
UNDERWRITING

HONG KONG UNDERWRITERS

Citigroup Global Markets Asia Limited
BOCOM International Securities Limited
Guotai Junan Securities (Hong Kong) Limited
Haitong International Holdings Limited
Head & Shoulders Securities Limited

INTERNATIONAL UNDERWRITERS

Citigroup Global Markets Limited
Renaissance Capital (Hong Kong) Limited
BOCOM International Securities Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offer

Hong Kong Underwriting Agreement

The Hong Kong Underwriting Agreement was entered into on December 1, 2011. As described in the Hong Kong Underwriting Agreement, we are offering the Hong Kong Offer Shares for subscription on the terms and subject to the conditions of this Prospectus and the Application Forms at the Offer Price. Subject to the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, our Shares in issue and to be issued as mentioned herein, and to certain other conditions set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have agreed severally to subscribe or procure subscribers for the Hong Kong Offer Shares which are being offered but are not taken up under the Hong Kong Public Offer on the terms and subject to the conditions of this Prospectus and the Application Forms.

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

Grounds for Termination

The Sole Global Coordinator (for itself and on behalf of the Hong Kong Underwriters) shall after consultation with the Joint Bookrunners be entitled to give notice in writing to our Company on or prior to 8:00 a.m. on the Listing Date to terminate the Hong Kong Underwriting Agreement if:

- (A) there has come to the notice of the Sole Global Coordinator or any Hong Kong Underwriters:
 - (a) that any statement contained in this Prospectus and/or the Application Forms and/or 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 Offer (including any supplement or amendment thereto) was, when it was issued, or has become, untrue, incorrect or misleading in any respect, or that any forecasts, estimates, expressions of opinion, intention or expectation expressed in this Prospectus and/or the Application Forms and/or 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 Offer (including any

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- supplement or amendment thereto) are not in all material aspects, fair and honest and based on reasonable assumptions when taken as a whole; or
- (b) that any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this Prospectus, not having been disclosed, constitute an omission from this Prospectus, announcements, issued or used by or on behalf of our Company in connection with the Hong Kong Public Offer; or
 - (c) any breach of, or any event rendering untrue or incorrect in any respect, any of the representations, warranties and undertakings given by the Company, Mr. Ran Chenghao, Mr. Ran Xiaochuan, Silver Lion, Hover Wealth and Total Flourish (the “Ran Group”) under the Hong Kong Underwriting Agreement; or
 - (d) any breach of any of the obligations imposed upon the Company or the Ran Group to the Hong Kong Underwriting Agreement; or
 - (e) any event, act or omission which gives or is likely to give rise to any material liability of the Company pursuant to the Hong Kong Underwriting Agreement; or
 - (f) any material adverse change or development involving a prospective adverse change in the assets, liabilities, conditions, business affairs, prospects, profits, losses or financial or trading position or performance of any member of the Group taken as a whole; or
 - (g) any material litigation or claim being entered or instigated against any member of the Group; or
 - (h) any of the Reporting Accountants, the property valuer, the Company’s Cayman Islands legal advisor, the Company’s PRC legal advisors, the Competent Person and the industry consultant has withdrawn its respective consent to issue the Prospectus with the inclusion of its reports, opinions or valuations and reference of its names in the form and context as appearing in the Prospectus; or
 - (i) approval by the Listing Committee of the 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 Listing Date, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or
 - (j) the Company withdraws this Prospectus (and any other documents used in connection with the contemplated subscription and sale of the Shares) or the Global Offering;
- (B) there shall develop, occur, exist or come into effect any change or development that involves a prospective change or development, or any events or developments likely to cause or represents a change or development or a prospective change or development concerns relating to:
- (a) 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

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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, Canada, any member of the European Union, Japan, Singapore or any other jurisdiction relevant to any member of the Group; or

