

UNDERWRITING

HONG KONG UNDERWRITERS

Joint Lead Managers

Macquarie Capital Securities Limited
China Merchants Securities (HK) Co., Limited

Co-Lead Manager

DBS Asia Capital Limited

Co-Managers

GuocoCapital Limited
Guotai Junan Securities (Hong Kong) Limited
Mega Capital (Asia) Company Limited
Mizuho Securities Asia Limited

INTERNATIONAL UNDERWRITERS

Joint Lead Managers

Macquarie Capital Securities Limited
China Merchants Securities (HK) Co., Limited

Co-Lead Manager

DBS Asia Capital Limited

Co-Managers

GuocoCapital Limited
Guotai Junan Securities (Hong Kong) Limited
Mega Capital (Asia) Company Limited
Mizuho Securities Asia Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, we are offering the Hong Kong Offer Shares for subscription by the public in Hong Kong on and subject to 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, our Shares in issue and to be issued as mentioned herein,

UNDERWRITING

and to certain other conditions set out in the Hong Kong Underwriting Agreement (including but not limited to the Offer Price being agreed upon between the Joint Bookrunners (on behalf of the Underwriters) and us), the Hong Kong Underwriters have agreed severally and not jointly to subscribe or procure subscribers for their respective applicable proportions of the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering on and subject to 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 have not been terminated in accordance with its terms.

Grounds for Termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers 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 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 jurisdiction where any member of the Group was incorporated or has a business presence (each a “Relevant Jurisdiction”); or
 - (ii) any change or development involving a prospective change or development, or any event or series of events resulting in or representing a change or development, or prospective change or development, in local, national, regional or international financial, political, military, industrial, economic, currency market, 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,

UNDERWRITING

economic sanctions, acts of God, accident or interruption or delay in transportation in or affecting any Relevant Jurisdiction; 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 Relevant Jurisdiction; or
- (vi) (A) any moratorium, suspension, limitation or restriction on trading in shares or securities generally on the Hong Kong Stock Exchange, the New York Stock Exchange, the Nasdaq National Market, the London Stock Exchange, the Tokyo Stock Exchange; or (B) any general moratorium on commercial banking activities in New York, London, 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 Relevant Jurisdiction; or
- (vii) any change or development involving a prospective change or development in taxation or exchange controls, currency exchange rates or foreign investment regulations in any Relevant Jurisdiction adversely affecting an investment in the Shares; or
- (viii) any change or development involving a prospective change on the condition, financial or otherwise, or in the earnings, business affairs, business prospects or trading position of our Group; or
- (ix) any executive Director being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management of a company; or
- (x) the commencement by any regulatory body or organization of any action against any executive Director or our Group or an announcement by any regulatory body or organization that it intends to take any such action; or
- (xi) a contravention by any member of our Group of the Companies Ordinance or Companies Law of Cayman Islands or any of the Listing Rules; or
- (xii) other than with the approval of the Joint Bookrunners, the issue or requirement to issue by our Company of a supplementary prospectus, Application Forms, 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 Joint Bookrunners, materially adverse to the marketing for or implementation of the Global Offering; or
- (xiii) save for the de-registration of Wuzhou Xingke, a petition is presented for the winding-up or liquidation of any member of our Group 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 any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of

UNDERWRITING

the assets or undertaking of any member of our Group or anything analogous thereto occurs in respect of any member of our Group,

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

- (i) 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
 - (ii) 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; or
 - (iii) 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 and/or for any material part of the Hong Kong Underwriting Agreement to be performed or implemented as envisaged; or
 - (iv) has or will have the effect of making any material part of the Hong Kong Underwriting Agreement 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 forecasts, estimates, expression of opinion, intention or expectation expressed in such documents are not, in all material aspects, fair and honest and based on reasonable assumptions, when taken as a whole; or
 - (ii) any matter has arisen or has been discovered which would or might, had it arisen immediately before the date of this prospectus, not having been disclosed in this prospectus, constitutes a material omission therefrom; or
 - (iii) any of the Warranties (as defined in the Hong Kong Underwriting Agreement) given by the Warrantors (as defined in the Hong Kong Underwriting Agreement) in the Hong Kong Underwriting Agreement or the International Underwriting Agreement 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 the Warrantors (as defined in the Hong Kong Underwriting Agreement) or any other

