
UNDERWRITING

HONG KONG UNDERWRITERS

Joint Bookrunners

Deutsche Bank AG, Hong Kong Branch

Citigroup Global Markets Asia Limited

J.P Morgan Securities (Asia Pacific) Limited

China International Capital Corporation Hong Kong Securities Limited

Joint Lead Managers

Deutsche Bank AG, Hong Kong Branch

Citigroup Global Markets Asia Limited

J.P Morgan Securities (Asia Pacific) Limited

China International Capital Corporation Hong Kong Securities Limited

CIMB Securities Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

The Hong Kong Underwriting Agreement was entered into on March 27, 2014. Pursuant to the Hong Kong Underwriting Agreement, we are offering 70,612,000 Hong Kong Offer Shares (subject to reallocation) for subscription by the public in Hong Kong on the terms and subject to the conditions in this prospectus and the Application Forms at the Offer Price.

Subject to the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering as mentioned herein (including any additional Shares which may be issued or sold pursuant to the exercise of the Over-allotment Option), any Shares which may be issued upon the exercise of options granted under the Pre-IPO Share Option Scheme and any Shares underlying the RSUs which may be issued under the Post-IPO RSU Scheme and to certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed, severally but not jointly, to subscribe or procure subscribers to subscribe for the Hong Kong Offer Shares which are being offered but 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. If, for any reason, the Offer Price is not agreed between our Company and the Joint Global Coordinators (on behalf of the Underwriters) the Global Offering will not proceed.

The Hong Kong Underwriting Agreement is conditional on and subject to, amongst other things, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

UNDERWRITING

Grounds for Termination

The Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled to terminate the Hong Kong Underwriting Agreement, by notice in writing to the Company, with immediate effect, if prior to 8:00 a.m. on the Listing Date:

- (a) there develops, occurs, exists or comes into force:
 - (i) 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 Hong Kong, the PRC, the Cayman Islands, the United States, the United Kingdom, any member of the European Union, Japan or any other jurisdiction (each a “Relevant Jurisdiction”); or
 - (ii) any change or development involving a prospective change or development, or any event or series of events resulting 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, taxation or exchange controls or foreign investment regulations, fiscal or regulatory or market conditions (including, without limitation, conditions in stock and bond markets and inter-bank markets, or any monetary or trading settlement system or matters (including, without limitation 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 the currency 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, outbreak or escalation of hostilities, acts of terrorism (whether or not responsibility has been claimed), declaration of a national or international emergency or war, riot, public disorder, economic sanctions or acts of God) in or affecting any Relevant Jurisdiction; or
 - (iv) (A) any suspension or limitation on trading in shares or securities generally on the Stock Exchange, the New York Stock Exchange, the Nasdaq Global Market, the London Stock Exchange, the Tokyo Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange or (B) a general moratorium on commercial banking activities in New York, London, Cayman Islands, Hong Kong, Japan or the PRC declared by the relevant competent authorities, or a material disruption in commercial banking activities or foreign exchange trading or securities settlement or clearance services in or affecting any Relevant Jurisdiction; or
 - (v) any adverse change or development involving a prospective adverse change on the condition, financial or otherwise, or in the earnings, business affairs, business prospects or trading position of the Group; or
 - (vi) any executive 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
 - (vii) the commencement by any regulatory body of any public action against any executive Director in his capacity as such or an announcement by any regulatory body that it intends to take any such action; or
 - (viii) a contravention by any member of the Group of a material provision of the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance or companies law of Cayman Islands or the Listing Rules; or
 - (ix) other than with the approval of the Joint Global Coordinators, the issue or requirement to issue by the Company of a supplementary prospectus or Application Form pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules in circumstances

UNDERWRITING

where the matter to be disclosed is, in the sole opinion of the Joint Global Coordinators, materially adverse to the marketing for or implementation of the Global Offering; or

- (x) any adverse change or development involving a reasonably likely adverse change of any of the risks set out in the section headed “Risk Factors” in this prospectus; or
- (xi) 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;

