
UNDERWRITING

HONG KONG UNDERWRITERS

Merrill Lynch
BOCI Asia Limited
UBS AG, Hong Kong Branch
CMB International Capital Limited
Guotai Junan Securities (Hong Kong) Limited
Oriental Patron Securities Limited
Sun Hung Kai International Limited

INTERNATIONAL UNDERWRITERS

Merrill Lynch International
BOCI Asia Limited
UBS AG, Hong Kong Branch
TD Investments Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Offering, the Company is offering the Hong Kong Offer Shares for subscription by the public in Hong Kong on, and subject to, the terms and conditions set out in this prospectus and the Application Forms.

Subject to:

- the Stock Exchange granting listing of and permission to deal in the Shares in issue and to be issued as mentioned in this prospectus (subject to allotment and/or despatch of share certificates) and such listing and permission not subsequently being revoked; and
- certain other conditions set out in the Hong Kong Underwriting Agreement (including but not limited to the Offer Price being agreed upon between the Company, the Controlling Shareholders and the Joint Bookrunners (on behalf of the Hong Kong Underwriters)),

the Hong Kong Underwriters have agreed severally, and not jointly, to subscribe for, or procure subscribers for, the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Offering, on the terms and conditions set out in this prospectus, the Application Forms and the Hong Kong Underwriting Agreement. If, for any reason, the Offer Price is not agreed between the Company, the Controlling Shareholders, and the Joint Bookrunners (on behalf of the Hong Kong Underwriters) the Global Offering will not proceed.

The Hong Kong Underwriting Agreement is conditional upon and subject to a number of conditions precedent, including the International Underwriting Agreement having been signed and becoming unconditional.

Grounds for termination

The obligation of the Hong Kong Underwriters to subscribe for, or to procure subscribers for, the Hong Kong Offer Shares is subject to termination by notice in writing to the Company from

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the Joint Bookrunners (for themselves and on behalf of the Hong Kong Underwriters) if, prior to 8:00 a.m. on the Listing Date:

- there shall develop, occur, exist or come into effect:
 - (i) any change or prospective change (whether or not permanent) in the business or in the financial or trading position or prospects of the Group;
 - (ii) any change or development involving a prospective change or development, or any event or series of events resulting or representing or likely to result in any change or deterioration (whether or not permanent) in local, national, regional or international financial, political, military, industrial, economic, legal, regulatory, fiscal, currency, credit or market conditions (including, without limitation, conditions in stock and bond markets, money and foreign exchange markets and inter-bank markets) in or affecting any of Hong Kong, the PRC, Russia, the United States, the United Kingdom, the European Union, Japan or any other jurisdiction reasonably considered by the Joint Bookrunners to be relevant (collectively, the “Relevant Jurisdictions” and each a “Relevant Jurisdiction”);
 - (iii) any deterioration of any pre-existing local, national, regional or international financial, economic, political, military, industrial, fiscal, regulatory, currency, credit or market conditions in or affecting any of the Relevant Jurisdictions;
 - (iv) any new law or any change (whether or not forming part of a series of changes) 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 governmental authority in or affecting any of the Relevant Jurisdictions;
 - (v) a change or development or event involving a prospective change in taxation or exchange control (or the implementation of any exchange control) or foreign investment regulations in or affecting any of the Relevant Jurisdictions;
 - (vi) 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 crisis involving or affecting any of the Relevant Jurisdictions;
 - (vii) any event, act or omission which gives rise to or is likely to give rise to any liability of any of the Company or the Controlling Shareholders pursuant to the indemnities in the Hong Kong Underwriting Agreement;
 - (viii) the imposition or declaration of (i) any suspension or restriction on dealings in shares or securities generally on the Stock Exchange or any other major international stock exchange or (ii) any moratorium on commercial banking activities or disruption in commercial banking activities or foreign exchange trading or securities settlement or clearance services in or affecting any of the Relevant Jurisdictions;