- (b) any change or development involving a prospective change, or any event or series of events resulting or likely to result in any change, or development or prospective change or development, in local, national, regional or international financial, economic, political, military, industrial, fiscal, regulatory, currency or market conditions (including, without limitation, conditions in stock and bond markets, money and foreign exchange markets and inter-bank markets, or any monetary or trading settlement systems or matters and/or disasters (including a change in the Hong Kong Dollar peg system) or a devaluation of the Hong Kong dollar or an appreciation of the RMB against the currencies of the U.S., the European Union, the United Kingdom, Japan or other relevant jurisdictions, in or affecting Hong Kong, the PRC, the United States or the European Union or any other jurisdiction relevant to any member of the Group; or
- (c) any change or development in the conditions of local, national or international equity securities or other financial markets; or
- (d) any event, or series of events, in the nature of force majeure (including, without limitation, acts of government, declaration of a national or international emergency or war, calamity, crisis, epidemic, pandemic, outbreak of disease, economic sanction, strikes, lock-outs, fire, explosion, flooding, earthquake, civil commotion, riot, public disorder, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God or acts of terrorism) affecting any jurisdictions relevant to any member of the Group or the Global Offering; or
- (e) any local, national, regional or international outbreak or escalation of hostilities (even if war is not declared) or other state of emergency or calamity in any jurisdictions relevant to any member of the Group or the Global Offering; or
- (f) any suspension or limitation in the trading of shares or securities generally on the Hong Kong Stock Exchange, the New York Stock Exchange, the Nasdaq National Market, the London Stock Exchange, the Tokyo Stock Exchange or a general moratorium on commercial banking activities in Hong Kong, New York, London, Cayman Islands, the PRC, Japan or any other jurisdiction relevant to any member of the Group, or any disruption in commercial banking or foreign exchange trading or securities settlement or clearance; or
- (g) any material adverse change or development or prospective material adverse change in taxation or exchange controls, currency exchange rates or foreign investment regulations in any jurisdictions relevant to the Group which materially adversely affect an investment in the Shares; or
- (h) any change or development involving a prospective change on the condition, financial or otherwise, or in the earnings, business affairs, business prospects or trading position of the Group; or
- (i) an executive Director being charged with an indictable offense or prohibited by operation of law or otherwise disqualified from taking part in the management of a

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company; or the commencement by any governmental, regulatory or political body or organization of any investigation or other action against an executive Director or an announcement by any governmental, regulatory or political body or organization that it intends to take any such investigation or other action; or

- (j) a contravention by any member of the Group of the Listing Rules or applicable laws; or
- (k) except with the approval of the Sole Global Coordinator, the issue or requirement to issue by the Company of any supplement or amendment to the Prospectus (or any other documents used in connections with the contemplated subscription and sale of the Shares) pursuant to the Hong Kong Companies Ordinance or the Listing Rules where the matter to be disclosed is in the Sole Opinion of the Sole Global Coordinator, materially adverse to the marketing or implementation of the Global Offering; or
- (l) any material adverse change or development likely to result in material adverse change of any risks set out in the “Risk Factors” section; or
- (m) any demand by creditors for repayment of indebtedness, an order or petition for the winding up of any member of the Group or any composition or arrangement made by any member of the Group with its creditors or a scheme of arrangement entered into by any member of the Group or any resolution for the winding-up of any member of the Group or the appointment of a provisional liquidator, receiver or manager over all or part of the material assets or undertaking of any member of the Group or anything analogous thereto occurring in respect of any member of the Group; or
- (n) any material litigation or claim of any third-party being threatened or instigated against any member of the Group; or
- (o) the chairman or chief executive officer of the Company vacating his or her office; or
- (p) any extent, act or omission that gives rise or may give rise to any liability pursuant to any of the indemnities given by the Company or the Ran Group under the Hong Kong Underwriting Agreement, or the International Underwriting Agreement; or
- (q) any breach of the Company’s or the Ran Group’s obligations under the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or
- (r) any matter arising or having been discovered which would, have it arose immediately help the date of the Prospectus, not having been disclosed in the Prospectus, would be considered a material omission in the opinion of the Sole Global Coordinator.

which, individually or in the aggregate, in the sole opinion of the Sole Global Coordinator (for itself and on behalf of the other Hong Kong Underwriters):

- (1) is or may or will be or is reasonably likely to be materially adverse to, or materially and prejudicially affecting, the general affairs, business, financial, trading or other condition or prospects of the Group as a whole; or
- (2) has or will have or may have or is reasonably likely to have a material adverse effect on the success of the Global Offering or make it impractical, inexpedient or inadvisable for

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any part of the Hong Kong Underwriting Agreement, the International Underwriting Agreement, the Hong Kong Public Offer or the Global Offering to be performed or implemented as envisaged or which prevents the processing of applications and/or payment pursuant to the Global Offering or pursuant to the underwriting thereof; or

- (3) makes it or will make it inadvisable or inexpedient or impracticable for the Hong Kong Public Offer and the Global Offering or the delivery of the Offer Shares on the terms and in the manner contemplated by the Prospectus, the Application Forms, the Formal Notice or the final offering circular under the International Offering to proceed or to market the Global Offering; or

Undertakings

Undertakings Pursuant to the Listing Rules

Undertaking by our Company

Pursuant to Rule 10.08 of the Listing Rules, we have undertaken to the 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 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.

