
UNDERWRITING

HONG KONG UNDERWRITERS

CMB International Capital Limited
Fortune (HK) Securities Limited
AMTD Global Markets Limited
ABCI Securities Company Limited
BOCOM International Securities Limited
China Renaissance Securities (HK) Limited
Haitong International Securities Company Limited
Huatai Financial Holdings (Hong Kong) Limited
Zhongtai International Securities Limited

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This prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Placing is expected to be fully underwritten by the International Underwriters.

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company is offering initially 25,223,000 Hong Kong Offer Shares (subject to adjustment) for subscription by way of the Hong Kong Public Offering at the Offer Price on and subject to the terms and conditions of this prospectus and the Application Forms.

Subject to the Listing Committee granting the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering (including any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option) as mentioned herein and to certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have severally agreed to subscribe or procure subscriptions for their respective applicable proportions of the Hong Kong Offer Shares now being offered but which are not taken up under the Hong Kong Public Offering on the terms and conditions of this prospectus, the Application Forms and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on and subject to, among other things, the International Placing Agreement having been signed and becoming unconditional.

Grounds for Termination

The Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled by notice to the Company to terminate the Hong Kong Underwriting Agreement 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 change or development involving a prospective change, or any event or series of events resulting in or representing a change or development, or prospective

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change or development, in local, national, regional or international financial, political, military, industrial, economic, currency market, fiscal, regulatory or market conditions (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 dollar or the Renminbi against any foreign currencies) in or affecting Hong Kong, China, the United States, any member of the European Union, Singapore, the United Kingdom, the Cayman Islands, the BVI or any other jurisdiction relevant to any member of our Group (collectively the “**Relevant Jurisdictions**”); or

- (ii) any new laws, rules, statutes, ordinances, regulations, guidelines, opinions, notices, circulars, orders, judgments, decrees or rulings of any governmental authority (the “**Law**”) or change or development involving a prospective change in existing Law or any change or development involving a prospective change in the interpretation or application of the Law by any court or other competent authority in any of the Relevant Jurisdictions; 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, epidemics, pandemics, outbreak of infectious diseases, breakdown in computer or communication or telecommunication network or system, civil commotion, riot, public disorder, acts of war, acts of terrorism (whether or not responsibility has been claimed), acts of God, accident or interruption or delay in transportation) in or affecting any of the Relevant Jurisdictions; 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, declaration of a national or international emergency or war, or calamity or crisis in or affecting any of the Relevant Jurisdictions; or
- (v) (1) any, moratorium, suspension of, or restriction or limitation on, trading in shares or securities generally on the Stock Exchange, the New York Stock Exchange, the American Stock Exchange, the NASDAQ National Market, the London Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange or the Tokyo Stock Exchange or (2) a general moratorium on commercial banking activities in New York (imposed at Federal or New York State level or other competent authority), London, any member of the European Union, Singapore, the Cayman Islands, the BVI, Hong Kong or China, 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 of the Relevant Jurisdictions; or
- (vi) the imposition of economic sanctions, in whatever form, directly or indirectly, by, or on, the United Nations, United States or by any member of the European Union on any of the Relevant Jurisdictions; or
- (vii) any material change or prospective material change in taxation or exchange controls, currency exchange rates or foreign investment regulations in any of the Relevant Jurisdictions (including without limitation a devaluation of the Hong

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- Kong dollar or the Renminbi against any foreign currencies) or the implementation of any exchange control in any of the Relevant Jurisdictions; or
- (viii) any change or development involving a prospective change, or a materialization of, any of the risks set out in the section headed “Risk Factors” in this prospectus; or
 - (ix) the commencement by any state, governmental, judicial, law enforcement agency, regulatory or political body or organization (collectively the “**Organizations**”) of any action, proceedings, investigation or enquiry, or any sanction, penalty or reprimand imposed or issued by any of the Organizations, against any member of our Group or any Director or an announcement by any of the Organizations that it intends to take any such action; or
 - (x) any litigation or claim being threatened or instigated against any member of our Group or any Executive Director; or
 - (xi) a Director being charged with an indictable offense or prohibited by operation of law or otherwise disqualified from taking part in the management of a company; or
 - (xii) the chairman or chief executive officer of our Company vacating his office; or
 - (xiii) a contravention by any member of our Group of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Companies Ordinance, the Listing Rules or any applicable law; or
 - (xiv) a prohibition on our Company for whatever reason from allotting or selling the Offer Shares (including any additional Shares issued under the exercise of the Over-allotment Option) under the terms of the Global Offering; or
 - (xv) non-compliance of this prospectus (or any other documents used in connection with the subscription and purchase of the Offer Shares) or any aspect of the Global Offering with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Companies Ordinance, the Listing Rules or any other applicable law; or
 - (xvi) other than with the approval of the Joint Global Coordinators, the issue or requirement to issue by our Company of a supplement or amendment to this prospectus (or to any other documents used in connection with the subscription or sale of the Offer Shares) under the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Companies Ordinance, the Listing Rules or any requirement or request of the Stock Exchange and/or the SFC; or
 - (xvii) a valid demand by any creditor for repayment or payment of any indebtedness of any member of our Group or in respect of which any member of our Group is liable before its stated maturity; or
 - (xviii) any material loss or material damage sustained by any member of our Group (howsoever caused and whether or not the subject of any insurance or claim against any person); or
 - (xix) a petition is presented for the winding up or liquidation of any member of our Group or bankruptcy of any Director, or any member of our Group or any Director makes any composition or arrangement with its or his creditors or enters into a