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

- (A) is or may or will be or is reasonably likely to be materially adverse to the general affairs or the business or financial or trading or other position or prospects of the Company and its subsidiaries taken as a whole; or
 - (B) has or may or will have or is reasonably likely to have a material adverse effect on the success of the Global Offering and/or make it impracticable, inexpedient or inadvisable for any 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 or is likely to make it impracticable, inexpedient or inadvisable to proceed with or to market 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; or
- (b) there has come to the notice of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters):
- (i) that any statement contained in this prospectus, the Application Forms, the formal notice 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, incorrect or misleading in any material respect, or any forecasts, estimates, expression of opinion, intention or expectation expressed in such documents are not in all material aspects, fair and honest and based on reasonable assumptions, when taken as a whole; or
 - (ii) any matter has arisen or has been discovered which would or might, had it arisen immediately before the date of this prospectus, not having been disclosed in this prospectus, constitutes a material omission therefrom; or
 - (iii) any of the warranties given by the Company and the Controlling Shareholders in the Hong Kong Underwriting Agreement is being untrue or misleading or inaccurate in any material respect; or
 - (iv) any event, act or omission which gives or may give rise to any material liability of the Company pursuant to the indemnities given by the Company under the Hong Kong Underwriting Agreement; or
 - (v) any material breach of any of the obligations of the Company under the Hong Kong Underwriting Agreement; or
 - (vi) any material adverse change or prospective material adverse change in the assets, liabilities, conditions, profits, losses, business, properties, results of operations, in the financial or trading position or prospects or performance of the Company and its subsidiaries, taken as a whole; or

UNDERWRITING

- (vii) any material litigation or claim being threatened or instigated against our Company or any of our subsidiaries; or
- (viii) any of the Reporting Accountants, Conyers Dill & Pearman as the legal advisers of the Company on Cayman Islands law and Jun He Law Offices as the legal advisers of the Company on PRC law has withdrawn its respective consent to the issue of this prospectus with the inclusion of its reports, letters 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
- (ix) approval for the listing of and permission to deal in the Shares on the Stock Exchange is refused or not granted, other than subject to customary conditions, on or before the Listing approval date, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or
- (x) the Company withdraws this prospectus or the Global Offering.

Undertakings by our Company to the Stock Exchange pursuant to the Listing Rules

Pursuant to Rule 10.08 of the Listing Rules, we have undertaken to the Stock Exchange that we will not issue any further Shares or securities convertible into equity securities (whether or not of a class already listed) or enter into any agreement to such issue within six months from the date on which our Shares commence dealing on the Stock Exchange (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
- (b) pursuant to the Global Offering (including the Over-allotment Option).

Undertaking by the Controlling Shareholders to the Stock Exchange Pursuant to the Listing Rules

Pursuant to Rule 10.07(1) of the Listing Rules, each Controlling Shareholder has undertaken to each of the Stock Exchange and our Company that, except pursuant to the Global Offering (including the Over-allotment Option), it shall not and shall procure that the relevant registered holder(s) shall not, without the prior written consent of the Stock Exchange or unless otherwise in compliance with the Listing Rules, in the period commencing on the date by reference to which disclosure of his or its shareholdings is made in this prospectus and ending on the date which is six months from the Listing Date, 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 Listing Rules) (the “Relevant Securities”).

In addition, in accordance with Note 3 to Rule 10.07(2) of the Listing Rules, each Controlling Shareholder has undertaken to the Stock Exchange and our Company that, during the period commencing on the date by reference to which disclosure of his or its shareholdings is made in this Prospectus and ending on the date which is 12 months from the Listing Date, it will:

- (a) 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)) for a bona fide commercial loan, immediately inform our Company in writing of such pledge or charge together with the number of Shares so pledged or charged; and
- (b) when he or it receives indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged Shares will be disposed of, immediately inform our Company of such indications.