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- (ix) the imposition of economic or other sanctions, in whatever form, directly or indirectly, in or affecting any of the Relevant Jurisdictions;
- (x) any event, or series of events, in the nature of force majeure (including without limitation, any acts of God, acts of government, declaration of a national or international emergency or war, acts or threat of war, calamity, crisis, economic sanction, riot, public disorder, civil commotion, fire, flooding, explosion, epidemic (including but not limited to severe acute respiratory syndrome or avian flu), pandemic, outbreak of disease, terrorism, strike or lockout);
- (xi) any change to the linkage of the value of the Hong Kong dollar to the United States dollar;
- (xii) any demand by any creditor for repayment or payment of any indebtedness of any member of the Group or in respect of which any member of the Group is liable prior to its stated maturity;
- (xiii) save as disclosed in this prospectus and the Application Forms and the preliminary and final offering circulars prepared in respect of the International Offering (together the “Offer Documents”), a contravention by any member of the Group or the Controlling Shareholders of the Listing Rules or applicable laws;
- (xiv) a prohibition on the Company for whatever reason from allotting the Shares pursuant to the terms of the Global Offering;
- (xv) non-compliance of any of the Offer Documents or any aspect of the Global Offering with the Listing Rules or any other applicable law;
- (xvi) the issue or requirement to issue by the Company of a supplementary prospectus (or any other documents used in connection with the contemplated subscription and sale of the Shares) pursuant to the Companies Ordinance or the Listing Rules;
- (xvii) a petition being presented for the winding-up or liquidation of any member of the Group or any member of the Group making any composition or arrangement with its creditors or entering into a scheme of arrangement or any resolution being passed for the winding-up of any member of the Group or a provisional liquidator, receiver or manager being appointed over all or part of the assets or undertaking of any member of the Group or anything analogous thereto in respect of any member of the Group;
- (xviii) any litigation or claim of any third party being threatened or instigated against any member of the Group;
- (xix) 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;

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- (xx) the chairman or chief executive officer of the Company vacating their office;
or
- (xxi) the commencement by any governmental, regulatory or judicial body or organisation of any action against a Director or an announcement by any governmental, regulatory or judicial body or organisation that it intends to take any such action,

which in the sole and absolute opinion of the Joint Bookrunners: (1) is or will or is likely individually or in the aggregate to have a material adverse effect on the business, financial, trading condition or prospects of any member of the Group and/or the Group taken as a whole and/or to any present or prospective shareholder in its capacity as such; or (2) has or will or is likely to have a material adverse effect on the success of the Hong Kong Offering, the International Offering and/or the Global Offering or the level of Offer Shares being applied for or accepted or the distribution of Offer Shares; or (3) is or will or is likely to make it impracticable, inadvisable, inexpedient or not commercially viable (i) for any material part of the Hong Kong Underwriting Agreement, the International Underwriting Agreement, the Hong Kong Offering, the International Offering and/or the Global Offering to be performed or implemented as envisaged or (ii) to proceed with or to market the Hong Kong Offering, the International Offering and/or the Global Offering on the terms and in the manner contemplated in the Offer Documents; or

- any of the Sole Global Coordinator, the Joint Lead Managers, the Joint Bookrunners or the Hong Kong Underwriters shall become aware of the fact that, or have reasonable cause to believe that:
 - (i) any warranty given by the Company or the Controlling Shareholders pursuant to the Hong Kong Underwriting Agreement is untrue, inaccurate, misleading or breached in any respect when given or as repeated;
 - (ii) any statement contained in the Offer Documents was or is untrue, incorrect or misleading in any material respect, or any matter arises or is discovered which would, if the Offer Documents were to be issued at that time, constitute a material omission therefrom, or that any forecasts, expressions of opinion, intention or expectation expressed in this prospectus and the Application Forms, the web-proof information pack as subsequently supplemented or amended by this prospectus, the formal notice and/or any announcements issued by the Company in connection with the Hong Kong Offering (including any supplement or amendment thereto) are not fair and honest and based on reasonable assumptions, when taken as a whole; or
- there has been a breach on the part of any of the Company or the Controlling Shareholders of any of the provisions of the Hong Kong Underwriting Agreement or the International Underwriting Agreement.