UNDERWRITING

indemnifying party pursuant to the indemnities given by the Warrantors under the Hong Kong Underwriting Agreement; or

- (v) any breach of any of the obligations of the Warrantors (as defined in the Hong Kong Underwriting Agreement) or any other indemnifying party 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 assets, liabilities, conditions, profits, losses, business, properties, results of operations, in the financial or trading position or prospects or performance of our Company or our subsidiaries; or
- (vii) any material litigation or claim being threatened or instigated against our Company or any of our subsidiaries or the Warrantors (as defined in the Hong Kong Underwriting Agreement) or any Director; or
- (viii) any of Ernst & Young as the Reporting Accountant, DTZ as the Property Valuer in relation to the Global Offering, Conyers Dill Pearman as the legal advisers of the Company on Cayman Islands law and C&F as the legal advisers of the Company on PRC law has withdrawn its respective consent to the issue of this prospectus with the inclusion of its reports, letters, 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 Hong Kong Stock Exchange is refused or not granted, other than subject to customary conditions, on or before the listing approval date, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or
- (x) our Company withdraws the Hong Kong Public Offering Documents (as defined in the Hong Kong Underwriting Agreement) (and any other documents used in connection with the contemplated subscription and sale of the Shares) or the Global Offering,

then the Joint Bookrunners may, in its sole discretion and upon giving notice to the Company, terminate the Hong Kong Underwriting Agreement with immediate effect.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by our Company

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 Listing Date), except under the Global Offering (including the exercise of the Over-allotment Option) or the Capitalization Issue or for the circumstances provided under Rule 10.08(1) to 10.08(4) of the Listing Rules.

UNDERWRITING

We have undertaken to each of the Sole Global Coordinator, the Hong Kong Underwriters and the Joint Sponsors that except pursuant to the Global Offering (including pursuant to the Over-allotment Option), the Capitalization Issue and any share option scheme of any members of our Group, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date, we will not without the Joint Bookrunners' prior written consent and unless in compliance with the requirements of the Listing Rules:

- (i) offer, pledge, charge, allot, issue, sell, contract to allot, issue or sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, or repurchase, any of its share capital or any securities convertible into or exercisable or exchangeable for or that represent the right to receive such share capital;
- (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
- (iii) offer or agree to enter into, any transaction with the same economic effect described in limb (i) or (ii) above, or agree or contract to, or publicly announce any intention to enter into, any transaction described in limb (i), (ii) or (iii) above whether any of the foregoing transactions described in limb (i) or (ii) above is to be settled by delivery of share capital or such other securities, in cash or otherwise,

and we further agree that, in the event of an issue or disposal of any Shares or any interest therein after the date falling six months from Listing Date, 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.

Nothing in the above undertakings shall (a) restrict our Company's ability to sell, pledge, mortgage or charge any share capital or other securities of or any other interest in any of our subsidiaries provided that any such sale, or any enforcement of such pledge, mortgage or charge will not result in such subsidiary ceasing to be a subsidiary (as defined in the Companies Ordinance) of our Company; or (b) restrict any of our subsidiaries from issuing any share capital or other securities thereof or any other interests therein provided that any such issue will not result in that subsidiary ceasing to be a subsidiary (as defined in the Companies Ordinance) of our Company.

Undertakings by the Controlling Shareholders

Pursuant to Rule 10.07 of the Listing Rules, each of our Controlling Shareholders has undertaken to the Stock Exchange that save as pursuant to the Stock Borrowing Agreement or note (2) to Rule 10.07(2) of the Listing Rules, without the prior written consent of the Stock Exchange or unless otherwise in compliance with applicable requirements of the Listing Rules:

- (a) she/it will not, at any time in the period commencing on the date by reference to which disclosure of its shareholding in our Company is made in 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, interests or encumbrances in respect of any of the Shares in respect of which she/it is shown by this prospectus to be the beneficial owner;

UNDERWRITING

- (b) she/it will not, at any time during the period of six months commencing on 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, interests 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, interests or encumbrances, she/it will then cease to be our Controlling Shareholder.