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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 to take over all or part of the assets or undertaking of any member of our Group or any Director or any analogous matter occurs in respect of any member of our Group or any Director,

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 Hong Kong Underwriters),

- (1) is or will or may be materially adverse to, or materially and prejudicially affect, the business, management, general affairs, financial or trading position or prospects of our Group as a whole; or
 - (2) has or will have or may have a material adverse effect on the success, marketability or pricing of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of interest under the International Placing; or
 - (3) makes or will or may make it impracticable, inadvisable or inexpedient 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; or
 - (4) makes or will or may make it impracticable, inadvisable or inexpedient for any part of the Hong Kong Underwriting Agreement (including underwriting), the Hong Kong Public Offering and/or the Global Offering (including processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof) to be performed or implemented as envisaged; or
- (b) there comes to the notice of the Joint Global Coordinators or any of the Hong Kong Underwriters:
- (i) any statement contained in this prospectus, the Application Forms, the formal notice and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Hong Kong Public Offering and/or the International Placing (including any supplement or amendment to any of the documents) (collectively the “**Offer Documents**”) was or has become, untrue, incorrect or misleading in any respect or that any estimate, forecast, expression of opinion, intention or expectation expressed in any Offer Document is not fair and honest and based on reasonable assumptions; or
 - (ii) any matter has arisen or has been discovered which would had it arisen or been discovered immediately before the date of this prospectus and not having been disclosed in this prospectus, constitute a material omission from any of the Offer Documents and/or in any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of the Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto); or
 - (iii) any breach of, or any event rendering untrue, incorrect or misleading in any respect, any of the warranties or confirmations given by our Company, in the Hong Kong Underwriting Agreement or the International Placing Agreement; or

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- (iv) any breach of any of the obligations, warranties or undertakings of our Company, the Controlling Shareholders or the Selling Shareholders under the Hong Kong Underwriting Agreement or the International Placing Agreement; or
- (v) any event, act or omission which gives or may give or is likely to give rise to any liability of any of the Controlling Shareholder, executive Directors and our Company pursuant to the indemnity provisions under the Hong Kong Underwriting Agreement; or
- (vi) any information, matter or event which in the sole and absolute opinion of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters);
 - (1) is inconsistent in any respect with any information contained in Form B in Appendix 5 to the Listing Rules given by our Directors; or
 - (2) would cast any serious doubt on the integrity or reputation of any Director or the reputation of our Group; or
- (vii) any material adverse change or development or prospective material adverse change or development in the conditions, business, general affairs, management, prospects, assets, liabilities, shareholders' equity, profits, losses, operating results, the financial or trading position or performance of our Group as a whole; or
- (viii) that approval by the Listing Committee of the listing of, and permission to deal in, the Shares 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
- (ix) our Company withdraws any of the Offer Documents (and any other documents used in connection with the contemplated subscription and sale of the Offer Shares) or the Global Offering; or
- (x) any person (other than the Joint Global Coordinators and any of the Underwriters) has withdrawn or sought to withdraw its consent to being named in any of the Offer Documents or to the issue of any of the Offer Documents.

Undertakings

Undertakings to the Stock Exchange under the Listing Rules

(A) Undertaking by us

Under 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 our equity securities (whether or not of a class already listed) or enter into any agreement to such issue within six months from the Listing Date (whether or not such issue of Shares or our securities will be completed within six months from the commencement of dealing), except pursuant to the Global Offering (including the exercise of the Over-allotment Option) or for the circumstances provided under Rule 10.08 of the Listing Rules.

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(B) Undertaking by the Controlling Shareholders

In accordance with Rule 10.07(1)(a) of the Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange that except pursuant to the Global Offering, the Over-allotment Option or the Stock Borrowing Agreement, (a) he/it will not, at any time during the period commencing from the date of this prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interest or encumbrances in respect of, any of the Shares in respect of which he/it is shown by this prospectus to be the beneficial owners; and (b) he/it will not, at any time during the period of six months from the date on which the period referred to in paragraph (a) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interest or encumbrances in respect of, any of the Shares referred to in paragraph (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interest or encumbrances, he/it ceases to be the Controlling Shareholder.