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Listing Rules obligations

Pursuant to Rule 10.08 of the Listing Rules, no further Shares or securities convertible into equity securities (whether or not of a class already listed) may be issued by the Company, 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 commencement of dealing) subject to certain exceptions as stated in Rules 10.08(1) to 10.08(4) of the Listing Rules.

Undertakings by the Company

Pursuant to the Hong Kong Underwriting Agreement, the Company has undertaken to the Hong Kong Underwriters that, except pursuant to the Global Offering (including the Over-allotment Option), not to, without the prior written consent of the Joint Bookrunners (for themselves and on behalf of the Hong Kong Underwriters), and subject always to the provisions of the Listing Rules:

- (a) offer, accept subscription for, pledge, issue, sell, lend, mortgage, assign, charge, 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 options, 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 Company's share capital or other equity securities of the Company or any interests in the Company (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
- (b) enter into any contract for difference, swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any of the Company's share capital or other equity securities or any interests in the Company; or
- (c) enter into any transaction with the same economic effect as any of the transactions described in (a) or (b) above; or
- (d) offer to agree to do any of the foregoing or announce any intention to enter into any of the transactions described in (a), (b) or (c), above,

during the period of six months commencing on the Listing Date (the "First Six-month Period") (whether or not such issue of Shares or securities will be completed within the First Six-month Period); and not, during the period of six months commencing on the date on which the First Six-month Period expires (the "Second Six-month Period"), do any of the acts set out in (a) to (d) above such that the Controlling Shareholders individually or in the aggregate, directly or indirectly, would cease to be controlling shareholders of the Company (within the meaning defined in the Listing Rules).

In addition, pursuant to Rule 10.08 of the Listing Rules, the Company has undertaken to the Stock Exchange that no further shares or securities convertible into equity securities of the Company (whether or not of a class already listed) may be issued by the Company or form the subject of any agreement to such an issue within 6 months from the Listing Date (whether

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or not such issue of shares or securities will be completed within 6 months from the commencement of dealing) subject to certain exceptions as stated in Rules 10.08(1) to 10.08(4) of the Listing Rules.

Undertakings by the Controlling Shareholders

Pursuant to the Hong Kong Underwriting Agreement, each of the Controlling Shareholders has undertaken to the Hong Kong Underwriters:

- (a) during the First Six-month Period:
- (i) it will not offer, pledge, charge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, conditionally or unconditionally, any share capital or other securities of the Company or any interest therein (including, but not limited to any securities that are convertible into or exchangeable for, or that represent the right to receive, any such capital or securities or any interest therein); or
 - (ii) it will not enter into any contract for difference, swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any such capital or securities or any interest therein; or
 - (iii) it will not enter into any transaction with the same economic effect as any transaction described in (i) or (ii) above; or
 - (iv) it will not offer to agree to do any of the foregoing or announce any intention to enter into any transaction described in (i), (ii) or (iii) above,
- whether any such transaction described in (i), (ii) or (iii) above is to be settled by delivery of such capital or securities, in cash or otherwise; and
- (b) it will not make or enter into, and will use its best endeavours to procure that none of the Company's connected persons (as defined in the Listing Rules) shall make or enter into any agreement, understanding, indemnity, favourable term or other arrangement with any of the placees or investors in respect of the subscription of any of the Offer Shares; and
- (c) it will not at any time within the Second Six-month Period do any of the acts set out in (a)(i) to (a)(iv) above such that the Controlling Shareholders individually or in the aggregate, directly or indirectly, would cease to be controlling shareholders of the Company (within the meaning defined in the Listing Rules).

In addition, pursuant to Rule 10.07 of the Listing Rules, each of the Controlling Shareholders has undertaken to the Company and to the Stock Exchange that it will not, and shall procure that any other registered holder (if any) will not, without the prior written consent of the Stock

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Exchange or unless otherwise in compliance with applicable requirements of the Listing Rules:

- (a) in 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 the Company's Shares in respect of which it is shown by the Hong Kong Prospectus to be the beneficial owner (as defined in Rule 10.07(2) of the Listing Rules) (the "Parent Shares"); or
- (b) during 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, it would cease to be a controlling shareholder (as defined in the Listing Rules) of the Company.

