
UNDERWRITING

PUBLIC OFFERING UNDERWRITERS

Joint Lead Managers

Goldman Sachs (Asia) L.L.C.
J.P. Morgan Securities (Asia Pacific) Limited

Co-Lead Managers

The Hongkong and Shanghai Banking Corporation Limited
Cazenove Asia Limited

INTERNATIONAL UNDERWRITERS

Goldman Sachs (Asia) L.L.C.
J.P. Morgan Securities (Asia Pacific) Limited
The Hongkong and Shanghai Banking Corporation Limited
Cazenove Asia Limited
DnB NOR Markets

UNDERWRITING ARRANGEMENTS AND EXPENSES

Public Offering

Pursuant to the Public Offering Underwriting Agreement, our Company and the Selling Shareholders are initially offering 43,700,000 Public Offering Shares for subscription by or for sale to the public in Hong Kong on and subject to the terms and conditions of this prospectus and the Application Forms.

Subject to the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Shares in issue and to be issued as mentioned herein, and to certain other conditions as set out in the Public Offering Underwriting Agreement, the Public Offering Underwriters have agreed severally and not jointly to subscribe, or to procure subscribers or purchasers for, their respective applicable proportions of the Public Offering Shares which are being offered, on the terms and conditions of this prospectus, the Application Forms and the Public Offering Underwriting Agreement.

Grounds for Termination

The obligations of the Public Offering Underwriters to subscribe or purchase, or to procure subscribers or purchasers for, the Public Offering Shares are subject to termination if certain events, including but not limited to the following, shall occur prior to 6:00 a.m. on the date on which trading in the Shares commences on the Stock Exchange:

- (a) any material breach of any of the warranties or undertakings comes to the knowledge of Goldman Sachs, as the Global Coordinator, or any of the Public Offering Underwriters or any breach by our Company or the Selling Shareholders of any other provision of the Public Offering Underwriting Agreement;
- (b) any matter has arisen or has been discovered which would, had it arisen immediately before the date of this prospectus and not having been disclosed in this prospectus, constitute a material omission;

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- (c) any statement contained in this prospectus has become or been discovered to be untrue, incorrect or misleading in any material respect;
- (d) any event, act or omission which gives or is likely to give rise to any liability of our Company or the Selling Shareholders pursuant to the indemnities contained in the Public Offering Underwriting Agreement;
- (e) any material adverse change or prospective material adverse change in the business or the financial or trading position of the Group;
- (f) any event or series of events, matters or circumstances concerning or relating to, or any change in:
 - (i) local, national, financial, political, economic, military, industrial, fiscal, regulatory or stock market conditions in Hong Kong, Bermuda, China, the US or any other relevant jurisdiction; or
 - (ii) any new law or change in existing laws or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong, Bermuda, China, the US or any other relevant jurisdiction; or
 - (iii) any event in the nature of force majeure affecting Hong Kong, Bermuda, China, the US or any other relevant jurisdiction including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, economic sanctions, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
 - (iv) a general moratorium on commercial banking activities in New York, London or Hong Kong; or
 - (v) any outbreak or escalation of hostilities involving the US, China or Hong Kong or the declaration by the US, China or Hong Kong of a national emergency or war or the occurrence of any other calamity or crisis; or
 - (vi) the imposition of any moratorium, suspension, limitation or restriction on trading in securities generally on the Stock Exchange, New York Stock Exchange or the London Stock Exchange due to exceptional financial circumstances or otherwise; or
 - (vii) a prospective material change in taxation or exchange control (or the implementation of any exchange control) in Hong Kong, China or any other relevant jurisdiction; or
 - (viii) any material litigation or claim being threatened or instigated against any member of the Group;

which, in the sole opinion of the Global Coordinator:

- (A) is or will be or is likely to be materially adverse to the general affairs, management, business, financial, trading or other condition or prospects of the Group taken as a whole or to any present or prospective shareholder of the Company in its capacity as such; or

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- (B) has or will have or is likely to have a material adverse effect on the success of the Global Offering or the level of Offer Shares being applied for or accepted or the distribution of the Offer Shares or dealings in the Shares in the secondary market; or
- (C) makes it inadvisable, impracticable or inexpedient to proceed with the Public Offering and/or the International Placing,

then the Global Coordinator may, and upon giving notice in writing to us and the Public Offering Underwriters, terminate the Public Offering Underwriting Agreement with immediate effect.

