Manager may be made at a price at or below the Offer Price and therefore at or below the price paid for the H Shares by purchasers. A public announcement in compliance with the Securities and Futures (Price Stabilizing) Rules will be made within seven days of the expiration of the stabilizing period.

Total Commission and Expenses

The Underwriters will receive an underwriting commission of 1.5% of the aggregate Offer Price of all the Offer Shares (including Offer Shares sold pursuant to the exercise of the Over-allotment Option). Our Bank may also in its sole and absolute discretion pay an additional incentive fee of up to 0.5% of the aggregate Offer Price of all the Offer Shares (including Offer Shares sold pursuant to the exercise of the Over-allotment Option).

Assuming an Offer Price of HK\$3.68 per Offer Share (being the mid-point of the indicative Offer Price range), the aggregate commissions and fees, together with Hong Kong Stock Exchange listing fees, SFC transaction levy, Hong Kong Stock Exchange trading fees, legal and other professional fees and printing and other expenses relating to the Global Offering, are estimated to amount in aggregate to approximately HK\$267 million in total (assuming the Over-allotment Option is not exercised).

INDEPENDENCE OF THE JOINT SPONSORS

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors set out in Rule 3.07 of the Listing Rules.