Further, pursuant to Rule 10.07 of the Listing Rules, each of the Controlling Shareholders has undertaken to the Company and to the Hong Kong Stock Exchange that, during the First Six-month Period and the Second Six-month Period, it will:

- (a) if it pledges or charges any of the Company's securities beneficially owned by 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 the Company of such pledge or charge together with the number of securities so pledged or charged; and
- (b) if it receives indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged securities will be disposed of, immediately inform the Company of such indications.

Hong Kong Underwriters' interests in the Company

Save as disclosed below and elsewhere in this prospectus and save for their obligations under the Hong Kong Underwriting Agreement, as of the Latest Practicable Date, none of the Hong Kong Underwriters is interested directly or indirectly in any shares or securities in the Company or any other member of the 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 the Company or any other member of the Group.

International Offering

In connection with the International Offering, the Company expects to enter into the International Underwriting Agreement with, among others, the International Underwriters. Under the International Underwriting Agreement, the International Underwriters would, subject to certain conditions, severally agree to purchase the International Offer Shares or procure purchasers for the International Offer Shares initially being offered pursuant to the International Offering. Please refer to the section headed "Structure of the Global Offering" in this prospectus for further details.

Under the International Underwriting Agreement, the Company intends to grant to the International Underwriters the Over-allotment Option, exercisable in whole or in part at one or more times, at the sole and absolute discretion of the Sole Global Coordinator (after

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consultation with the Joint Bookrunners) on behalf of the International Underwriters from the date of the International Underwriting Agreement until 30 days from the last day for the lodging of applications, expected to be 5 November 2010, under the Hong Kong Offering to require the Company to allot and issue up to an additional 198,750,000 new Shares, representing 15 per cent. of the number of Offer Shares initially available under the Global Offering at the Offer Price, to, among other things, cover over-allotment in the International Offering, if any.

Total commissions and expenses

The Hong Kong Underwriters will receive a gross underwriting commission of 2.0 per cent. of the aggregate Offer Price of all the Hong Kong Offer Shares initially being offered under the Hong Kong Offering less the number of unsubscribed Hong Kong Offer Shares, if any, reallocated to the International Offering in accordance with the Hong Kong Underwriting Agreement. The International Underwriters will receive a gross underwriting and selling commission of 2.0 per cent. of the Offer Price in respect of the Offer Shares sold in the Global Offering (other than 255,000,000 Sale Shares, which would be the maximum number of Sale Shares required to fund the amount payable pursuant to the Pre-IPO Supplemental Agreement).

For unsubscribed Hong Kong Offer Shares reallocated to the International Offering, if any, the International Underwriters will be paid an underwriting commission at the rate applicable to the International Offering and such commission will be paid to the Sole Global Coordinator and the International Underwriters, but not the Hong Kong Underwriters.

The aggregate commissions and estimated expenses, together with the Stock Exchange listing fee, SFC transaction levy, the Stock Exchange trading fee, legal and other professional fees, printing and other fees and expenses relating to the Global Offering (which includes fees payable to Merrill Lynch in connection with the Pre-IPO Investment), payable by the Company, are estimated to amount in aggregate to approximately HK\$177.1 million (based on an Offer Price of HK\$2.60, being the midpoint of the indicative Offer Price range), assuming that the Over-allotment Option is not exercised. Included in the total are commissions on the offer of the New Shares, which are expected to be approximately HK\$83.5 million, payable to the Hong Kong Underwriters and the International Underwriters.

The Company may, at its sole discretion pay to the Hong Kong Underwriters and/or the International Underwriters an incentive fee of up to 1.0 per cent. of the Offer Price in respect of the number of the New Shares sold in the Global Offering.

The Company and the Controlling Shareholders has agreed to indemnify the Hong Kong Underwriters for 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 the Company or the Controlling Shareholders of the Hong Kong Underwriting Agreement. Similarly, the Company and each Controlling Shareholder has agreed to indemnify the International Underwriters for certain losses which they may suffer pursuant to the International Underwriting Agreement.