Each of our Controlling Shareholders has further undertaken to the Stock Exchange that she/it will, within the period commencing on the date by reference to which disclosure of her/its shareholding in our Company is made in this prospectus and ending on the date which is 12 months from the Listing Date:

- (i) when she/it pledges or charges any Shares or other securities or interests in any securities of our Company beneficially owned by her/it in favor of any authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan, immediately inform us of such pledge or charge together with the number of such Shares or securities of our Company so pledged or charged; and
- (ii) when she/it receives indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged Shares or securities or interests in any securities of our Company will be disposed of, immediately inform us of such indications.

We will also inform the Stock Exchange as soon as we have been informed of the matters mentioned in (i) and (ii) above by our Controlling Shareholders and disclose such matters by way of an announcement which is published in accordance with Rule 2.07C of the Listing Rules as soon as possible.

Pursuant to the Hong Kong Underwriting Agreement, each of our Controlling Shareholders has undertaken to each of our Company, the Sole Global Coordinator, the Hong Kong Underwriters and the Joint Sponsors or its affiliates acting on its behalf in connection with the Global Offering that save as pursuant to the Global Offering or the Stock Borrowing Agreement or Note (2) to Rule 17.07(2) of the Listing Rules, without the prior written consent of the Joint Bookrunners (on behalf of Hong Kong Underwriters):

- (a) she/it will not (i) in the period commencing on the date of this prospectus and ending on the date which is six months from the Listing Date, dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which it is shown by this prospectus to be the beneficial owner; and (ii) during the period of six months commencing on the date on which the First Six-month Period expires, dispose of or, enter into any agreements of the foregoing transactions in limb (i) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it would cease to be one of the controlling shareholders of our Company as defined in the Listing Rules;
- (b) at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months from the Listing Date, she/it will not

UNDERWRITING

- (i) offer, pledge, charge, allot, issue, sell, contract to allot, issue or sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, or repurchase, any share capital of the Company or any securities convertible into or exercisable or exchangeable for or that represent the right to receive such share capital;
- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the share capital of the Company; or
- (iii) offer or agree to enter into, any transaction with the same economic effect as any transaction described in limb (i) or (ii) above; or agree or contract to, or publicly announce any intention to enter into, any transaction described in limb (i), (ii) or (iii) above, whether any of the foregoing transactions described in limb (i) or (ii) above is to be settled by delivery of share capital or such other securities, in cash or otherwise,

and each of the Controlling Shareholders further agrees that, in the event of an issue or disposal of any Shares or any interest therein after the date falling six months from Listing Date, she/it will take all reasonable steps to ensure that such an issue or disposal will not create a disorderly or false market for the Shares.

Each of our Controlling Shareholders has further undertaken to each of our Company, the Sole Global Coordinator, the Hong Kong Underwriters and the Joint Sponsors that she/it will, at any time within the period commencing on the date of the Hong Kong Underwriting Agreement and ending on the date which is 12 months after the Listing Date:

- (i) upon any pledge or charge in favor of an authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) of any share capital or other securities of our Company or any interests therein beneficially owned by her/it for a bona fide commercial loan, immediately inform our Company and the Joint Bookrunners in writing of such pledge or charge together with the number of Shares or other securities so pledged or charged; and
- (ii) upon any indication received by her/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 other securities of our Company will be disposed of, immediately inform our Company and the Joint Bookrunners in writing of such indications.

Our Company has further agreed and undertaken to the Sole Global Coordinator, the Joint Bookrunners and the Joint Sponsors and each of the Hong Kong Underwriters, that, upon receiving such information in writing from our Controlling Shareholders, we shall, for so long as required by law and the Listing Rules, as soon as practicable, notify the Stock Exchange and make a public disclosure of such information by way of an announcement in accordance with the Listing Rules.

