
UNDERWRITING

Hong Kong Underwriters

Joint Lead Managers

Credit Suisse (Hong Kong) Limited
Morgan Stanley Asia Limited

Co-Lead Manager

Core Pacific — Yamaichi International (Hong Kong) Limited

Co-Managers

CCB International Capital Limited
CSC Securities (HK) Limited
ICEA Capital Limited
Kingston Securities Limited
Luen Fat Securities Company Limited
Piper Jaffray Asia Securities Limited

International Offering Underwriters

Joint Lead Managers

Credit Suisse (Hong Kong) Limited
Morgan Stanley & Co. International plc

Co-Lead Manager

Core Pacific — Yamaichi International (Hong Kong) Limited

Co-Managers

Guotai Junan Securities (Hong Kong) Limited
ICEA Capital Limited
Kingston Securities Limited
Luen Fat Securities Company Limited

Underwriting Arrangements and Expenses

Hong Kong Public Offering

Hong Kong Underwriting Agreement

The Hong Kong Underwriting Agreement was entered into on February 22, 2008. As described in the Hong Kong Underwriting Agreement, we are offering the Public Offer Shares for subscription by the public in Hong Kong, on the terms and conditions of 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, all the Shares in issue and the Shares to be offered as mentioned in this Prospectus, and to certain other conditions set out in the Hong Kong Underwriting Agreement, including the Joint Global Coordinators (on behalf of the Underwriters) and us agreeing to the Offer Price, the Hong Kong Underwriters have agreed severally to subscribe or procure subscribers for the Public 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 of this Prospectus and the Application Forms.

The Hong Kong Underwriting Agreement is conditional upon (among other things) the International Placing Agreement having been signed, becoming unconditional, and not having been terminated in accordance with its terms.

Grounds for termination

The Joint Global Coordinators (on behalf of themselves and the Hong Kong Underwriters) may in their absolute discretion, terminate the Hong Kong Underwriting Agreement with immediate effect, by notice to our Company at any time prior to 8:00 a.m., on the Listing Date, if:

- (a) there shall develop, occur, exist or come into effect:
 - (i) any new law or regulation or any change or development involving a prospective change in existing laws or regulations or any change or development involving a prospective change in

UNDERWRITING

the interpretation or application thereof by any court or other competent authority of the Cayman Islands, Hong Kong, the PRC, the US, the European Union, Japan or any other relevant jurisdiction; or

- (ii) any change or development involving a prospective change, or any event or series of events likely to result in any change or development involving a prospective change in local, national or international financial, political, military, industrial, economic, currency market, fiscal or regulatory or market conditions or any monetary or trading settlement system (including but not limited to conditions in stock and bond markets, money and foreign exchange markets and inter-bank markets) in or affecting the Cayman Islands, Hong Kong, the PRC, the US, the European Union, Japan or any other relevant jurisdiction; or
- (iii) any suspension or limitation on trading in shares or securities generally on the New York Stock Exchange, the Stock Exchange, the Tokyo Stock Exchange or the London Stock Exchange or minimum or maximum prices for trading having been fixed, or maximum ranges for prices having been required, by any of the said exchanges or by such system or by order of any regulatory or governmental authority, or a disruption has occurred in securities settlement or clearance services or procedures in the Cayman Islands, Hong Kong, the PRC, the US, the European Union, Japan or any other relevant jurisdiction; or
- (iv) a change or development occurs involving a prospective change in taxation or exchange control (or the implementation of any exchange control) or currency exchange rates in Hong Kong, the PRC, the US, the European Union, Japan or any other relevant jurisdiction; or
- (v) any change or development involving a prospective change in the condition, financial or otherwise, or in the earnings, business affairs, business prospects or trading position of the Company or any member of the Group, including any litigation or claim of any third party being threatened or instigated or any existing claim being amended or revised against the Company or any member of the Group; or
- (vi) any change or development involving a prospective change, or a materialisation of, any of the risks set out in the section headed “Risk Factors” in this Prospectus; or
- (vii) any general moratorium on commercial banking activities in Hong Kong (imposed by the Financial Secretary and/or the Hong Kong Monetary Authority or other competent authority), New York (imposed at Federal or New York State level or other competent authority), the PRC, the Cayman Islands, the European Union, Japan or any other relevant jurisdiction; or
- (viii) any outbreak or escalation of hostilities (whether or not war is or has been declared) or other state of emergency or calamity or wide-spread epidemic or political or social crisis involving the US, the PRC, Hong Kong, the Cayman Islands, the European Union, Japan or any escalation thereof, or the declaration by the US, the PRC, Hong Kong or the Cayman Islands of a national emergency or war; or
- (ix) any event of force majeure, including without limitation any act of God, war, riot, public disorder, civil commotion, economic sanctions, fire, flood, explosion, epidemic, terrorism (whether or not responsibility has been claimed), labour dispute, strike or lock-out involving the US, the PRC, Hong Kong, the Cayman Islands, the European Union or Japan;

