
OUR CORNERSTONE INVESTOR

THE CORNERSTONE PLACING

We have entered into a cornerstone investment agreement with Town Health Corporate Advisory and Investments Limited (the “Cornerstone Investor”) who has agreed to subscribe for such number of our H Shares (rounded down to the nearest whole board lot of 2,000 H Shares) which may be purchased with an aggregate amount of US\$5.0 million (or approximately HK\$38.8 million). Assuming an Offer Price of HK\$1.50 per H Share (being at the low end of the Offer Price range set out in this prospectus), the total number of H Shares subscribed by the Cornerstone Investor would be approximately 25,844,000, representing approximately (i) 12.7% of the Offer Shares, assuming that the Over-allotment Option is not exercised; (ii) 3.2% of the Shares in issue upon completion of the Global Offering and assuming that the Over-allotment Option is not exercised; and (iii) 3.1% of the Shares in issue assuming that the Over-allotment Option is fully exercised. Assuming an Offer Price of HK\$1.75 per H Share (being the mid-point of the Offer Price range set out in this prospectus), the total number of H Shares subscribed by the Cornerstone Investor would be approximately 22,152,000, representing approximately (i) 10.9% of the Offer Shares, assuming that the Over-allotment Option is not exercised; (ii) 2.7% of the Shares in issue upon completion of the Global Offering and assuming that the Over-allotment Option is not exercised; and (iii) 2.6% of the Shares in issue assuming that the Over-allotment Option is fully exercised. Assuming an Offer Price of HK\$2.00 per H Share (being at the high end of the Offer Price range set out in this prospectus), the total number of H Shares subscribed by the Cornerstone Investor would be approximately 19,382,000, representing approximately (i) 9.5% of the Offer Shares, assuming that the Over-allotment Option is not exercised; (ii) 2.4% of the Shares in issue upon completion of the Global Offering and assuming that the Over-allotment Option is not exercised; and (iii) 2.3% of the Shares in issue assuming that the Over-allotment Option is fully exercised.

The Cornerstone Investor is a company incorporated with limited liability in Hong Kong in 2004. The Cornerstone Investor is an indirectly wholly-owned subsidiary of Town Health International Investments Limited, which is a listed company on the Hong Kong Stock Exchange (stock code: 3886). Town Health International Investments Limited is one of the largest and leading private healthcare institutes in Hong Kong with an extensive network of over 65 clinics in Hong Kong and the PRC. Town Health International Investments Limited offers a diversified range of general practice, special and multidisciplinary healthcare services, involving family medicine and specialty medicine, dentistry, paramedical services and preventive healthcare services.

The Cornerstone Investor is an Independent Third Party and is not our connected person. The Cornerstone Investor will acquire the Offer Shares pursuant to, and as part of, the International Offering. The Offer Shares to be subscribed for by the Cornerstone Investor will rank *pari passu* in all respects with the other fully paid H Shares in issue and will be counted towards the public float of our Company. The Cornerstone Investor will not have any representation on the Board of Directors or be a substantial Shareholder of our Company and will not subscribe for any Offer Shares under the Global Offering other than pursuant to the cornerstone investment agreement referred to above.

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The Offer Shares to be subscribed by the Cornerstone Investor may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering as described in the section headed “Structure of the Global Offering – Hong Kong Public Offering” in this prospectus. Details of the actual number of Offer Shares to be allocated to the Cornerstone Investor will be disclosed in the allotment results announcement to be issued by us on or around January 14, 2014.

CONDITIONS PRECEDENT

The subscription obligation of the Cornerstone Investor is subject to, among other things, the following conditions precedent:

- (a) the Hong Kong Underwriting Agreement and the International Underwriting Agreement being entered into and having become effective and unconditional and not having been terminated (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in these underwriting agreements;
- (b) the Listing Committee having granted the listing of, and permission to deal in, the H Shares and that such approval or permission not having been revoked prior to the commencement of dealings in the H Shares;
- (c) no relevant laws or regulations shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Hong Kong Public Offering, the International Offering or in the cornerstone investment agreement, and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and
- (d) the respective representations, warranties, undertaking and confirmations of the Cornerstone Investor under the cornerstone investment agreement are accurate and true in all respects and not misleading and that there is no material breach of the cornerstone investment agreement on the part of the Cornerstone Investor.

RESTRICTIONS ON DISPOSAL OF H SHARES BY THE CORNERSTONE INVESTOR

The Cornerstone Investor has agreed that without the prior written consent of the Company and the Sole Global Coordinator, it will not, whether directly or indirectly, at any time during the period of six months following the Listing Date (the “**Lock-up Period**”), dispose of any of the H Shares it has purchased pursuant to the cornerstone investment agreement, save for transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of the Cornerstone Investor, including the Lock-up Period restriction.