Note (2) of Rule 10.07 of the Listing Rules provides that the rule does not prevent a controlling shareholder from using the shares owned by it as securities (including a charge or a pledge) in favor of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended) for a bona fide commercial loan.

Each of the Controlling Shareholders has further undertaken to the Stock Exchange and the Company that it will, within a period commencing on the date of this prospectus and ending on a date which is twelve months from the Listing Date, immediately inform us and the Stock Exchange of:

- (a) any pledges or charges of any Shares or securities of our Company beneficially owned by him/it in favor of any authorized institution as permitted under the Listing Rules, and the number of such Shares or securities of our Company so pledged or charged; and
- (b) any indication received by him/it, either verbal or written, from any pledgee or chargee of any of the Shares or securities of our Company pledged or charged that any of such Shares or other share capital will be sold, transferred or disposed of.

We will also inform the Stock Exchange as soon as we have been informed of the above matters (if any) by the Controlling Shareholders and disclose such matters in accordance with the publication requirements under Rule 2.07C of the Listing Rules as soon as possible after being so informed by the Controlling Shareholders.

Undertakings under the Hong Kong Underwriting Agreement

(A) Undertaking by us

We have undertaken to each of the Sole Sponsor, the Joint Global Coordinators and the Hong Kong Underwriters that at any time from 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**”), our Company will not (except for the issue of Shares under the Global Offering and the Over-allotment Option) 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 set out in the Listing Rules:

- (a) offer, accept subscription for, pledge, charge, mortgage, allot, issue, sell, assign, contract to allot, issue or sell, sell any option or contract to purchase, purchase any option, grant or agree

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to grant any option, right or warrant to purchase or contract to sell or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, conditionally or unconditionally, or repurchase, any of our share capital or equity securities of our Company or any interest in our equity securities or any voting right or any other right attaching thereto (including but not limited to any securities convertible into, exercisable or exchangeable for, or that represent the right to receive such share capital or securities or any interest in our share or debt capital); 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 share or debt capital or securities or any interest in our equity securities or any voting right or any other right attaching thereto; or
- (c) offer or agree or contract to enter or enter into any transaction with the same economic effect as any transaction described in (a) or (b) above; or
- (d) publicly announce any intention to enter into any transaction described in (a), (b) or (c) above,

whether any of the foregoing transactions described in (a), (b) or (c) above is to be settled by delivery of share capital or such other securities, in cash or otherwise. We further agree that in the event of an issue or a disposal of any Shares, securities or any interest of our securities or any voting right or any other right attaching thereto during the period of six months commencing on the date on which the First Six-month Period, we will take all reasonable steps to ensure that such an issue or a disposal will not create a disorderly or false market for the Shares.

(B) Undertaking by the Controlling Shareholders

Each of the Controlling Shareholders has undertaken with our Company, the Sole Sponsor, the Joint Global Coordinators and the Hong Kong Underwriters that, except pursuant to the Global Offering, the Over-allotment Option or the Stock Borrowing Agreement, the Controlling Shareholders will not, without the prior written consent of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters), at any time:

- (i) during the First Six-month Period:
 - (a) offer, pledge, charge, sell, contract to sell, sell any option or contract to purchase, purchase any option or grant, contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend, make any short sale or otherwise transfer or dispose of (nor enter into any agreement to transfer or dispose of or otherwise create any options, rights, interest or encumbrances in respect of), either directly or indirectly, conditionally or unconditionally, or cause us to repurchase, any of our share or debt capital or our other securities or any interest in our share or debt capital or any voting right or any other right attaching thereto (including but not limited to any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, any of our share or debt capital or our other securities or any interest in our share or debt capital whether now owned or subsequently acquired, owned directly by the Controlling Shareholder (including holding as a custodian) or with respect to which the Controlling Shareholder has beneficial ownership (collectively the “**Lock-up Shares**”)). The foregoing restriction is expressly agreed to preclude the Controlling

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Shareholder from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead to or result in a sale or disposition of the Lock-up Shares even if such Shares would be disposed of by someone other than the Controlling Shareholder. Such prohibited hedging or other transactions would include without limitation any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to any of the Lock-up Shares or with respect to any security that includes, relates to, or derives any significant part of its value from such Shares; 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 any of our share or debt capital or our other securities or any interest in our share or debt capital or any voting right or any other right attaching thereto; or
- (c) offer or agree or contract to enter or enter into any transaction with the same economic effect as any transaction described in (i)(a) or (i)(b) above; or
- (d) publicly announce any intention to enter into, any transaction described in (i)(a), (i)(b) or (i)(c) above,

whether any transaction described in (i)(a), (i)(b) or (i)(c) above is to be settled by delivery of Shares or such other securities in cash or otherwise; and