The Global Coordinator may also terminate the Public Offering Underwriting Agreement if the Reorganisation has not completed by 6:05 a.m. on the day that trading in the Offer Shares commences on the Stock Exchange.

Listing Rule Obligations

Pursuant to Rule 10.07(1) of the Listing Rules, the Controlling Group shall not, except pursuant to the Global Offering or the Over-allotment Option or unless in compliance with the requirements of the Listing Rules:

- (i) in the period commencing from the date of this prospectus and ending on the date which is six months from the date on which dealings in the Shares first commence on the Stock Exchange (the “**First Six-month Period**”), dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of any Shares in respect of which they are shown by this prospectus to be the beneficial owner (the “**Controlling Group’s Shares**”); and
- (ii) in the six month period commencing on the expiry of the First Six-month Period (the “**Second Six-month Period**”), dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of any of the Controlling Group’s Shares if, immediately following such disposal or upon the exercise of or enforcement of such options, rights, interests or encumbrances, they would cease to be our controlling shareholder (as defined in the Listing Rules).

Pursuant to Rule 10.08 of the Listing Rules, no further Shares or securities convertible into equity securities (whether or not of a class already listed) may be issued or form the subject of any agreement to such an issue within six months from the date on which dealings in the Shares first commence 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 in certain prescribed circumstances, which includes the issue of Shares pursuant to the Share Option Scheme.

Undertakings

We have, pursuant to the Underwriting Agreements, undertaken to the Global Coordinator and the Underwriters that, and each of the Selling Shareholders has undertaken to them to use its best endeavours to procure that, except pursuant to the Global Offering, the exercise of the Over-allotment Option or the Share Option Scheme, during a period of 180 days after the

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date of this prospectus, we will not without the Global Coordinator's prior written consent (on behalf of the Underwriters) and unless in compliance with the Listing Rules, (a) offer, accept subscription for, pledge, issue, sell, lend, mortgage, assign, charge, contract to 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 the share or debt capital or other securities of our Company or any interest therein (including, but not limited to, any securities that are convertible into or exchangeable for, or that represent the right to receive such capital or securities or any interest therein); (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 such capital or securities or any interest therein; or (c) enter into any transaction with the same economic effect as any transaction described in (a) or (b) above; or (d) agree or contract to, or publicly announce any intention to enter into, any transaction described in (a) or (b) or (c) above, whether any of the foregoing transactions are to be settled by delivery of Shares or other securities, in cash or otherwise. We have also undertaken to not, and each of the Selling Shareholders has undertaken to use its best endeavours to procure that we will not, enter into any of the foregoing transactions described in (a), (b) and (c) above, or agree or contract to or publicly announce any intention to enter into any such transaction, whereby the Controlling Group would cease to be a controlling shareholder (as defined in the Listing Rules) of the Company during the Second Six-Month Period.

Further, each member of the Controlling Group has, pursuant to the Underwriting Agreements or separate undertakings, undertaken to each of our Company, the Global Coordinator and the Underwriters that except pursuant to the exercise of the Over-allotment Option, during a period of 180 days from the date of this prospectus, it will not without the Global Coordinator's prior written consent (on behalf of the Underwriters) and unless in compliance with the Listing Rules, (a) offer, pledge, charge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, conditionally or unconditionally, any of the share or debt capital or other securities of our Company or any interest therein (including, but not limited to, any securities that are convertible into or exchangeable for, or that represent the right to receive any such capital or securities or any interest therein); (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 capital or securities or any interest therein; or (c) enter into any transaction with the same economic effect as any transaction described in (a) or (b) above; or (d) agree or contract to, or publicly announce any intention to enter into, any transaction described in (a) or (b) or (c) above, whether any of the foregoing transactions are to be settled by delivery of such capital or securities, in cash or otherwise. Each member of the Controlling Group has also undertaken that during the Second Six-Month Period, it will not enter into any of the foregoing transactions described in (a) or (b) or (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, the Controlling Group will cease to be a controlling shareholder (as the term is defined in the Listing Rules) of the Company.

In addition, each member of the Controlling Group has undertaken that, until the expiry of the Second Six-Month Period, in the event it enters into any of the transactions contemplated above or agrees or contracts to, or publicly announces an intention to enter into any such

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transactions, it will take all reasonable steps to ensure that it will not create a disorderly or false market.