UNDERWRITING

Undertakings by our Company Pursuant to the Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, we have undertaken to each of the Joint Sponsors, the Joint Global Coordinators and the Hong Kong Underwriters that, except pursuant to the Global Offering (including pursuant to the exercise of the Over-allotment Option), or any employee incentive schemes of any members of the Group, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months from the Listing Date (the “First Six-Month Period”) and unless permitted by the Stock Exchange or otherwise in compliance with the Listing Rules, we will not without the prior written consent of the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) (subject to the requirements set out in the Listing Rules):

- (i) offer, pledge, charge, mortgage, 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, conditionally or unconditionally, any of its share capital or other securities or any interests therein (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for or that represent the right to receive such share capital or other securities or any interests therein (the “Held Interests”));
- (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 Held Interests;
- (iii) enter into any transaction with the same economic effect as any transaction specified in (i) or (ii) above; or
- (iv) agree or contract, or publicly announce any intention of our Company to enter into the transaction described in (i), (ii) or (iii) above;

in each case, whether any of the transactions specified in (i), (ii) or (iii) above is to be settled by delivery of such Held Interest in cash or otherwise.

Undertakings by the Controlling Shareholders pursuant to the Hong Kong Underwriting Agreement

Each of Mr. DAI and Stmoritz Investment Limited has undertaken to each of our Company, the Joint Global Coordinators, the Hong Kong Underwriters and the Joint Sponsors that, without the prior written consent of the Joint Sponsors and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules, it will not, at any time during the First Six-Month Period, (i) sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to 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, any Shares or any other securities of our Company or any interest therein (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 as applicable); 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 the Shares or any other securities of our Company or any interest therein (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 (iii) enter into any transaction with the same economic effect as any transaction specified in (i) or (ii) above; or (iv) offer to or agree to or announce any intention to effect any transaction specified in (i), (ii) or (iii) above, in each case, whether any of the foregoing transactions is to be settled by delivery of the Shares or such other securities of our Company or shares or other securities of such other member of the Group, as applicable, or in cash or otherwise (whether or not the issue of Shares or such other securities will be completed within the First Six-Month Period).

UNDERWRITING

Indemnity

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

Undertakings by Certain Existing Shareholders Pursuant to the Lock-up Undertaking

Bright Stream, LNZ Holding, LeLe Happy, Angel Wang and Sequoia (together, the “Existing Shareholders”) have entered into a lock-up undertaking with us, the Joint Sponsors and the Joint Global Coordinators (the “Lock-up Undertaking”). Pursuant to the Lock-up Undertaking, each of the Existing Shareholders undertakes to us, the Joint Sponsors and the Joint Global Coordinators that it will not and will procure that no company controlled by any of the Existing Shareholders or any nominee or trustee holding in trust for any of the Existing Shareholders will, at any time after the date of the Lock-up Undertaking up to and including the date falling six months from the first date on which the Offer Shares commence dealing on the Stock Exchange (the “Lock-up Period”) in consideration of their agreeing to take part in the Global Offering and unless in compliance with the requirements of applicable Hong Kong laws,

- (a) sell, accept subscription for, offer to issue or sell, contract or agree to sell, mortgage, charge, pledge, 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 sell, or otherwise transfer or dispose of or create an Encumbrance (as defined in the Hong Kong Underwriting Agreement) over, or agree to transfer or dispose of or create an Encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or any other securities of the Company or any shares or other securities of such other member of the Group, 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) (the “Lock-up Shares”);
- (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 the Lock-up Shares or any interest therein 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 Lock-up Shares);
- (c) enter into any transaction with the same economic effect as any transaction specified in subsection (a) or (b) above; or
- (d) offer to or agree to or announce any intention to effect any transaction specified in subsection (a), (b) or (c) above, in each case, whether any of the transactions specified in subsection (a), (b) or (c) above is to be settled by delivery of the Lock-up Shares, or in cash or otherwise (whether or not the issue of the Lock-up Shares or such other securities will be completed within the aforesaid period).

The above restrictions (a) to (d) shall not apply (A) to the sale of any Lock-up Shares by Bright Stream, LNZ Holding, LeLe Happy and Angel Wang upon the exercise of the Over-allotment Option (if applicable); (B) where the above arrangements or transactions are entered into, undertaken or consummated pursuant to a requirement of a governmental authority, a court of law, an arbitral tribunal or a requirement of any applicable law; (C) to any mortgage, pledge or charge in favor of an authorized institution (as defined in the Banking Ordinance (Cap. 155 of the Laws of Hong Kong) not involving a change of legal ownership of such Lock-up Shares other than on enforcement) for a bona fide commercial loan; or (D) to any sale of any Shares acquired on-market by any of the Shareholders after the Listing Date.