Undertaking by the Controlling Shareholders

Pursuant to Rule 10.07 of the Listing Rules, our Controlling Shareholders have undertaken to us and to the Stock Exchange that they will not, and shall procure that any other registered holder (if any) will not, without the prior written consent of the Stock Exchange or unless otherwise in compliance with applicable requirements of the Listing Rules:

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

Further, each of the Controlling Shareholder, has also undertaken to the Stock Exchange that, during the First Six-month Period and the Second Six-month Period, they will:

- (a) if they pledge or charge any of our securities beneficially owned by them in favor of an authorized institution (as defined in the Banking Ordinance, Chapter 155 of the Laws of

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Hong Kong) for a bona fide commercial loan, immediately inform us, the Sole Global Coordinator and Sole Sponsor of such pledge or charge together with the number of securities so pledged or charged; and

- (b) if they receive indications, either verbal or written, from the pledgee or chargee that any of our pledged or charged securities will be disposed of, immediately inform us, the Sole Global Coordinator and the Sole Sponsor of such indications.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by Our Company

Pursuant to the Hong Kong Underwriting Agreement, we have undertaken to each of the Sole Global Coordinator, the Sole Sponsor and the Hong Kong Underwriters that, except as pursuant to the Global Offering (including pursuant to exercise of the Over-allotment Option) or any share option schemes of any members of the Group, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months from Listing Date and unless permitted by the Stock Exchange, our Company will not without the prior written consent of the Sole Global Coordinator (on behalf of the Hong Kong Underwriters) (subject to the requirements set out in the Listing Rules):

- (i) offer, pledge, charge, mortgage, allot, issue, sell, 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, conditionally or unconditionally, or repurchase, any of its share capital or other securities or any interests therein (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for or that represent the right to receive such share capital or other securities or any interests therein whether now owned or hereinafter acquired (the “Held Interests”); or
- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such Held Interests; or
- (iii) enter into any transaction with the same economic effect as any transaction described in (i) or (ii) above; or
- (iv) offer to or agree or contract to, or publicly announce any intention to enter into, any transaction described in limb (i), (ii) or (iii) above whether any of the foregoing transactions described in limb (i), (ii) or (iii) above is to be settled by delivery of such Held Interests, in cash or otherwise.

Undertakings by the Ran Group

Each of Mr. Ran Chenghao, Mr. Ran Xiaochuan, Silver Lion, Hover Wealth and Total Flourish has jointly and severally undertaken to each of the Company, the Sole Global Coordinator, the Hong Kong Underwriter and the Sole Sponsor that, without the prior written permission of the Sole Sponsor and the Sole Global Coordinator (for itself and on behalf of the Hong Kong Underwriters) and subject to compliance with all requirements under the Listing Rules except as pursuant to the Global Offering (including pursuant to exercise of the Over-allotment Option) or any share option schemes of any members of the Group or the Stock Borrowing Agreement, or any transfer of the

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Shares from Silver Lion pursuant to the Round 1 Bond and/or the Round 2 Bond, in the manner referred to in the section headed “Exchangeable Bonds” of this Prospectus at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling thirty-six months from the Listing Date and unless permitted by the Stock Exchange, each of Mr. Ran Chenghao, Mr. Ran Xiaochuan, Silver Lion, Hover Wealth and Total Flourish will not, without the prior written consent of the Sole Global Coordinator (on behalf of the Hong Kong Underwriters):

- (i) offer, sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, lend, 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, or repurchase, any of its share capital or other securities or any interests therein (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for or that represent the right to receive such share capital or other securities or any interests therein whether now owned or hereinafter acquired), owned directly by any of Mr. Ran Chenghao, Mr. Ran Xiaochuan, Silver Lion, Hover Wealth and Total Flourish (including holding as custodian or trustee) or with respect to which such relevant Shareholder has beneficial ownership (the “Ran Lock-up Shares”). The foregoing restriction is expressly agreed to preclude any one of Mr. Ran Chenghao, Mr. Ran Xiaochuan, Silver Lion, Hover Wealth and Total Flourish from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead or result in a sale or disposition of such Ran Lock-up Shares even if such Shares would be disposed of by someone other than the relevant Shareholder. Such prohibition would include without limitation, any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to any of such Ran Lock-up Shares or with respect of any security that includes, relates to, or derives any significant part of its value from such Shares; or
- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such Ran Lock-up Shares; or
- (iii) enter into any transaction with the same economic effect as any transaction described in (i) and (ii) above; or
- (iv) offer to or agree to or contract to, or publicly announce any intention to enter into, any transaction described in limb (i), (ii) or (iii) above; whether any such transaction described in (i), (ii) or (iii) above is to be settled by delivery of such Ran Lock-up Shares, in cash or otherwise.