In addition to the obligations imposed by the Listing Rules and summarised in the section headed “Listing Rule Obligations” above, each member of the Controlling Group has, pursuant to the Underwriting Agreements or separate undertakings, undertaken to each of the Company, the Global Coordinator and the Underwriters that, during the Second Six-month Period each member of the Controlling Group will not enter into any of the transactions contemplated in paragraph (ii) of that section in respect of such number of its Shares which, as at the Listing Date, represents its pro rata proportion of such number of the Controlling Group’s Shares that in aggregate will ensure that the Controlling Group will not cease to be our controlling shareholder (as defined in the Listing Rules).

The members of the Controlling Group have further undertaken to each of our Company, the Global Coordinator, the Public Offering Underwriters and the Stock Exchange that they will, at any time after the date of this prospectus up to and including the date falling 12 months after the date on which dealings in the Shares on the Stock Exchange commence, immediately inform us and the Global Coordinator of:

- (i) any pledges or charges of any securities of our Company beneficially owned by them and the number of securities so pledged or charged; and
- (ii) any indication received by them, either verbal or written, from any pledgee or chargee that any of the pledged or charged securities of our Company will be disposed of.

We will inform the Stock Exchange as soon as we have been informed of the above matters (if any) by any member of the Controlling Group and disclose such matters by way of a press announcement which is published in the newspapers as soon as possible after being so informed by any member of the Controlling Group.

As part of the Reorganisation, Pembroke has agreed (the “Restrictions”) with the Company that it will not directly or indirectly offer, pledge, charge, sell, contract to sell, grant or agree to grant any option or other right to purchase, lend or otherwise transfer or dispose of, 126,537,318 Shares (reducing progressively to 118,719,787 Shares, on a Share for Share basis, if and to the extent that Pembroke sells Shares pursuant to exercise of the Underwriters’ Over-allotment Option) for the first 12 months after the Listing Date (such number of Shares being referred to below as the “Initial Shares”). During the second 12 months after the Listing Date, 66.7% of the Initial Shares will continue to be subject to the Restrictions. During the third 12 months after the Listing Date, 33.3% of the Initial Shares will continue to be subject to the Restrictions. On and from the third anniversary of the Listing Date, none of the Initial Shares will be subject to the Restrictions.

Commissions and Expenses

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

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Public Offering Underwriters' Interest in our Company

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

INTERNATIONAL PLACING

International Underwriting Agreement

In connection with the International Placing, it is expected that our Company and the Selling Shareholders will enter into the International Underwriting Agreement with the International Underwriters. Under the International Underwriting Agreement, the International Underwriters to be named therein will severally and not jointly agree to purchase the International Placing Shares or procure purchasers for the International Placing Shares.

Under the International Underwriting Agreement, the Selling Shareholders intend to grant to the International Underwriters (exercisable by the Global Coordinator on their behalf) the Over-allotment Option, exercisable at the sole and absolute discretion of the Global Coordinator for up to 30 days from the last day for lodging of applications under the Public Offering, to require the Selling Shareholders to sell up to an aggregate of 63,000,000 additional Shares, representing approximately 14.4% of the maximum number of Offer Shares initially available under the Global Offering. These Shares will be sold at the Offer Price and will be solely for the purpose of covering over-allocations in the International Placing, if any.

Total Expenses

Assuming an Offer Price of HK\$2.55 per Share (being the mid-point of the stated offer price range of HK\$2.20 to HK\$2.90 per Share), the aggregate commissions and fees, together with Stock Exchange listing fees, SFC transaction levy of 0.005%, investor compensation levy of 0.002%, Stock Exchange trading fee of 0.005%, legal and other professional fees and printing and other expenses relating to the Global Offering, are estimated to amount in aggregate to approximately US\$9.6 million (HK\$75.3 million) (assuming the Over-allotment Option is not exercised) in total. Such commissions, fees and expenses are payable by us as to approximately US\$7.2 million (HK\$56.5 million). The Selling Shareholders shall be liable to pay an aggregate of approximately US\$2.4 million (HK\$18.8 million), in commissions, together with the SFC transaction levy of 0.005%, investor compensation levy of 0.002% and Stock Exchange trading fee of 0.005%, payable in proportion to the number of Shares sold by them in the Global Offering.

Some of the Public Offering Underwriters and their affiliates have in the past provided, and may in the future provide, various banking, underwriting and other services to the Group (whether related to the Global Offering or not) for which they have received or may receive customary compensation.