
UNDERWRITING

HONG KONG UNDERWRITERS

Joint Lead Managers

Citigroup Global Markets Asia Limited
Macquarie Capital Securities Limited

Co-Managers

China Everbright Securities (HK) Limited
ICEA Capital Limited

INTERNATIONAL UNDERWRITERS

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UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

We are offering the Hong Kong Offer Shares for subscription 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 the listing of, and permission to deal in, the Shares to be offered pursuant to the Hong Kong Public Offering as mentioned herein 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 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 conditions of this prospectus, the Application Forms and the Hong Kong Underwriting Agreement.

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

Grounds for Termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscriptions for the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement are subject to termination if, at any time 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 or development involving a prospective change in existing laws or regulations, or any change or development involving a prospective change in the interpretation or application thereof by any court or other

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- competent authority in or affecting Hong Kong, China, the Cayman Islands, the United States, Canada, any member of the European Union, Japan, Singapore or any other relevant 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 a prospective change or development, in local, national, regional or international financial, political, military, industrial, economic, currency market, fiscal or regulatory or market conditions (including, without limitation to, conditions in stock and bond markets, money and foreign exchange markets and inter-bank markets) or any monetary or trading settlement system or matters and/or disaster (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 any foreign currencies) in or affecting any Relevant Jurisdiction; or
 - (iii) any change or development in the conditions of local, national or international equity securities or other financial markets; or
 - (iv) any event or series of events in the nature of force majeure (including, without limitation, acts of government, strikes, lock-outs, fire, explosion, flooding, epidemic, outbreak of an infectious disease, civil commotion, acts of war, any local, national, regional or international outbreak or escalation of hostilities (whether or not war is declared), acts of terrorism (whether or not responsibility has been claimed), declaration of a national or international emergency or war, riot, public disorder, economic sanctions, acts of God, accident or interruption or delay in transportation) in or affecting any of the Relevant Jurisdictions; or
 - (v) 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 or calamity or crisis in or affecting any of the Relevant Jurisdictions; or
 - (vi) any moratorium, suspension, limitation or restriction 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; or
 - (vii) any general moratorium on commercial banking activities in New York, London, the Cayman Islands, Hong Kong, Japan 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
 - (viii) any change or development involving a prospective change or development in taxation or exchange controls, currency exchange rates or foreign investment regulations in any of the Relevant Jurisdictions adversely affecting an investment in our Shares; or
 - (ix) any change or development involving a prospective change in our condition, financial or otherwise, or our earnings, business affairs, business prospects or trading position; or
 - (x) any of our Directors being charged with an indictable offense or prohibited by operation of law or otherwise disqualified from taking part in our management; or

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- (xi) the commencement by any regulatory body or organization of any action against a Director or us or an announcement by any regulatory body or organization that it intends to take any such action; or
- (xii) a contravention by us of the Companies Ordinance or Cayman Companies Law or any of the Listing Rules; or
- (xiii) other than with the approval of the Sole Global Coordinator, the issue or requirement to issue by our Company of a supplementary prospectus, Application Form, preliminary or final offering circular pursuant to the Companies Ordinance or the Listing Rules in circumstances where the matter to be disclosed is, in the sole opinion of the Sole Global Coordinator, materially adverse to the marketing for or implementation of the Global Offering; or
- (xiv) any change or development involving a prospective change of, or a materialization of, any of the risks set out in the section headed “Risk Factors” in this prospectus; or
- (xv) a petition is presented for the winding-up or liquidation of us or if we make any composition or arrangement with our creditors or enter into a scheme of arrangement or any resolution is passed for the winding-up of us or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of us or anything analogous thereto occurs in respect of us,

and which, in any such case and in the opinion of the Joint Bookrunners (on behalf of the other Hong Kong Underwriters),

- (A) is or may or will be or is likely to be materially adverse to, or materially and prejudicially affect, the general affairs or the business or financial or trading or other condition or prospects of our Company or our subsidiaries; or
 - (B) has or may have or will have or is likely to have a material adverse effect on the success of the Global Offering or the level of Shares being applied for or accepted or the distribution of Shares 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
 - (D) has or will have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or which prevents the processing of applications and/or payments pursuant to the Hong Kong Public Offering or pursuant to the underwriting thereof,
- (b) there has come to the notice of the Joint Bookrunners or any 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 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 any

