
UNDERWRITING

HONG KONG UNDERWRITERS

Joint Lead Managers

China International Capital Corporation Hong Kong Securities Limited
Citigroup Global Markets Asia Limited
Taifook Securities Company Limited
Credit Suisse (Hong Kong) Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

The Hong Kong Underwriting Agreement was entered into on June 4, 2010. Pursuant to the Hong Kong Underwriting Agreement, we are offering the Hong Kong Public Offer Shares for subscription by the public in Hong Kong on the terms and subject to the conditions in 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, the H Shares to be offered pursuant to the Global Offering as mentioned herein (including any additional H Shares which may be issued pursuant to the exercise of the Over-allotment Option), and to certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally and not jointly to subscribe or procure subscribers for the Hong Kong 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 in 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.

Grounds for Termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Public Offer Shares under the Hong Kong Underwriting Agreement are subject to termination, if, at any time prior to 8:00 a.m. on the day that trading in the H Shares commences on the Hong Kong Stock Exchange:

- (a) there shall develop, occur, exist or come into effect:
 - (i) 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, pandemic, outbreak of infectious disease, economic sanctions, strikes, lock-outs, fire, explosion, flooding, earthquake, civil commotion, riots, public disorder, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God or acts of terrorism (whether or not responsibility has been claimed) in or affecting Hong Kong, the PRC, the United States, the United Kingdom, the European Union or Japan (collectively, the “**Relevant Jurisdictions**”)); 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, regional or international financial, economic, political, military, industrial, fiscal, regulatory, currency, credit or market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, the interbank markets and credit markets) in or affecting any of the Relevant Jurisdictions; or

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- (iii) 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 American Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Tokyo Stock Exchange, the Shenzhen Stock Exchange or the Shanghai Stock Exchange; or
- (iv) 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 European Union, Japan or any disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in the Relevant Jurisdictions; or
- (v) 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 any of the Relevant Jurisdictions; or
- (vi) the imposition of economic sanctions, in whatever form, directly or indirectly, by, or for, the United States or the European Union (or any member thereof) on the PRC or any other jurisdiction relevant to any member of our Group; or
- (vii) a change or development involving a prospective change in taxation or exchange control, currency exchange rates or foreign investment regulations (including without limitation a material devaluation of the HK dollar or the Renminbi against any foreign currencies), or the implementation of any exchange control, in any of the Relevant Jurisdictions; or
- (viii) any litigation or claim of any third party being threatened or instigated against any member of our Group; or
- (ix) 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
- (x) the chairman or president of our Company vacating his or her office; or
- (xi) an authority or a political body or organization in any Relevant Jurisdiction commencing any investigation or other action, or announcing an intention to investigate or take other action, against any Director in his or her capacity as such; or
- (xii) a contravention by any member of our Group of, or non-compliance of this prospectus or any aspect of the Global Offering with, the Listing Rules or applicable laws; or
- (xiii) a contravention by any member of our Group of a material provision of the Companies Ordinance or the Listing Rules or the PRC Company Law; or
- (xiv) a prohibition on our Company for whatever reason from allotting or selling the H Shares (including the additional H Shares to be purchased by, or by investors procured by, the International Underwriters from our Company pursuant to the Over-allotment Option) pursuant to the terms of the Global Offering; or
- (xv) the issue or requirement to issue by our Company of any supplement or amendment to this prospectus (or to any other documents used in connection with the contemplated subscription

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and sale of the H Shares) pursuant to the Companies Ordinance or the Listing Rules or any requirement or request of the Hong Kong Stock Exchange and/or the SFC in circumstances where the matter to be disclosed is, in the sole opinion of the Joint Global Coordinators, materially adverse to the marketing for or implementation of the Global Offering; or

- (xvi) any material adverse change or development involving a reasonably likely material adverse change of any of the risks set out in the section entitled “Risk Factors” in this prospectus; or
 - (xvii) an order or petition for the winding up of any member of our Group or any composition or arrangement made by any member of our Group with its creditors or a scheme of arrangement entered into by any member of our Group or any resolution for the winding-up of any member of our Group or the appointment of a provisional liquidator, receiver or manager over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurring in respect of any member of our Group, which, individually or in the aggregate, in the sole opinion of the Joint Global Coordinators (for themselves and on behalf of the other Hong Kong Underwriters): (1) has or is likely to or will have a material adverse effect on the business, shareholders’ equity, profits, losses, results of operations, financial or trading position, condition or prospects of our Group as a whole; or (2) has or will have 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 Offering or the level of interest under the International Offering; or (3) makes or is likely to make or will make it inadvisable or inexpedient or impracticable to proceed with the Global Offering on the terms contemplated in this prospectus or under applicable laws; or (4) has or will or is likely to have the effect of making any part of the Hong Kong Underwriting Agreement, the Hong Kong Public Offering or the Global Offering incapable of performance in accordance with its terms and has or will have or is likely to have a material adverse effect on the success of the Global Offering 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 Bookrunners:
- (xviii) that any statement contained in any of this prospectus and the Application Forms and/or in any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) was, when it was issued, or has become, untrue, incorrect in any material respect or misleading; or that any forecast, estimate, expression of opinion, intention or expectation contained in this prospectus and the Application Forms (including any supplement or amendment thereto) is not fair and honest in any material respect and based on reasonable assumptions when taken as a whole; or
 - (xix) that any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission from any of this prospectus and the Application Forms and/or in any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto); or
 - (xx) any material breach on the part of our Company of any of the obligations imposed upon it under the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