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

- (A) is or may be or is likely to be materially adverse to the business, financial or other condition or prospects of our Company or the Group or, in the case of sub-paragraph (iv), to any present or prospective shareholder of our Company in his/its capacity as such; or

UNDERWRITING

- (B) has or might 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 Offer Shares; or
- (C) makes it inadvisable, inexpedient or impracticable to proceed with the Global Offering or the delivery of the Offer Shares on the terms and in the manner contemplated by this Prospectus; or
- (b) there comes to the notice of the Joint Global Coordinators any matter or event showing any of the Warranties (as defined in the Hong Kong Underwriting Agreement) given by the Warrantors (as defined in the Hong Kong Underwriting Agreement) to be untrue or misleading which is or, in the sole opinion of the Joint Global Coordinators, likely to be, material in the context of the Global Offering when given or repeated; or
- (c) there comes to the notice of the Joint Global Coordinators any breach on the part of our Company or the Controlling Shareholders of any of the provisions of the Hong Kong Underwriting Agreement or the International Placing Agreement, or
- (d) any matter has arisen or has been discovered which would, had it arisen immediately before the date of this Prospectus, not having been disclosed in this Prospectus, constitute a material omission herefrom; or
- (e) any statement contained in this Prospectus, the Application Forms, the Formal Notice (as defined in the Hong Kong Underwriting Agreement) and any announcements in the agreed form issued by our Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) was, has or may become untrue, incorrect or misleading in any material respect; or
- (f) there shall have occurred any event, act or omission which gives or is likely to give rise to any liability of a material nature of our Group pursuant to the indemnities referred to in the Hong Kong Underwriting Agreement; or
- (g) a valid demand by any creditor for repayment or payment of any indebtedness of our Company or any member of our Group or in respect of which our Company or any member of our Group is liable prior to its stated maturity which demand has or could reasonably be expected to have a material adverse effect on our Group taken as a whole; or
- (h) a petition is presented for the winding-up or liquidation of our Company or any member of our Group or our Company or any member of our 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 our Company or any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of our Company or any member of our Group or anything analogous thereto occurs in respect of our Company or any member of our Group, which in the sole opinion of the Joint Global Coordinators, may or is likely to be material in the context of the Global Offering provided that the Joint Global Coordinators shall, to the extent practicable, seek to consult with our Company on the effect of any such development.

Undertakings

(a) Undertakings by us

Pursuant to Rule 10.08 of the Listing Rules, except pursuant to the Global Offering or any issue of Shares or securities in compliance with Rule 10.08(1) to (4) of the Listing Rules, the Company will not, at any time during the period of six months from the date on which dealings in the Shares commence on the Stock Exchange

UNDERWRITING

(the “First Six-month Period”), allot or issue or agree to allot or issue any Shares or other securities of the Company (including warrants or other securities of the Company) or grant or agree to grant any options or rights over any Shares or other securities of the Company or enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequence of ownership of any Shares or offer to or agree to do any of the foregoing or announce the intention to do so.

Our Company has undertaken to each of the Joint Global Coordinators, the Joint Sponsors and the Hong Kong Underwriters that our Company will comply in all respects with the terms and conditions of the Hong Kong Public Offering and, in particular, without limitation, except pursuant to the Global Offering, the Over-allotment Option or the Share Option Scheme, at any time from the date of the Hong Kong Underwriting Agreement until the expiry of the First Six-month Period, our Company will not without the Joint Global Coordinators’ prior written consent (subject to the requirements set out in the Hong Kong Listing Rules) (i) offer, accept subscription for, pledge, charge, allot, issue, sell, lend, mortgage, assign, 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, or repurchase, any of our share capital or any securities or any interest therein (including but not limited to any securities convertible into or exercisable or exchangeable for or that represent the right to receive any such share capital or securities or any interest therein), 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 such share capital or securities or any interest therein, whether any of the foregoing transactions described in (i) or (ii) is to be settled by delivery of share capital or such other securities, in cash or otherwise PROVIDED THAT the foregoing restrictions shall not apply to the issue of the Offer Shares by our Company pursuant to the Global Offering, and our Company has further agreed that, in the event of an issue or disposal of any Shares or any interest therein after the First-Six-month Period, we will take all reasonable steps to ensure that such an issue or disposal will not create a disorderly or false market for the Shares.

