

## UNDERWRITING

### HONG KONG UNDERWRITERS

#### *Joint Lead Managers*

CCB International Capital Limited  
Piper Jaffray Asia Securities Limited  
Macquarie Capital Securities Limited

#### *Co-managers*

China Everbright Securities (HK) Limited  
Guotai Junan Securities (Hong Kong) Limited  
Kingston Securities Limited

### UNDERWRITING ARRANGEMENTS AND EXPENSES

#### Hong Kong Public Offering

##### *Hong Kong Underwriting Agreement*

Pursuant to the Hong Kong Public Offering, we are offering the Hong Kong Offer Shares for subscription on, and subject to, the terms and conditions of this prospectus and the Application Forms. Subject to the Listing Committee of the Hong Kong Stock Exchange granting the listing of, and permission to deal in, the Shares to be offered pursuant to the Global Offering as mentioned herein 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 Offer Shares which are being offered but are not taken up under the Hong Kong Public Offering, on the terms and conditions of this prospectus, the Application Forms and the Hong Kong Underwriting Agreement.

##### *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 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 United Kingdom, Japan, the Cayman Islands, the British Virgin Islands, Independent State of Samoa, the European Union (or any member thereof) or in any other relevant jurisdiction (each a “**Relevant Jurisdiction**”); or
  - (ii) any change or development involving a prospective change, or any event or series of events likely to result in or represent any change or development involving a prospective change or development, in the

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local, national, regional or international financial, political, military, industrial, economic, currency market, legal, fiscal, exchange control or regulatory conditions or any monetary or trading settlement system (including but not limited to conditions in stock and bond markets, money and foreign exchange markets and inter-bank markets, 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 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) a disruption or any general moratorium on commercial banking activities or securities settlement, 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), the PRC, London, Tokyo, the Cayman Islands, the British Virgin Islands, Independent State of Samoa the European Union (or any member thereof) or any other Relevant Jurisdictions; 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 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 a disruption has occurred in securities settlement or clearance services or procedures, or maximum ranges for prices having been required, by any of the said exchange 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 our 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, acts of government, labor disputes, strikes, lock-outs, riots, public disorder, fire, explosion, flooding, civil commotion, acts of war, acts of God, acts of terrorism (whether or not responsibility has been claimed), outbreak of diseases or epidemics including, but not limited to, SARS, H5N1, H1N1 and such related/mutated forms or accident or interruption or delay in transportation, economic sanction and any local, national, regional or

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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

- (ix) any change or prospective change in, or a materialization of, any of the risks set out in the section headed “Risk Factors” in this prospectus, or
- (x) any litigation or claim being threatened or instigated against any member of our Group; or
- (xi) 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 organization of any action against a director of the Company or member of our Group or an announcement by any regulatory or political body or organization that it intends to take any such action,

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 may be or is likely to be materially adverse to the business, financial or other condition or prospects of our Company or our Group as a whole or, in the case of paragraph (vi) above, to any present or prospective shareholder of our Company in his/its capacity as such; or
  - (B) has or might have 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 material 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 this prospectus; or
- (b) there comes to the notice of the Joint Global Coordinators or any of the Hong Kong Underwriters:
- (i) any matter or event showing any of the representations, warranties and undertakings given by the Company and the Controlling Shareholders under the Hong Kong Underwriting Agreement or the International Underwriting Agreement to be untrue, incorrect, inaccurate or misleading when given or repeated; or
  - (ii) any breach on the part of our Company or any of the Controlling Shareholders of any of the provisions of the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

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- (iii) any matter which would, had it arisen or been discovered immediately before the date of this prospectus, not having been disclosed in this prospectus, constitute a material omission herefrom; or
- (iv) any statement contained in this prospectus, the Application Forms, the WPIP, the formal notice and any announcements issued by our Company in connection with the Hong Kong Public Offering and Global Offering (including any supplement or amendment thereto) was or has become or is discovered to be untrue, incorrect, inaccurate or misleading in any material respect; or
- (v) that there shall have occurred any event, act or omission which gives or is likely to give rise to any liability of the parties to the Hong Kong Underwriting Agreement (other than the Joint Global Coordinators or the Hong Kong Underwriters) pursuant to the indemnity provisions under the Hong Kong Underwriting Agreement; or
- (vi) 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
- (vii) that a petition is presented for the winding-up or liquidation of our Company or any member of our Group or our Company 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 our Company or any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of our Company or any member of our Group or anything analogous thereto occurs in respect of our Company or any member of our Group; or
- (viii) 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 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 Listing Date, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld.