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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, constitute a material omission from this prospectus; or
- (iii) any of the representations, warranties and undertakings given by our Company, the controlling shareholders or the Selling Shareholder in the Hong Kong Underwriting Agreement or the International Underwriting Agreement, as applicable, is (or might when repeated be) untrue or misleading or inaccurate in any material respect; or
- (iv) any event, act or omission which gives or may give rise to any liability of our Company, the controlling shareholders or the Selling Shareholder pursuant to the indemnities given by us, the controlling shareholders or the Selling Shareholder under the Hong Kong Underwriting Agreement; or
- (v) any breach of any of the obligations or undertakings of our Company, the controlling shareholders or the Selling Shareholder under the Hong Kong Underwriting Agreement or the International Underwriting Agreement, as applicable; or
- (vi) any material adverse change or prospective material adverse change in the conditions, losses, business, properties, results of operations, in the financial or trading position or performance of us as a whole; or
- (vii) any material litigation or claim of any third-party being threatened or instigated against us or any Director; or
- (viii) any of Deloitte Touche Tohmatsu as the reporting accountant, Savills Valuation and Professional Services Limited as the property valuer in relation to the Global Offering, Conyers Dill & Pearman as the legal adviser of our Company on Cayman Islands law, King & Wood as the legal adviser of our Company on PRC law, Jun He Law Offices as legal adviser of the Underwriters or Behre Dolbear Asia, Inc. as the independent technical expert has withdrawn its respective consent to the issue of this prospectus with the inclusion of its reports, letters, summaries of valuations 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 to be issued or sold (including any additional Shares that may be issued pursuant to the exercise of the Over-allotment Option) on the Stock Exchange is refused or not granted, other than subject to customary conditions, by the Listing Date, or if granted, the approval is subsequently withdrawn, qualified (other than customary conditions) or withheld; or
- (x) our Company withdraws this prospectus, the Application Forms (and any other documents used in connection with the contemplated subscription and sale of the Shares) or the Hong Kong Public Offering,

in which case the Joint Bookrunners on behalf of the Hong Kong Underwriters may, in its sole discretion and upon giving notice to our Company and the Hong Kong Underwriters, terminate the Hong Kong Underwriting Agreement with immediate effect.

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Undertakings to the Stock Exchange Pursuant to the Hong Kong Listing Rules

(a) Undertaking by our Company

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 Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except in certain prescribed circumstances which includes the issue of Shares pursuant to the Share Option Scheme.

(b) Undertaking by the controlling shareholders

In accordance with Rule 10.07(1)(a) of the Listing Rules, each of our controlling shareholders has undertaken to the Stock Exchange that except pursuant to the Global Offering, (i) it will not, at any time during the period commencing from the Listing Date 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 it is shown by this prospectus to be the beneficial owner; and (ii) it will not, at any time during the period of six months from the date on which the period referred to in (i) 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 our Shares referred to in (i) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it would then cease to be one of our controlling shareholders.

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 security (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) for a bona fide commercial loan.

Each of our controlling shareholders has further undertaken to the Stock Exchange that he or it will, within a period of 12 months from the Listing Date, immediately inform us and the Stock Exchange of:

- (i) any pledges or charges of any of our Shares or securities of our Company beneficially owned by him or 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
- (ii) any indication received by him or it, either verbal or written, from any pledgee or chargee of any of our Shares or other securities of our Company pledged or charged that any of such Shares or other share capital will be sold, transferred or disposed of.

Undertakings pursuant to the Hong Kong Underwriting Agreement

(a) Undertaking by our Company

Pursuant to the Hong Kong Underwriting Agreement, we have undertaken to the Sole Global Coordinator and the Hong Kong Underwriters that, except pursuant to the Global Offering (including pursuant to the Over-allotment Option) or any share option scheme of us, at any time from the date of

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the Hong Kong Underwriting Agreement to the expiry of the six months from the Listing Date, and unless permitted by the Stock Exchange, we will not, without the prior written consent of the Sole Global Coordinator (on behalf of the Hong Kong Underwriters):

- (i) offer, pledge, charge, mortgage, allot, issue, sell, contract to allot, issue or sell, sell 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 Shares or other securities of our Company 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, any such Shares or other 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 Shares or other securities or any interests therein; or
- (iii) enter into any transaction with the same economic effect as any transaction described in (i) or (ii) above; or
- (iv) agree to contract to, or publicly announce any intention to enter into, any transaction described in (i), (ii) or (iii) above; whether such transaction described in (i), (ii) or (iii) above is to be settled by delivery of such interests, in cash or otherwise.

