
UNDERWRITING

HONG KONG UNDERWRITERS

Credit Suisse (Hong Kong) Limited
Morgan Stanley Asia Limited
The Royal Bank of Scotland N.V., Hong Kong Branch
China Everbright Securities (HK) Limited
Taifook Securities Company Limited
Sun Hung Kai International Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Underwriting Agreements

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters and the International Offering and Preferential Offering is expected to be fully underwritten by the International Underwriters, in each case on a several basis. The Hong Kong Underwriting Agreement was entered into on Monday, 27 September 2010 and, subject to an agreement being reached on the Offer Price between us, the Selling Shareholder and the Joint Global Coordinators (on behalf of the Underwriters). The International Underwriting Agreement is expected to be entered into on or around Monday, 4 October 2010. The Hong Kong Underwriting Agreement is conditional upon (among other things) the International Underwriting Agreement being entered into and having become effective, and the respective Underwriting Agreements are expected to be inter-conditional. For further information please see the section headed "Structure of the Global Offering" in this prospectus.

Hong Kong Underwriting Agreement

Subject to the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, our Shares in issue and our Shares 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 for or procure subscribers to subscribe for, their respective applicable proportions of the Hong Kong Public Offering on the terms and subject to the conditions of this prospectus, the Application Forms and the Hong Kong Underwriting Agreement. The respective obligations of the Hong Kong Underwriters to subscribe for, or procure subscribers for, the Hong Kong Offer Shares are subject to termination.

Grounds for termination by the Hong Kong Underwriters

The Joint Global Coordinators (on behalf of themselves and the Hong Kong Underwriters) shall have the absolute right to terminate the Hong Kong Underwriting Agreement with immediate effect upon giving prior notice to us orally or in writing at any time prior to 8:00 a.m. on the Listing Date ("Termination Time") if:

- (A) there shall develop, occur, exist or come into effect:
 - (i) any new law or regulation or any change or development involving a prospective change in existing laws or regulations or any change or development involving a prospective change in the interpretation or application thereof by any court or other competent authority in or affecting Hong Kong, the PRC, the United States, the Cayman Islands, the British Virgin Islands, Singapore, Malaysia or in any other relevant jurisdiction; or

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- (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 the 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), the local, national, regional or international financial, political, military, industrial, economic, currency, market, military, fiscal, exchange control or regulatory conditions or any monetary or trading settlement system (including but not limited to 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 the Renminbi is linked to any foreign currency or currencies) in or affecting the United States, Hong Kong, the PRC, the Cayman Islands, the British Virgin Islands, Singapore, Malaysia, the European Union (or any member thereof), Japan or any other jurisdiction; or
- (iii) a disruption or any general moratorium on commercial banking activities or securities settlement, or payment or clearance services or procedures in or affecting Hong Kong (imposed by the Financial Secretary and/or the Hong Kong Monetary Authority or otherwise), New York (imposed at Federal or New York State level or otherwise), London, Tokyo, the PRC, the Cayman Islands, the British Virgin Islands, Singapore, Malaysia, the European Union (or any member thereof) or any other relevant jurisdiction; or
- (iv) any change or development in the conditions of local, national or international equity securities or other financial markets; or
- (v) the imposition of any moratorium, suspension or restriction on trading in securities generally on or by the Hong Kong Stock Exchange, the New York Stock Exchange, the NASDAQ National Market, the American Stock Exchange, the London Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange or the Tokyo Stock Exchange or minimum or maximum prices for trading having been fixed, or maximum ranges for prices having been required, by any of the said exchanges or by such system or by order of any regulatory or governmental authority; or
- (vi) any change or development involving a prospective change in taxation or exchange control (or the implementation of any exchange control or currency exchange rates) in any relevant jurisdiction; or
- (vii) any adverse change or prospective adverse change in the earnings, results of operations business, business prospects, financial or trading position, conditions or prospects (financial or otherwise) of the Company or any member of the Group (including any litigation or claim being threatened or instigated against the Company or any member of the Group); or
- (viii) any event or series of events in the nature of force majeure, including, without limitation, any acts of government, labour disputes strikes, lock-outs, riots, public disorder, fire, explosion, flooding, earthquakes, civil commotion, acts of war, acts of God, acts of terrorism, outbreak of diseases, pandemics or epidemics including, but not limited to, SARS and H1N1 and such related/mutated forms, or accident or interruption or delay in transportation, economic sanction and any local, national, regional or international

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- outbreak or escalation of hostilities (whether or not war is or has been declared) or other state of emergency or calamity or crisis, the United States, Hong Kong, the PRC, the Cayman Islands, the British Virgin Islands, Singapore, Malaysia, the European Union (or any member thereof), Japan or any other jurisdiction relevant to any member of the Group; or
- (ix) any change or prospective change in, or a materialisation of, any of the risks set out in the section headed "Risk Factors" in the Prospectus; or
 - (x) any 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; the chairman or chief executive officer of the Company vacating his or her office in circumstances where the operations of the Group may be adversely affected; the commencement by any regulatory or political body or organisation of any action against a Director or an announcement by any regulatory or political body or organisation that it intends to take any such action; or
 - (xi) 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 Hong Kong, the Cayman Islands, the British Virgin Islands, the PRC, Malaysia, Singapore or any other jurisdiction relevant to any member of the Group; or
 - (xii) any litigation or claim by any third party being threatened or instigated against any member of the Group; or
 - (xiii) save as disclosed in the Prospectus, a contravention by any member of the Group of the Listing Rules or applicable laws; or
 - (xiv) save as disclosed in the Prospectus, a demand by any tax authority for payment of any overdue tax liability of any member of the Group; or