### **Undertakings to the Hong Kong Stock Exchange under the Hong Kong Listing Rules**

*By us*

We have undertaken to the Hong Kong Stock Exchange that no further Shares or securities convertible into our 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 by us 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) without the prior consent of the Hong Kong Stock Exchange, except:

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- (a) in the circumstances prescribed by Rule 10.08 of the Hong Kong Listing Rules; or
- (b) pursuant to the Global Offering and the Over-allotment Option;
- (c) any Shares which may be issued pursuant to the exercise of the options granted under the Share Option Scheme.

### *By Controlling Shareholders*

Each of the Controlling Shareholders has undertaken to the Hong Kong Stock Exchange that, except pursuant to the Global Offering, it shall not and shall procure that the relevant registered holder(s) shall not, without the prior written consent of the Hong Kong Stock Exchange:

- (a) at any time during the period commencing from the date by reference to which disclosure of his/its shareholding in our Company is made in this prospectus and ending on the date which is six months from the Listing Date (the “**First Six-month Period**”), 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 or securities of our Company in respect of which he/it is shown by this prospectus to be the beneficial owner; or
- (b) at any time during the six months commencing on the date on which the First Six-month Period expires (the “**Second Six-month Period**”), 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 or securities referred to in (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he/it would cease to be our controlling shareholder (as defined in the Hong Kong Listing Rules).

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Nothing in this undertaking shall prevent the Controlling Shareholders from using the Shares beneficially owned by him as security (including a charge or a pledge) in favour of an authorised institution (as defined in the Banking Ordinance) for a bona fide commercial loan.

Each of the Controlling Shareholders has also undertaken to the Hong Kong Stock Exchange that, he/it will, within the period commencing on the date by reference to which disclosure of his/its shareholding is made in this prospectus and up to the end of the Second Six-Month Period, immediately inform us of:

- (a) any pledges or charges of any of the Shares or securities of our Company beneficially owned by he/it in favor of any authorized institution (as defined in the Banking Ordinance (Cap. 155 of the Laws of Hong Kong)), and the number of such Shares or securities of our Company so pledged or charged; and
- (b) any indication received by he/it, either verbal or written, from any pledgee or chargee of any of the Shares or other securities of our Company pledged or charged that any of such Shares or securities will be disposed of.

The restrictions above shall not apply to any Shares acquired by the Controlling Shareholders by way of on-market transaction after the Listing Date.

We will also inform the Hong Kong Stock Exchange as soon as we have been informed of the above matters (if any) by any of the Controlling Shareholders and disclose such matters by way of an announcement as soon as possible after being so informed by any of the Controlling Shareholders.

### **Undertakings to the Underwriters pursuant to the Hong Kong Underwriting Agreement**

*By us*

We have undertaken to each of the Joint Global Coordinators, the Joint Sponsors and the Hong Kong Underwriters that, except pursuant to the Capitalisation Issue, the Global Offering (including pursuant to the Over-allotment Option), the grant or exercise of the options granted under the Share Option Scheme, we will not, without the prior written consent of the Joint Global Coordinators (on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Hong Kong Listing Rules, at any time from the date of the Hong Kong Underwriting Agreement until the expiry of six months from the Listing Date:

- (i) offer, 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

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- (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 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 our Company will or may enter into any transaction described in paragraph (i) above and this paragraph (ii); 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 Hong Kong Listing Rules below 25 per cent. of our Company’s issued share capital.

### *By the Controlling Shareholders*

Each of the Controlling Shareholders has undertaken to each of the Joint Global Coordinators, the Joint Sponsors, the Hong Kong Underwriters and our Company that, except pursuant to the Stock Borrowing Agreement and the exercise of conversion rights attaching to the September 2009 Exchangeable Notes and the November 2009 Exchangeable Notes (as defined in the section headed “History, Reorganisation and corporate structure” in this prospectus), it will not, and will procure that none of its associates or companies controlled by it or any nominee or trustee holding in trust for it will, without the prior written consent of the Joint Global Coordinators and unless in compliance with the requirements of the Listing Rules:

- (i) at any time commencing from the date of the Hong Kong Underwriting Agreement up to the end of six months from the Listing Date (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 our Company or any interest therein held by him or 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 our Company or any interest therein) or 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 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;