UNDERWRITING

Indemnity

Each of our Company, our executive Directors and the Controlling Shareholders has agreed to indemnify the Hong Kong Underwriters against 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 terms and conditions of the Hong Kong Public Offering provided that such indemnity shall not be available to any Hong Kong Underwriter to the extent that such losses have been solely caused by the gross negligence, wilful default or fraud on the part of the Hong Kong Underwriter.

Total Commission and Expenses

The Hong Kong Underwriters will receive an underwriting commission of 2.5% on the Offer Price of the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering, out of which they will pay any sub-underwriting commission. 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 Joint Bookrunners and the relevant International Underwriters (but not the Hong Kong Underwriters).

If the aggregate sale proceeds of the Global Offering exceed US\$90 million (HK\$697.5 million), we agree to further pay Macquarie an incentive fee equal to 1% of the Offer Price per Share in respect of the Offer Shares and any additional Shares to be delivered by us pursuant to the Over-allotment Option.

If the Offer Price is fixed at HK\$3.10, in addition to the incentive fee payable to Macquarie as stated above, we agree to further pay China Merchants Securities an incentive fee equal to 1% of the Offer Price per Share in respect of the Offer Shares and any additional Shares to be delivered by us pursuant to the Over-allotment Option.

The aggregate commissions and incentive fees, together with listing fees, the SFC transaction levy and the 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\$73.6 million (assuming an Offer Price of HK\$2.60, which is the midpoint of the indicative Offer Price range of HK\$2.10 to HK\$3.10 and that the Over-allotment Option is not exercised) in total and are payable by us.

Hong Kong Underwriters' Interests in our Company

Except as disclosed below and other than their obligations under the Hong Kong Underwriting Agreement, as at the Latest Practicable Date, none of the Hong Kong Underwriters is interested directly or indirectly in any shares or securities in our Company or any other member of our Group or has any right or option (whether legally enforceable or not) to subscribe for, or to nominate persons to subscribe for, any shares or securities in our Company or any other member of our Group.

International Offering

In connection with the International Offering, it is expected that we will enter into the International Underwriting Agreement with the Joint Bookrunners and the International Underwriters on the Price Determination Date. Under the International Underwriting Agreement, the International Underwriters would, subject to certain conditions, severally and not jointly, agree to procure subscribers for or purchasers for, or failing which to subscribe for or purchase themselves, their respective applicable proportions of the International Offer Shares being offered pursuant to the International Offering which are not taken up under the International Offering.

Under the International Underwriting Agreement, we will grant to the International Underwriters the Over-allotment Option, exercisable by the Sole Global Coordinator on behalf of the International Underwriters during the 30-day period after the last day for lodging applications under the Hong Kong Public Offering to require us to issue up to an aggregate of 60,000,000 additional shares, representing in aggregate 15% of the Offer Shares initially available under the Global Offering.

UNDERWRITING

Activities by Syndicate Members

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

- (a) under the agreement among the Syndicate Members, all of them (except for Macquarie and its affiliates as the stabilizing manager) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Hong Kong Offer Shares at levels other than those which might otherwise prevail in the open market; and
- (b) all of them must comply with all applicable laws, including the market misconduct provisions of the SFO, such as the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

The Syndicate Members and their affiliates are diversified financial institutions with relationship in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In relation to our Shares, those activities could include acting as agent for buyers and sellers of our Shares, entering into transactions with those buyers and sellers in a principal capacity, proprietary trading in our Shares and entering into over the counter or listed derivative transactions or listed and unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying, assets including our Shares. Those activities may require hedging activity by those entities involving, directly or indirectly, buying and selling our Shares. All such activity could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in our Shares in baskets of securities or indices including our Shares in units of funds that may purchase our Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having our Shares as their underlying, whether on the Stock Exchange or on any other stock exchange, the rules of the exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in our Shares in most cases.

All of this activity may occur both during and after the end of the stabilizing period described under section headed “Structure of the Global Offering — Over-allotment and stabilization” in this prospectus. This activity may affect the market price or value of our Shares, the liquidity or trading volume in our Shares and the volatility of the share price, and the extent to which this occurs from day to day cannot be estimated.