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

- (a) is or is likely to be adverse to or prejudicially affect the business, financial or other condition or prospects of the Company or the Group or, in the case of paragraph (vi) above, to any present or prospective shareholder of the Company in his/its capacity as such; or
- (b) has or is likely to have an adverse effect on the success of the Hong Kong Public Offering or the Global Offering or the level of Offer Shares being applied for or accepted or the distribution of Offer Shares and/or make it impracticable 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 it inadvisable, impracticable or inexpedient to proceed with the Hong Kong Public Offering or the Global Offering or the delivery of the Offer Shares on the terms and in the manner contemplated by the Prospectus; or

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- (B) there comes to the notice of the Joint Global Coordinators or any of the Hong Kong Underwriters any matter or event showing any of the Warranties or undertakings given by the Warrantors under this Agreement or the International Underwriting Agreement to be untrue, incorrect, inaccurate or misleading when given or repeated; or
- (C) there comes to the notice of the Joint Global Coordinators or any of the Hong Kong Underwriters any breach on the part of the Company, FEC or the Selling Shareholder of any of the provisions of this Agreement or the International Underwriting Agreement; or
- (D) there comes to the notice of the Joint Global Coordinators or any of the Hong Kong Underwriters that any matter which would, had it arisen or been discovered immediately before the Prospectus Date, not having been disclosed in the Prospectus, constitute a material omission therefrom; or
- (E) there comes to the notice of the Joint Global Coordinators or any of the Hong Kong Underwriters that any statement contained in the Prospectus, the Application Forms, the WPIP, the Formal Notice and any announcements issued by the Company in connection with the Hong Kong Public Offering and Global Offering (including any supplement or amendment thereto) has become or is discovered to be untrue, incorrect, inaccurate in any material respect or misleading in any respect; or
- (F) there comes to the notice of the Joint Global Coordinators or any of the Hong Kong Underwriters that any event, act or omission which gives or is likely to give rise to any liability of the Company pursuant to the indemnity provisions under this Agreement; or
- (G) a valid demand by any creditor for repayment or payment of any indebtedness of the Company or any member of the Group or in respect of which the Company or any member of the Group is liable prior to its stated maturity; or
- (H) a petition is presented for the winding-up or liquidation of the Company or any member of the Group or the Company or any member of the 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 the Company or any member of the Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of the Company or any member of the Group or anything analogous thereto occurs in respect of the Company or any member of the Group; or
- (I) approval by the Listing Committee of the Hong Kong Stock Exchange of the listing of, and permission to deal in, the Shares to be issued or sold (including any additional Shares that may be issued or sold pursuant to the exercise of the Over-Allotment Option) under the Global Offering is refused or not granted, other than subject to customary conditions, on or before the date of approval of the listing, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld.

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International Underwriting Agreement

In connection with the International Offering, it is expected that our Company, the Selling Shareholder and FEC will enter into the International Underwriting Agreement with the International Underwriters on or about Monday, 4 October 2010, shortly after the determination of the Offer Price.

Under the International Underwriting Agreement, subject to the conditions set forth therein, the International Underwriters are expected to severally agree to subscribe or procure purchasers for, or failing which to purchase, the International Offer Shares and Reserved Shares initially being offered pursuant to the International Offering (including the Offer for Sale) and the Preferential Offering. It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors shall be reminded that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed. It is expected that pursuant to the International Underwriting Agreement, our Company, the Selling Shareholder and the covenantors of the International Underwriting Agreement will make similar undertakings as those given pursuant to the Hong Kong Underwriting Agreement as described in the sub-section headed “— Underwriting Arrangements and Expenses — Undertakings” in this section.

Undertakings

Our undertakings to the Stock Exchange and the Underwriters

We have undertaken to the Stock Exchange and the Underwriters that no further Shares or securities convertible into equity securities (whether or not of a class already listed) may be issued by us 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 circumstances prescribed by Rule 10.08 of the Listing Rules.