Each of the Existing Shareholders acknowledges that our Company, the Joint Sponsors and the Joint Global Coordinators are relying upon the Lock-up Undertaking in proceeding with the Global Offering. Each of the Existing Shareholders now has, and for the duration of the Lock-up Period will have, good and marketable title to

UNDERWRITING

its Lock-up Shares, free and clear of any Encumbrance. Each of the Existing Shareholders also agrees and consents to the entry of “stop transfer” instructions with the Company’s transfer agent and registrar against the transfer of its Lock-up Shares except in compliance with the foregoing restrictions.

Notwithstanding the above restrictions, each of the Existing Shareholders may transfer the Lock-up Shares to any of its affiliates, whether directly or indirectly, provided that, such affiliates shall enter into an undertaking letter with the same form and substance same as the Lock-up Undertaking for the Lock-up Period.

Commission and Expenses

According to the Hong Kong Underwriting Agreement, the Hong Kong Underwriters will receive an underwriting commission of 3.5% of the aggregate Offer Price payable for the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering. For unsubscribed Hong Kong Offer Shares reallocated to the International Offering, if any, our Company will pay an underwriting commission at the rate applicable to the International Offering and such commission will be paid to the Joint Bookrunners and the relevant International Underwriters (but not the Hong Kong Underwriters). In addition, at the discretion of our Company, the Hong Kong Underwriters may also receive an incentive fee up to 2.5% of the aggregate Offer Price.

Assuming the Over-allotment Option is not exercised and based on an Offer Price of HK\$2.30 (being the mid-point of our Offer Price range of HK\$2.00 to HK\$2.60 per Offer Share), the aggregate commissions and maximum incentive fees, together with the Stock Exchange listing fees, the Stock Exchange trading fee of 0.005% per Offer Share, SFC transaction levy of 0.003% per Offer Share, legal and other professional fees and printing and other expenses relating to the Global Offering, are estimated to be approximately HK\$139.5 million, which is subject to adjustment to be agreed by the Company, the Joint Global Coordinators and other parties.

The commission and expenses were determined after arm’s length negotiation between the Company and the Hong Kong Underwriters or other parties by reference to the current market conditions.

Hong Kong Underwriters’ Interests in Our Company

Save for the obligations under the Hong Kong Underwriting Agreement, none of the Hong Kong Underwriters has any shareholding or beneficial interests in any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or purchase or to nominate persons to subscribe for or purchase securities in any member of our Group.

The International Offering

In connection with the International Offering, it is expected that we will enter into the International Underwriting Agreement with the Joint Global Coordinators (on behalf of the International Underwriters) on or about April 3, 2014. Under the International Underwriting Agreement and subject to the Over-allotment Option, the International Underwriters would, subject to certain conditions set out therein, severally but not jointly, agree to purchase the International Offer Shares being offered pursuant to the International Offering or procure purchasers for their respective applicable proportions of International Offer Shares. Please refer to the section headed “Structure of the Global Offering — The International Offering” for details.

Restrictions on the Offer Shares

No action has been taken to permit a public offering of the Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, without limitation to the following, 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 such an offer or invitation. The distribution of this prospectus and the offering and sales of the Offer Shares

UNDERWRITING

in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Hong Kong Offer Shares have not been publicly offered or sold, directly or indirectly, in the PRC or the United States.

ACTIVITIES BY SYNDICATE MEMBERS

We describe below a variety of activities that underwriters of the Hong Kong Public Offering and the International Offering, together referred to as “Syndicate Members,” may each individually undertake, and which do not form part of the underwriting or the stabilizing process. When engaging in any of these activities, it should be noted that the Syndicate Members are subject to restrictions, including the following:

- (a) under the agreement among the Syndicate Members, all of them (except for Citigroup Global Markets Asia Limited or its designated Affiliate as the Stabilizing Manager) 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) all of them must comply with all applicable laws, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

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 accounts of others. In relation to our 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 or unlisted securities transactions (including issuing securities such 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 entitled “Structure of the Global Offering.” 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.

INDEPENDENCE OF THE JOINT SPONSORS

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.