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- (ii) at any time during the period of six months commencing on the date on which the First Six-Month Period expires (the “**Second 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 our Company or any interest therein held by him or it (including but not limited to any securities that are convertible into or exercisable or exchangeable for or that represent the right to receive, any such share capital, debt capital or other securities of our Company or any interest therein) or 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 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 it will or may enter into any of the foregoing transactions or announce any intention to do so if, immediately following such transaction, he or it would cease to be a controlling shareholder (as defined in the Hong Kong Listing Rules) of our Company;
- (iii) in the event of a disposal by him or it of any share capital, debt capital or other securities of our Company or any interest therein during the Second Six-Month Period, he or it 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 our Company;
- (iv) within the period commencing on the date of this prospectus and up to the end of the Second Six-Month Period, he or it will immediately inform our Company, the Joint Sponsors, the Joint Global Coordinators, each of the Hong Kong Underwriters and the Company of:
  - (a) any pledges or charges of any Shares or other securities of our Company beneficially owned by him or it, together with the number of such Shares or other securities of our Company so pledged or charged and the purpose for which such pledge or charge is to be created; and
  - (b) any indication received by him or it, either verbal or written, from the pledgee or chargee of any Shares or other securities of our Company pledged or charged that such Shares or other securities of our Company so pledged or charged will be disposed of.

Nothing in this undertaking shall prevent the Controlling Shareholders from using the Shares beneficially owned by him as security (including a charge or a pledge) in favour of an authorised institution (as defined in the Banking Ordinance) for a bona fide commercial loan.



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The restrictions above shall not apply to any Shares acquired by the Controlling Shareholders by way of on-market transaction after the Listing Date.

### **Commission and expenses**

We will pay to the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) an underwriting commission at the rate of 3% of the aggregate Offer Price payable for the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering, out of which the Hong Kong Underwriters will pay all (if any) sub-underwriting commissions. 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 International Underwriters and not the Hong Kong Underwriters.

We will also pay to (i) each of the Joint Sponsors a sponsorship fee; and (ii) each of the Joint Global Coordinators (on their respective own account) certain additional fee calculated by reference to a formula respectively applicable to such Joint Global Coordinator and the gross proceeds of the Global Offering.

### **Indemnity**

The Company and the Controlling Shareholders have 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 us of the Hong Kong Underwriting Agreement.

### **Underwriters' interest in our Company**

Save for their respective obligations under the Hong Kong Underwriting Agreement and the International Underwriting Agreement, none of the Underwriters has any shareholding interests in our Company or any of our subsidiaries or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or any of our subsidiaries.

## **INTERNATIONAL OFFERING**

### **International Underwriting Agreement**

In connection with the International Offering, it is expected that the Company will, on or about December 3, 2010 shortly after determination of the Offer Price, enter into the International Underwriting Agreement with the Controlling Shareholders and the Joint Global Coordinators on behalf of the International Underwriters. Under the International Underwriting Agreement, subject to the conditions set forth therein, the International Underwriters to be named therein would severally agree to purchase the International Offer Shares or procure purchasers for the International Offer Shares. Potential investors shall be reminded that in the event that the International Underwriting agreement is not entered into, the Global Offering will not proceed and will lapse.

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Under the International Underwriting Agreement, the Company intends to grant to the International Underwriters the Over-allotment Option, exercisable by the Joint Global Coordinators on behalf of the International Underwriters at the sole and absolute discretion of the Joint Global Coordinators for up to 30 days after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 43,875,000 additional Shares representing, in aggregate, 15% of the number of Offer Shares initially available under the Global Offering. These Shares will be sold at the Offer Price and will be, among others, for the purpose of covering over-allocations in the International Offering, if any.

### **Sponsors' Independence**

Each of the Joint Sponsors has declared its independence from us pursuant to Rule 3A.08 of the Listing Rules that they are independent pursuant to Rule 3A.07 of the Listing Rules.

### **DEALING**

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Monday, December 13, 2010, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:30 a.m. on Monday, December 13, 2010. The Shares will be traded on the Main Board in board lots size of 1,000 Shares each.

### **TOTAL COMMISSION AND EXPENSES**

Assuming an Offer Price of HK\$2.83 per Share (being the mid-point of the stated offer price range of HK\$2.33 to HK\$3.33 per Share), the aggregate commissions and fees, together with Hong Kong Stock Exchange listing fees, HKSFC transaction levy of 0.003%, Hong Kong Stock Exchange trading fee of 0.005%, legal and other professional fees and printing and other expenses relating to the Global Offering, are estimated to amount in aggregate to around HK\$149.5 million in total. 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 International Underwriters (but not the Hong Kong Underwriters).