- (ii) during the period of six months commencing on the date on which the First Six-month Period expires (the “**Second Six-month Period**”) enter into any of the transactions in paragraphs (i)(a), (i)(b) or (i)(c) above or agree or contract to or publicly announce any intention to enter into any such transactions if, immediately following such transfer or disposal or upon the exercise or enforcement of such options, rights, interest or encumbrances, the Controlling Shareholder will cease to be the Controlling Shareholder. The Controlling Shareholder further agrees that in the event of a disposal of any Shares, securities or any interest of our securities or any voting right or any other right attaching thereto after the Second Six-month Period, the Controlling Shareholder will take all reasonable steps to ensure that such a disposal will not create a disorderly or false market for the Shares.

Each of the Controlling Shareholders has undertaken to each of the Company, the Sole Sponsor, the Joint Global Coordinators and the Hong Kong Underwriters that at any time during the period from the commencement of the First Six-month Period to the date on which the Second Six-month Period expires, he/it shall:

- (a) if he/it pledges or charges or otherwise creates encumbrances over any Shares or securities of the Company or interests therein in respect of which he/it is the beneficial owner, whether directly or indirectly, immediately inform each of the Company, the Sole Sponsor, the Joint Global Coordinators, the Hong Kong Underwriters and the Stock Exchange in writing of any such pledges or charges or encumbrances and the number of Shares or securities of the Company so pledged or charged or encumbered; and
- (b) if he/it receives any indication, either verbal or written, from any pledgee or chargee or encumbrance or such third party that any of the pledged, charged, encumbered Shares or other securities of the Company will be disposed of, immediately inform each of the Company, the Sole Sponsor, the Joint Global Coordinators and the Hong Kong Underwriters and the Stock Exchange in writing of any such indication.

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Indemnity

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

International Placing

International Placing Agreement

In connection with the International Placing, we, and the Selling Shareholders expect to enter into the International Placing Agreement with the International Underwriters. Under the International Placing Agreement, the International Underwriters, subject to certain conditions, will agree severally and not jointly to procure purchasers for, or themselves purchase, their respective proportions of the International Placing Shares being offered under the International Placing.

Under the International Placing Agreement, we expect to grant to the International Underwriters the Over-allotment Option, exercisable by the Stabilizing Manager (on behalf of the International Underwriters) at any time from the Listing Date up to (and including) the date which is the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require us to allot and issue up to an aggregate of 37,834,000 additional new Shares additional Shares, representing approximately 15% of the number of Offer Shares initially available under the Global Offering. These Shares will be issued and sold at the Offer Price and will be solely for the purpose of covering over-allocations, if any, in the International Placing.

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

Commissions and expenses

The Hong Kong Underwriters will receive a commission of 2.5% of the aggregate Offer Price payable for the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering, out of which they will pay any sub-underwriting commissions.

For unsubscribed Hong Kong Offer Shares reallocated to the International Placing, we will pay an underwriting commission at the rate applicable to the International Placing and such commission will be paid to the International Underwriters and not the Hong Kong Underwriters.

The commissions payable to the Underwriters will be borne by our Company in relation to the new Shares to be issued under the Global Offering and the Sale Shares to be offered under the Global Offering, respectively. Our Company may also in its sole discretion pay the Underwriters an additional incentive fee of up to 1.0% of the Offer Price multiplied by the total number of the Offer Shares in such manner as determined by the Company at its absolute discretion.

The aggregate commissions (inclusive of any discretionary incentive fees), together with listing fees, SFC transaction levy and Stock Exchange trading fee in respect of the new Shares offered by us, legal and other professional fees and printing and other expenses relating to the Global Offering, are estimated to be approximately RMB44 million (assuming an Offer Price of HK\$3.00, which is the

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midpoint of the indicative Offer Price range, and that the Over-allotment Option is not exercised) in total and are payable by us and the Selling Shareholders. The Selling Shareholders will be responsible for the commissions (inclusive of any discretionary incentive fees), together with listing fees, SFC transaction levy and Stock Exchange trading fee in respect of the Sale Shares in the Global offering.

Underwriters' interest in our Group

Other than disclosed in the preceding paragraph, the obligations under the Hong Kong Underwriting Agreement and the International Placing Agreement and, if applicable, the Stock Borrowing Agreement, none of the Underwriters has any shareholding interests in any member of our Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Sponsor's independence

The Sole Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.