b) Undertakings by Nabors International and the Controlling Shareholder

Pursuant to Rule 10.07(1) of the Listing Rules, each of Nabors International and the Controlling Shareholders has undertaken to us that it or he shall not and shall procure that the relevant registered shareholder(s) shall not, without prior consent of the Stock Exchange:

- (i) during the period commencing from the date of this Prospectus up to the expiry of 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 of the Shares in respect of which it or he is shown by this Prospectus to be the beneficial owner (the “Locked-up Shares”); and
- (ii) within the period of six months immediately following 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 Locked-up Shares if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, (i) Nabors International and the Controlling Shareholders would collectively or (ii) the Controlling Shareholders, cease to be a controlling shareholder of the Company.

Nabors International and Ally Giant, on behalf of the Controlling Shareholders have agreed that with respect to the Second Six-month Period, Nabors International will have preferential rights to sell its Shares as against any Controlling Shareholder. In such event, no Controlling Shareholder shall be permitted to sell its Shares without first offering to Nabors International the opportunity to sell all or any portion of Shares held by Nabors International.

UNDERWRITING

Each of Nabors International and the Controlling Shareholders has further undertaken to us that it will, at any time after the date of this Prospectus and until the end of the Second Six-month Period:

- (i) upon any pledge or charge in favour of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) of any Shares or securities or interests in the Shares or securities of the Company beneficially owned by it for a bona fide commercial loan, immediately inform the Company and the Joint Global Coordinators in writing of such pledge or charge together with the number of Shares or securities so pledged or charged; and
- (ii) upon any indication received by it, either verbal or written, from any pledgee or chargee that any of the pledged or charged Shares or securities or interests in the Shares or securities of the Company will be disposed of, immediately inform the Company and the Joint Global Coordinators in writing of such indications.

Upon receiving the above information in writing, we will also, as soon as practicable, notify the Stock Exchange and make a public disclosure of such information by way of a notice which is published in the newspapers.

Each of the Controlling Shareholders has undertaken to each of the Joint Global Coordinators, the Joint Sponsors and the Hong Kong Underwriters that, it will not and will procure that none of its associates or companies controlled by it or any nominee or trustee holding in trust for it will, except pursuant to the Global Offering, the Over-allotment Option, and the stock borrowing agreement, where applicable, without the prior written consent of the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Hong Kong Listing Rules:

- (a) at any time from the date of the Hong Kong Underwriting Agreement until the expiry of the First Six-month Period, 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 capital, debt capital or other securities of our Company or any interest therein held by it (including, but not limited to any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, any such share capital or other securities of our Company or any interest therein) as of the Listing Date or enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of such share capital or securities or any interest therein, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise, or offer to or agree to do any of the foregoing or announce any intention to do so; and
- (b) during the Second Six-month Period, 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 capital, debt capital or other securities of our Company or any interest therein held by it (including but not limited to any securities that are convertible into or exercisable or exchangeable for or that represent the right to receive, any such share capital or other securities of our Company or any interest therein) as of the Listing Date or enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of such share capital or securities or any interest therein, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise, or offer to or agree to do any of the foregoing or announce any intention to do so if,

UNDERWRITING

immediately following such transaction, the Controlling Shareholders would collectively or individually, as the case may be, cease to be the controlling shareholders (as defined in the Listing Rules); and

- (c) in the event of a disposal by it of any share capital or any interest therein during the Second Six-month Period it will take all reasonable steps to ensure that such a disposal will not create a disorder or false market for the Shares or other securities of our Company.