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- (xxi) any event, act or omission which gives or is likely to give rise to any material liability of our Company pursuant to Clause 12 of the Hong Kong Underwriting Agreement; or
- (xxii) any material litigation or claim being threatened or instigated against our Company or any of its subsidiaries; or
- (xxiii) any of the reporting accountants, property valuer in relation to the Global Offering, the legal advisors of our 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
- (xxiv) approval for the listing of an permission to deal in the H Shares 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
- (xxv) any material adverse change or development involving a prospective material adverse change in the assets, liabilities, business, management, prospects, shareholders' equity, profits, losses, results of operations, condition, financial or otherwise, or performance of our Group, taken as a whole; or
- (xxvi) any breach of, or any event rendering: (i) untrue or incorrect in any respect, any of the warranties qualified as to materiality or (ii) untrue or incorrect in any material respect, any of the warranties not so qualified; or

(c) the Company withdraws any of the prospectus and the Application Forms or the Global Offering, in which case the Joint Bookrunners (for themselves and on behalf of the Hong Kong Underwriters) may, upon giving notice to our Company, terminate the Hong Kong Underwriting Agreement with immediate effect.

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

Pursuant to Rule 10.08 of the Listing Rules, we have undertaken to the Hong Kong Stock Exchange that no further Shares or securities convertible into our equity securities may be issued by us or form the subject of any agreement to such an issue by us 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 commencement of dealing), except in certain circumstances prescribed by Rule 10.08 of the Listing Rules.

Undertakings to the Hong Kong Underwriters

We have, pursuant to the Hong Kong Underwriting Agreement, undertaken to each of the Joint Bookrunners, the Joint Sponsors and the Hong Kong Underwriters that except pursuant to the Global Offering (including the Over-Allotment Option), at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the date on which dealings in the H Shares commence on the Hong Kong Stock Exchange, we will not, without the Joint Bookrunners' prior written consent (subject to the requirements of the Listing Rules):

- (a) offer, pledge, charge, allot, issue, sell, contract to allot, issue or 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

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the share capital of our Company or any securities convertible into or exercisable or exchangeable for or that represent the right to receive such share capital; or

- (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the share capital of our Company; or
- (c) enter into any transaction with the same economic effect as any transaction described in (a) or (b) above; or
- (d) offer or agree or contract to, or publicly announce any intention to enter into, any such capital or securities, in cash or otherwise,

whether any of the foregoing transactions described above is to be settled by delivery of the share capital of our Company or such other securities, in cash or otherwise, or publicly disclose an intention to effect any of the foregoing, provided that the foregoing restrictions shall not apply to the issue of H Shares by our Company pursuant to the Global Offering (including pursuant to the Over-allotment Option). In the event of a disposal as described in (a) or (b) above of any H Shares or any interest therein or any of our securities after the date falling six months after the date on which dealings in the H Shares commence on the Hong Kong Stock Exchange, we will take all reasonable steps to ensure that such an issue or disposal will not create a disorderly or false market for the H Shares.

Indemnity

We have agreed to indemnify the Joint Bookrunners, the Joint Sponsors and the Hong Kong Underwriters for certain losses which they may suffer, including, among other matters, losses arising from the performance of their obligations under the Hong Kong Underwriting Agreement.

Commission and Expenses

The Hong Kong Underwriters will receive an underwriting commission of 2.5% of the aggregate Offer Price payable for the Hong Kong Public Offer Shares initially offered under the Hong Kong Public Offering, out of which they will pay any sub-underwriting commission. For unsubscribed Hong Kong Public 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).

Hong Kong Underwriters' interest in our Company

Save for its obligations under the Hong Kong Underwriting Agreement, none of the Hong Kong Underwriters has any shareholding interests in our Company or any other member of our Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or any member of our Group.

The 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 or about June 12, 2010, shortly after the determination of the Offer Price. Under the International Underwriting Agreement, the International Underwriters would, subject to certain conditions, severally and not jointly, agree to procure subscribers to subscribe for, or failing which to subscribe for themselves, their respective applicable

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proportions of the International Offer Shares being offered pursuant to the International Offering which are not taken up under the International Offering.

Restrictions on the Offer Shares

The Hong Kong Public Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and the Application Forms, and on the terms and subject to the conditions set out herein and therein. No action has been taken to permit a public offering of the Offer Shares other than in Hong Kong, or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. In particular, the Offer Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, in the PRC.