We have undertaken to each of the Underwriters that except pursuant to the Global Offering, the Capitalisation Issue, the Over-allotment Option and the Share Option Scheme, we will not, and will cause each member of our Group not to, without the prior written consent of the Underwriters and unless in compliance with the Listing Rules:

- (a) 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 (the “First Six-Month Period”):
 - (i) offer, pledge, charge, allot, issue, sell, lend, mortgage, assign, contract to allot, issue or sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, or repurchase, conditionally or unconditionally, any of its share capital, debt capital or any securities or any interest therein (including but not limited to any securities convertible into or exercisable or exchangeable for or that represent the right to receive such share capital or any securities or any interest therein); or
 - (ii) enter into any swap, derivative, repurchase, lending, pledge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of subscription or ownership of such share capital, debt capital or securities or interest

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therein, whether any of the foregoing transactions is to be settled by delivery of share capital, debt capital or such other securities, in cash or otherwise, or offer to or agree to do, or publicly disclose that the Company will or may enter into any transaction described in (i) and (ii) above; or

- (iii) effect any purchase of Shares, or agree to do so, which may reduce the holdings of Shares of persons who count as members of the “public” for the purposes of the Listing Rules below 25% of the Company’s issued share capital; and
- (b) In the event of an issue or a disposal of any Shares or any interest therein as described after the First Six-Month Period, the Company will ensure that such an issue or disposal will not create a disorderly or false market for the shares of the Company.

Undertakings given by each of our Controlling Shareholders to the Stock Exchange, us and the Underwriters

Each of our Controlling Shareholders have undertaken to the Stock Exchange, us and the Underwriters that, except pursuant to the Global Offering (including pursuant to the Over-allotment Option and Stock Borrowing Agreement in connection with the Global Offering) and in the circumstances contemplated pursuant to Note 2 of Rule 10.07 of the Listing Rules:

- (a) at any time in the period commencing on the date of this prospectus and ending on the date which is six months from the Listing Date, it shall not 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 they are shown by this prospectus to be the beneficial owner;
- (b) at any time in the period of six months commencing on the date on which the period referred to in paragraph (a) expires (the “Second Six-month Period”), it shall not 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 exercise or enforcement of such options, rights, interests or encumbrances, it would cease to be a controlling shareholder (as defined in the Listing Rules) of our Company;
- (c) within the period commencing on the date of this prospectus and ending on the date which is 12 months from the Listing Date, it will:
 - (i) when it pledges or charges any Shares beneficially owned by it in favour 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 Shares so pledged or charged; and
 - (ii) when it receives indications, either verbal or written, from the pledgee or chargee of the pledged or charged Shares will be disposed of, immediately inform our Company of such indications.

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Each of the Controlling Shareholders has further undertaken to each of us and the Underwriters that it will not, without the prior written consent of the Joint Global Coordinators and unless in compliance with the requirements of the Listing Rules:

- (a) at any time during the First Six-Month Period, offer, pledge, charge, sell, lend, mortgage, assign, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, conditionally or unconditionally, any of the share capital, debt capital or other securities of the Company or any interest therein held by it (including, but not limited to any securities convertible into or exercisable or exchangeable for, or that represent the right to receive, any such share capital, debt capital or other securities of the Company or any interest therein) or enter into any swap, derivative, repurchase, lending, pledge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of such share capital, debt capital or securities or any interest therein, whether any of the foregoing transactions is to be settled by delivery of share capital, debt capital or such other securities, in cash or otherwise, or offer to or agree to do, or publicly disclose that he or it will or may enter into any of the foregoing or announce any intention to do so;
- (b) at any time during the Second Six-Month Period enter into any of the transactions specified in paragraphs (a)(i) above or publicly disclose any intention to do so if, immediately following such transaction, it would cease to be a controlling shareholder (as defined in the Listing Rules) of the Company; or
- (c) in the event of a disposal of any share capital, debt capital or other Shares of the Company or any interest therein during the Second Six-Month Period, they will take all steps to ensure that such a disposal will not create a disorderly or false market for the Shares or other securities of the Company.

This restriction does not apply to any disposal of Shares pursuant to possible stock lending arrangements and the Offer for Sale referred to in the section headed “Structure of the Global Offering — The International Offering” in this prospectus.

Commissions and expenses

Under the terms and conditions of the Underwriting Agreements, the Company has agreed to pay: (i) the Underwriters a commission equal to 2.5% of the gross proceeds raised from the Global Offering as base fees; and (ii) the Joint Global Coordinators a discretionary incentive fee (payable at the sole discretion of the Company) of up to 1% of the gross proceeds raised from the Global Offering.

The aggregate commissions and estimated expenses, together with the Stock Exchange trading fee of 0.005%, SFC transaction levy of 0.003%*, Stock Exchange listing fee, legal and other professional fees, printing and other fees and expenses relating to the Global Offering, are estimated to amount in the aggregate to approximately HK\$80 million (assuming the Over-allotment Option is not exercised and an Offer Price of HK\$2.40 per Share, being the mid-point of the stated range of the Offer Price between HK\$2.04 and HK\$2.75 per Share).

* SFC transaction levy of 0.003% to come into effect on 1 October 2010

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UNDERWRITERS' INTERESTS IN OUR COMPANY

Save for its obligations under the relevant Underwriting Agreement(s) or as otherwise disclosed in this prospectus, none of the Underwriters owns 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 shares or securities in our Company or any member of our Group.

Joint Sponsors' Independence

The Joint Sponsors satisfy the independence criteria applicable to the sponsors set out in Rule 3A.07 of the Listing Rules.