Nabors International has undertaken to each of the Joint Global Coordinators, the Joint Sponsors and the Hong Kong Underwriters that, it will not and will procure that none of its associates or companies controlled by it or any nominee or trustee holding in trust for it will, without the prior written consent of the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Hong Kong Listing Rules, during the First Six-month Period, 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 capital, debt capital or other securities of our Company or any interest therein held by it (including, but not limited to any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, any such share capital or other securities of our Company or any interest therein) as of the Listing Date or enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of such share capital or securities or any interest therein, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise, or offer to or agree to do any of the foregoing or announce any intention to do so provided that, to the extent permitted by the Listing Rules and in compliance with all relevant laws and regulations, Nabors International may enter into synthetic arrangements in respect of Shares or interests in Shares held by it equivalent to or representing 5% of the Company's entire share capital (on a fully diluted basis, including any Shares which may be issued pursuant to the Global Offering) but under no circumstance will such arrangements result in Nabors International's interests in the Shares of the Company during this period being reduced to less than 13.5% (assuming no exercise of Over-allotment Option).

c) Undertakings by the Financial Investors

Each of the Financial Investors has undertaken to each of the Company, the Joint Global Coordinators, the Hong Kong Underwriters and the Joint Sponsors that it will not, and will procure that none of its Associates or companies controlled by it or any nominee or trustee holding for it will without the prior written consent of the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules at any time during the period from the date of the Hong Kong Underwriting Agreement and ending on the date which is six months from the Listing Date, 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 capital, debt capital or other securities of the Company or any interest therein held by it immediately following the completion of the Global Offering and International Placing (including, but not limited to any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, any such share capital or other securities of the Company or any interest therein) or enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of such share capital, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise, or offer to or agree to do any of the foregoing or announce any intention to do so, and in the event of a disposal by it of any of the share capital of the Company or any interest therein thereafter it or he will ensure that such a disposal will not create a disorderly or false market for the Shares or other securities of the Company.

UNDERWRITING

Hong Kong Underwriters' interests in our Company

Except 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 Company or any other member of our Group or the right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for securities in our Company or any other member of our Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their obligations under the Hong Kong Underwriting Agreement.

Buyers of Offer Shares sold by the Underwriters may be required to pay stamp taxes and other charges in accordance with the laws and practice of the country of purchase in addition to the Offer Price.

International Offering

In connection with the International Offering, it is expected that we will enter into an International Placing Agreement with the Joint Global Coordinators and the International Underwriters. Under the International Placing Agreement, the International Underwriters would, subject to certain conditions, severally agree to purchase the International Offer Shares being offered pursuant to the International Offering or procure purchasers for such International Offer Shares.

We will grant to the International Underwriters an Over-allotment Option, exercisable by the Joint Global Coordinators on behalf of the International Underwriters within 30 days from the last day for the lodging of applications under the Hong Kong Public Offering, to require us to allot and issue up to an aggregate of 125,000,000 additional Shares, at the Offer Price to, among other things, cover over-allocations in the International Offering, if any. The Joint Global Coordinators may also cover such over-allocations by, among other means, purchasing Shares in the secondary market or through stock borrowing arrangements from holders of Shares, or exercise of the Over-allotment Option, or by a combination of these means, or otherwise as may be permitted under applicable laws. Any such secondary market purchases will be made in compliance with all applicable laws, rules and regulations. If the Over-allotment Option is exercised in full, the additional 125,000,000 Shares will represent approximately 15% of the number of Offer Shares initially available in the Global Offering.

Commission and Expenses

For the services of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement, the Company will pay to the Joint Global Coordinators, for themselves and on behalf of the other Hong Kong Underwriters, an underwriting commission calculated at the rate of 3.25% of the Offer Price multiplied by the number of Public Offer Shares less any Shares reallocated to the International Placing (as defined in the Hong Kong Underwriting Agreement), ignoring for this purpose any Clawback Shares (as defined in the Hong Kong Underwriting Agreement). In addition, the Company may, in its sole discretion, pay to the Joint Global Coordinators (for its account only) an additional incentive fee of up to 0.75% of the Offer Price multiplied by the total number of Offer Shares and shall communicate such in writing to the Joint Global Coordinators prior to or at the pricing of the Shares.

Our Company's aggregate commissions and fees, together with the Stock Exchange listing fee, SFC transaction levy, Stock Exchange trading fee, legal and other professional fees, printing and other fees and expenses relating to the Global Offering, are estimated to amount to approximately HK\$220 million (assuming the Over-allotment Option is not exercised and an Offer Price of HK\$3.83, which is the mid-point of the indicative range of the Offer Price).

UNDERWRITING

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