Over-allotment and Stabilization

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the securities in the secondary market, during a specified period of time, to retard and, if possible, prevent, any decline in the market price of the securities below the offer price. In Hong Kong and certain other jurisdictions, the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager or any person or affiliates acting for them, on behalf of the Underwriters, may over-allocate or effect short sales or any other stabilizing transactions with a view to stabilizing or maintaining the market price of the H Shares at a level higher than that which might otherwise prevail in the open market. Short sales involve the sale by the Stabilizing Manager of a greater number of H Shares than the Underwriters are required to purchase in the Global Offering. “Covered” short sales are sales made in an amount not greater than the Over-allotment Option. The Stabilizing Manager may close out the covered short position by either exercising the Over-allotment Option to purchase additional H Shares or purchasing H Shares in the open market. In determining the source of the H Shares to close out the covered short position, the Stabilizing Manager will consider, among other things, the price of H Shares in the open market as compared to the price at which they may purchase additional H Shares pursuant to the Over-allotment Option. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the H Shares while the Global Offering is in progress. Any market purchases of the H Shares may be effected on any stock exchange, including the Hong Kong Stock Exchange, any over-the-counter market or otherwise, provided that they are made in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the Stabilizing Manager or any person acting for it to conduct any such stabilizing activity, which if commenced, will be done at the absolute discretion of the Stabilizing Manager and may be discontinued at any time. Any such stabilizing activity is required to be brought to an end within 30 days of the last day for the lodging of applications under the Hong Kong Public Offering. The number of the H Shares that may be over-allocated will not exceed the number of the H Shares that may be sold under the Over-allotment Option, namely, 59,294,000 H Shares, which is 15% of the number of Offer Shares initially available under the Global Offering, in the event that the whole or part of the Over-allotment Option is exercised.

In Hong Kong, stabilizing activities must be carried out in accordance with the Securities and Futures (Price Stabilizing) Rules. Stabilizing actions permitted pursuant to the Securities and Futures (Price Stabilizing) Rules include:

- (a) over-allocation for the purpose of preventing or minimizing any reduction in the market price;

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- (b) selling or agreeing to sell the H Shares so as to establish a short position in them for the purpose of preventing or minimizing any deduction in the market price;
- (c) subscribing, or agreeing to subscribe, for the H Shares pursuant to the Over-allotment Option in order to close out any position established under (a) or (b) above;
- (d) purchasing, or agreeing to purchase, the H Shares for the sole purpose of preventing or minimizing any reduction in the market price;
- (e) selling the H Shares to liquidate a long position held as a result of those purchases; and
- (f) offering or attempting to do anything described in (b), (c), (d) and (e) above.

Stabilizing actions by the Stabilizing Manager, or any person acting for it, will be entered into in accordance with the laws, rules and regulations in place in Hong Kong on stabilization.

As a result of effecting transactions to stabilize or maintain the market price of the H Shares, the Stabilizing Manager, or any person acting for it, may maintain a long position in the H Shares. The size of the long position, and the period for which the Stabilizing Manager, or any person acting for it, will maintain the long position is at the discretion of the Stabilizing Manager and is uncertain. In the event that the Stabilizing Manager liquidates this long position by making sales in the open market, this may lead to a decline in the market price of the H Shares.

Stabilizing action by the Stabilizing Manager, or any person acting for it, is not permitted to support the price of the H Shares for longer than the stabilizing period, which begins on the day on which trading of the H Shares commences on the Hong Kong Stock Exchange and ends on the thirtieth day after the last day for the lodging of applications under the Hong Kong Public Offering. The stabilizing period is expected to end on July 10, 2010. As a result, demand for the H Shares, and their market price, may fall after the end of the stabilizing period. These activities by the Stabilizing Manager may stabilize, maintain or otherwise affect the market price of the H Shares. As a result, the price of the H Shares may be higher than the price that otherwise may exist in the open market. Any stabilizing action taken by the Stabilizing Manager, or any person acting for it, may not necessarily result in the market share of the H Shares staying at or above the Offer Price either during or after the stabilizing period. Bids for or market purchases of the H Shares by the Stabilizing Manager, or any person acting for it, may be made at a price at or below the Offer Price and therefore at or below the price paid for the H Shares by purchasers. A public announcement in compliance with the Securities and Futures (Price Stabilizing) Rules will be made within seven days of the expiration of the stabilizing period.

INDEPENDENCE OF THE JOINT SPONSORS

Each of China International Capital Corporation Hong Kong Securities Limited, Citigroup Global Markets Asia Limited and Hai Tong Capital (HK) Limited satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

One of the Joint Sponsors, Hai Tong Capital (HK) Limited, is an indirect wholly-owned subsidiary of Hai Tong Securities Co., Ltd. (“**Hai Tong Securities**”). Hai Tong Securities holds a 10% equity interest in CB Fund, which in turn holds a 7.2% equity interest in our Company. Haitong-Fortis Private Equity Fund Management Co., Ltd., which is 67% held by Hai Tong Securities, is the fund manager of CB Fund.