
UNDERWRITING

HONG KONG UNDERWRITERS

CLSA Limited

The Hongkong and Shanghai Banking Corporation Limited

UBS AG, Hong Kong Branch

BOCOM International Securities Limited

CAF Securities Company Limited

Guotai Junan Securities (Hong Kong) Limited

Platinum Securities Company Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offer

Hong Kong Underwriting Agreement

The Hong Kong Underwriting Agreement was entered into on 23 April 2010. As described in the Hong Kong Underwriting Agreement, we are offering the Hong Kong Offer Shares for subscription on the terms and subject to the conditions of this prospectus and the Application Forms at the Offer Price. Subject to the Listing Committee of the Hong Kong Stock Exchange granting listing of, and permission to deal in, our Shares in issue and to be issued as mentioned herein, and to certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally 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 Offer on the terms and subject to the conditions of this prospectus and the Application Forms.

The Hong Kong Underwriting Agreement is conditional upon and subject to the International Underwriting Agreement having been signed and becoming unconditional.

Grounds for termination

The Joint Lead Managers (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled by notice to our Company to terminate the Hong Kong Underwriting Agreement jointly with immediate effect if at any time prior to 8:00 a.m. on the Listing Date:

- (A) there shall develop, occur, exist or come into effect:
- (1) any event, or series of events, in the nature of force majeure (including, without limitation, any acts of government, declaration of a national or international emergency or war, calamity, crisis, epidemic, outbreak of disease, economic sanctions (in whatever form, directly or indirectly), strikes, lock-outs, fire, explosion, flooding, earthquake, civil commotion, volcanic eruptions, riots, public disorder, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God or acts of terrorism) in or affecting the EU (or any member thereof), Japan, the PRC, Hong Kong, the United States or any other jurisdiction relevant to any member of the Group (each, a **Relevant Jurisdiction**); or
 - (2) 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, regional or international financial, economic, political, military, industrial, fiscal, regulatory, currency or market conditions (including, without limitation, conditions

UNDERWRITING

in the stock and bond markets, money and foreign exchange markets, the interbank markets and credit markets), in or affecting Hong Kong, the PRC, the United States, the EU (or any member thereof) or Japan; or

- (3) any moratorium, suspension or restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on trading in securities generally on the Hong Kong Stock Exchange, the New York Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the NASDAQ Global Market, the London Stock Exchange or the Tokyo Stock Exchange; or
- (4) any general moratorium on commercial banking activities in Hong Kong (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent authority), New York (imposed at Federal or New York State level or other competent authority), London, the PRC, the EU (or any member thereof), Japan or any other Relevant Jurisdiction, or any disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in any of those places or jurisdictions; or
- (5) any new law or any change or development involving a prospective change in existing laws 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 any Relevant Jurisdiction; or
- (6) a change or development involving a prospective change in Taxation, exchange control, currency exchange rates or foreign investment regulations (including without limitation a material devaluation of the Hong Kong dollar, the Euro, the Japanese yen, the Renminbi, the United States dollar or the British pound sterling against any foreign currencies and any disruptions in monetary, trading or securities settlement or clearance services, procedures or matters), or the implementation of any exchange control (except for the PRC), in any Relevant Jurisdiction; or
- (7) any action, suit, claim (whether or not any such claim involves or results in any action or proceeding), demand, investigation, judgment, award and proceeding (in each case whether joint or several) of any third party being threatened or instigated against any Group company; or
- (8) a 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
- (9) save as disclosed in this prospectus in respect of Mr. Pierre Maurice Georges Milet, an authority or a political body or organisation in any relevant jurisdiction commencing any action, suit, claim (whether or not any such claim involves or results in any action or proceeding), demand, investigation, judgment, award and proceeding (in each case whether joint or several), or announcing an intention to take any action, suit, claim (whether or not any such claim involves or results in any action or proceeding), demand, investigation, judgment, award and proceeding (in each case whether joint or several), against any Director; or

UNDERWRITING

- (10) a prohibition on our Company for whatever reason from offering, allotting, issuing or selling any of the Offer Shares (including any additional Shares to be subscribed for or purchased by, or by investors procured by, the International Underwriters pursuant to the Over-Allotment Option) pursuant to the terms of the Global Offering; or
- (11) the chairman of our Company vacating his office; or
- (12) a material contravention by any Group company of the Listing Rules or applicable laws,

which, individually or in the aggregate, in the sole opinion of the Joint Lead Managers (for themselves and on behalf of the Hong Kong Underwriters) (1) result in or will or is likely to result in a material adverse change, or any development involving a prospective material adverse change, in or affecting the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of the Company and the other members of the Group, taken as a whole; or (2) has or will or is likely to have a material adverse effect on the success of the Global Offering or the level of applications under the Hong Kong Public Offer or the level of interest under the International Placing; or (3) makes or will or is likely to make it inadvisable or inexpedient or impracticable for the Global Offering to proceed or to market the Global Offering; or (4) has or will or is likely to have the effect of making any part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(B) there has come to the notice of the Joint Lead Managers:

- (1) that any statement contained in any of this prospectus, the Application Forms and/or in any announcements issued by our Company in connection with the Hong Kong Public Offer (including any supplement or amendment thereto) was, when it was issued, or has become, untrue, incorrect or misleading in any material respect, or that any estimate, forecast, expression of opinion, intention or expectation contained in any of this prospectus, the Application Forms and/or any announcements issued by our Company in connection with the Hong Kong Public Offer (including any supplement or amendment thereto) is not fair, honest and based on reasonable assumptions; or
- (2) that any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, result in a material misstatement in, or constitute a material omission from, any of this prospectus, the Application Forms and/or in any announcements issued by our Company in connection with the Hong Kong Public Offer (including any supplement or amendment thereto); or
- (3) any material breach of any of the obligations imposed upon any party (other than any of the Hong Kong Underwriters or the International Underwriters) to the Hong Kong Underwriting Agreement or the International Placing Agreement; or
- (4) any event, act or omission which gives or is likely to give rise to any material liability of any of the indemnifying parties pursuant to the Hong Kong Underwriting Agreement; or

UNDERWRITING

- (5) any material adverse change or development involving a prospective material adverse change in the assets, liabilities, conditions, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, condition or position, financial or otherwise, or performance, of any Group company; or
- (6) any breach of, or any event rendering untrue or incorrect in any respect, any of the representations, warranties or undertakings given by the Company or LOG in the Hong Kong Underwriting Agreement (or, in the case of any such representations, warranties or undertakings not qualified by materiality, any breach of, or any event rendering untrue or incorrect in any material respect, such representations, warranties or undertakings); or
- (7) our Company withdraws this prospectus (and/or any other documents issued or used in connection with the subscription or sale of any of the Offer Shares pursuant to the Global Offering) or the Global Offering; or
- (8) material non-compliance of this prospectus (or any other documents used in connection with the contemplated offering, allotment, issue, subscription or sale of any of the Offer Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable law; or
- (9) an order or petition for the winding up of any Group company with substantive business operations or any composition or arrangement made by any such Group company with its creditors or a scheme of arrangement entered into by any such Group company or any resolution for the winding-up of any such Group company or the appointment of a provisional liquidator, receiver or manager over all or part of the material assets or undertaking of any such Group company or anything analogous thereto occurring in respect of any such Group company.

Lock-up

Pursuant to Rule 10.07 of the Listing Rules, each of Mr. Reinold Geiger and LOG has undertaken to us and to the Hong Kong Stock Exchange that he or it will not, and shall procure that any other registered holder (if any) will not, without the prior written consent of the Hong Kong Stock Exchange or unless otherwise in compliance with applicable requirements of the Listing Rules:

- (a) in the period of six months commencing on the Listing Date (the **First Six-month Period**), dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of our Shares in respect of which he or it is shown by this prospectus to be the beneficial owner (as defined in Rule 10.07(2) of the Listing Rules) (the **Parent Shares**); or
- (b) during the period of six months commencing on the date on which the First Six-month Period expires (the **Second Six-month Period**), 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 Parent Shares to such an extent that immediately following such disposal, or upon the exercise or enforcement of such options, rights, interests or encumbrances, he or it would cease to be a controlling shareholder (as defined in the Listing Rules) of us.

UNDERWRITING

Further, pursuant to Rule 10.07 of the Listing Rules, each of Mr. Reinold Geiger and LOG has undertaken to us and to the Hong Kong Stock Exchange that, during the First Six-month Period and the Second Six-month Period, he or it will:

- (a) if he or it pledges or charges any of our securities beneficially owned by him or it in favour of an 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 securities so pledged or charged; and
- (b) if he or it receives indications, either verbal or written, from the pledgee or chargee that any of our pledged or charged securities will be disposed of, immediately inform us of such indications.

International Placing

In connection with the International Placing, it is expected that we and the Selling Shareholder will enter into the International Underwriting Agreement with the Joint Bookrunners and the International Underwriters. Under the International Underwriting Agreement, the International Underwriters would, subject to certain conditions set out therein, severally agree to purchase the International Placing Shares being offered pursuant to the International Placing or procure purchasers for such International Placing Shares.

The Company and LOG will grant to the International Underwriters the Over-allotment Option, exercisable by the Sole Global Coordinator (after consulting with CLSA Limited and The Hongkong and Shanghai Banking Corporation Limited) on behalf of the International Underwriters on or before 29 May 2010, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offer, to require the Company to issue up to 27,309,000 additional Shares and the Selling Shareholder to sell up to 27,309,000 additional Shares, respectively, representing, in aggregate, 15% of the Initial Offer Shares, at the Offer Price, to cover, among other things, over-allocations in the International Placing, if any.

Commission and expenses

Under the terms and conditions of the Underwriting Agreements, the Underwriters will receive a gross underwriting commission of 2.50% of the aggregate Offer Price payable for the Offer Shares, out of which they will pay any sub-underwriting commissions.

Assuming the Over-allotment Option is not exercised at all and based on an Offer Price of HK\$13.98, being the mid-point of our offer price range of HK\$12.88 to HK\$15.08 per Share, the fees and commissions in connection with the Hong Kong Public Offer and the International Placing, together with the Hong Kong Stock Exchange listing fees, the Hong Kong Stock Exchange transaction levy, legal and other professional fees, printing, and other expenses relating to the Global Offering, are estimated to amount to approximately HK\$196.0 million in aggregate. Such commissions, fees and expenses are payable by us (as to approximately HK\$98.0 million), being in proportion to the number of Offer Shares offered by us and the Selling Shareholder in the Global Offering.

We and the Selling Shareholder have agreed to indemnify the Underwriters for certain losses which they may suffer, including losses incurred arising from their performance of their obligations under the Underwriting Agreements and any breach by us of the Underwriting Agreements.

UNDERWRITING

Underwriters' Interests in our Company

Save as disclosed above, none of the Underwriters is interested legally or beneficially in any shares of any of our members or has any right or option (whether legally enforceable or not) to subscribe for or purchase or to nominate persons to subscribe for or purchase securities in any of our members in the Global Offering.