(b) *Undertaking by the controlling shareholders*

Each of the controlling shareholders has undertaken to the Sole Global Coordinator and the Hong Kong Underwriters that, at any time from the date of the Hong Kong Underwriting Agreement to the expiry of 36 months from the Listing Date, except as specified below, the controlling shareholder will not, without the prior written consent of the Sole Global Coordinator on behalf of the Hong Kong Underwriters:

- (i) 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, 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, interests or encumbrances in respect of), either directly or indirectly, conditionally or unconditionally, cause us to repurchase any of our share or debt capital or our other securities or any interest therein, 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 capital or securities or any interest therein whether now owned or hereinafter 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 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

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- (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 any such capital or securities or any interest therein; or
- (iii) enter into any transaction with the same economic effect as any transaction described in (i) or (ii) above; or
- (iv) agree or contract to, or publicly announce any intention to enter into, any transaction described in (i) or (ii) or (iii) above, whether any such transaction described in (i) or (ii) or (iii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise.

The above undertaking shall not apply to (A) the Global Offering, (B) implementation of the terms and conditions of the Exchangeable Bonds, (C) where applicable, stock borrowing arrangements that may be entered into with the Stabilization Manager or its agent, (D) a pledge or charge of any of our Shares or securities or interests in any of our Shares or securities owned by the controlling shareholder as security, for the first six months, only 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 and, after the first six months, in favor of any third party, provided that such third party agrees to be bound in writing by the terms of the lockup as set forth above prior to the granting of the pledge or charge or other encumbrance, and (E) any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, the Shares, or any interest therein owned by the controlling shareholder, provided that such Shares or interest will not be transferred during the 36 month lock-up period.

Indemnity

We, the Selling Shareholder and the controlling shareholders (excluding the Wu Family Trust and the Trustee) have agreed to indemnify the Hong Kong Underwriters for certain losses which they may suffer, including, among other things, losses arising from the performance of their obligations under the Hong Kong Underwriting Agreement (other than losses which are attributable to actions of the Hong Kong Underwriters) and any breach by us of the provisions of the Hong Kong Underwriting Agreement.

Commissions and Expenses

The Hong Kong Underwriters will receive a gross commission of 3.0% 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, we will pay an underwriting commission at the rate applicable to the International Offering 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 and the Selling Shareholder in relation to the new Shares to be issued in relation to the Global Offering and the Sale Shares to be offered in the Global Offering, respectively. Our Company and the Selling Shareholder may also in their respective sole discretion pay the Joint Bookrunners an additional incentive fee of up to 0.75% in aggregate of the sale proceeds of the offer of Shares offered by us and the offer of Sale Shares offered by the Selling Shareholder under the Global Offering.

The aggregate commissions (exclusive 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 amount to approximately HK\$92.5 million (assuming an Offer Price of HK\$5.30, which is the midpoint of the indicative offer price range and that the Over-allotment Option is not exercised) in

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total and are payable by us. The Selling Shareholder will pay commissions and incentive fees (if any), SFC transaction levy and Stock Exchange trading fee and buyers' and sellers' stamp duties in respect of the Sale Shares.

Underwriters' Interest in Us

Save for their respective obligations under the Hong Kong Underwriting Agreement and the International Underwriting Agreement and, if applicable, the stock borrowing arrangements that may be entered into between the Stabilization Manager or its agent with any of our controlling shareholders, none of the Underwriters has any shareholding interests in us or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in us.

Sponsors' Independence

Citigroup Global Markets Asia Limited satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

International Offering

International Underwriting Agreement

In connection with the International Offering, the Selling Shareholder, the controlling shareholders (except the Wu Family Trust and the Trustee), the International Underwriters, the Sole Global Coordinator and us expect to enter into the International Underwriting Agreement. Under the International Underwriting Agreement, the International Underwriters to be named therein will severally agree to purchase or procure purchasers for the International Offer Shares.

We expect to grant the Over-allotment Option to the International Underwriters, exercisable by the Sole Global Coordinator or its agent, 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 date for lodging of Application Forms under the Hong Kong Public Offering. Pursuant to the Over-allotment Option, the Sole Global Coordinator or its agent will have the right to require us to allot and issue up to an aggregate of 24,750,000 additional new Shares, representing in aggregate approximately 15% of the Offer Shares initially available under the Global Offering. These Shares will be sold or issued at the Offer Price. An announcement will be made in the event that the Over-allotment Option is exercised.

Undertakings by our Company and the Controlling Shareholders

Pursuant to the International Underwriting Agreement, we, the controlling shareholders and the Selling Shareholder have agreed to make the same lock-up undertakings to the Sole Global Coordinator on behalf of the International Underwriters as those in the Hong Kong Underwriting Agreement.