Further, each of Mr. Ran Chenghao, Mr. Ran Xiaochuan, Silver Lion, Hover Wealth and Total Flourish has also jointly and severally undertaken to us and to the Sole Global Coordinator and Sole Sponsor that, during the thirty-six months period, they will:

- (a) if they pledge or charge any of our securities beneficially owned by them in favor of an authorized institution (as defined in the Banking Ordinance, Chapter 155 of the Laws of Hong Kong) for a bona fide commercial loan, immediately inform us, the Sole Global Coordinator and Sole Sponsor of such pledge or charge together with the number of securities so pledged or charged; and
- (b) if they receive indications, either verbal or written, from the pledgee or chargee that any of our pledged or charged securities will be disposed of, immediately inform us, the Sole Global Coordinator and the Sole Sponsor of such indications.

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In addition, Mr. Ran Chenghao and Mr. Ran Xiaochuan have also jointly and severally undertaken to the Company, the Sole Global Coordinator, the Hong Kong Underwriters and the Sole Sponsor, that neither of them shall, during the period of thirty six months from the Listing Date, be involved in any other business or operations within China or elsewhere, whether personally or through proxy, involving any type of company or organizations under any form of corporate structures, apart from those in connection with the operations of our Company. Mr. Ran Chenghao and Mr. Ran Xiaochuan will devote their time and attention exclusively to managing the affairs of our Company for a minimum of thirty six months after the Listing Date.

Undertakings by Mr. Shi Xiangdong and AL Stone

Each of Mr. Shi Xiangdong and AL Stone has jointly and severally undertaken to each of the Company, the Sole Global Coordinator, the Hong Kong Underwriters and the Sole Sponsor that, without the prior written permission of the Sole Sponsor and the Sole Global Coordinator (for itself and on behalf of the Hong Kong Underwriters) and subject to compliance with all requirements under the Listing Rules except as pursuant to the Global Offering (including pursuant to exercise of 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 from the Listing Date and unless permitted by the Stock Exchange, each of Mr. Shi Xiangdong and AL Stone will not:

- (i) offer, sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, lend, 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, or repurchase, any of its share capital or other securities or any interests therein (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for or that represent the right to receive such share capital or other securities or any interests therein whether now owned or hereinafter acquired), owned directly by any of Mr. Shi Xiangdong and AL Stone (including holding as custodian or trustee) or with respect to which such relevant Shareholder has beneficial ownership (the “Shi Lock-up Shares”). The foregoing restriction is expressly agreed to preclude any one of Mr. Shi Xiangdong and AL Stone from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead or result in a sale or disposition of such Shi Lock-up Shares even if such Shares would be disposed of by someone other than the relevant Shareholder. Such prohibition would include without limitation, any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to any of such Shi Lock-up Shares or with respect of any security that includes, relates to, or derives any significant part of its value from such Shares; or
- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such Shi Lock-up Shares; or
- (iii) enter into any transaction with the same economic effect as any transaction specified in clause (i) or (ii) above; or
- (iv) offer to or agree to or contract to, or publicly announce any intention to enter into, any transaction described in clause (i), (ii) or (iii) above, whether any such transaction described in (i), (ii) or (iii) above is to be settled by delivery of such Shi Lock-up Shares, in cash or otherwise (whether or not the issue of such Shares or such other securities will be completed within the first six month period); or

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- (v) during the period of six months commencing on the date on which the first six month period expires, not to enter into any of the transactions specified in clause (i), (ii) or (iii) above or offer to or agree to or announce any intention to enter into any such transaction if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or encumbrance pursuant to such transaction, Mr. Shi Xiangdong, AL Stone Holdings Limited, Mr. Alex Zhu, Grow Brilliant Limited, Mr. Ran Xiaochuan, Mr. Ran Chenghao, Hover Wealth Limited, Silver Lion Investment Holdings Limited and/or Total Flourish Limited would cease to be the “controlling shareholders” (as the term is defined in the Listing Rules) of the Company. The proportion of their shareholdings that Mr. Shi Xiangdong and/or AL Stone Holdings Limited could commit to any such aforesaid transaction is subject to the condition that Mr. Alex Zhu and/or Grow Brilliant Limited be able to commit the same proportion of their shareholdings to similar transactions during the second six month period, and that Mr. Shi Xiangdong, AL Stone Holdings Limited, Mr. Alex Zhu, Grow Brilliant Limited, Mr. Ran Xiaochuan, Mr. Ran Chenghao, Hover Wealth Limited, Silver Lion Investment Holdings Limited and/or Total Flourish Limited would not cease to be the “controlling shareholders” (as the term is defined in the Listing Rules) of the Company as a result of these aforesaid transactions;
- (vi) until the expiry of the second six month period in as described in (v), in the event that it enters into any of the transactions specified in clause (i), (ii) or (iii) above or offers to or agrees to or announces any intention to effect any such transaction, to take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of the Company.

Further, each of Mr. Shi Xiangdong and AL Stone has also jointly and severally undertaken to us and to the Sole Global Coordinator and Sole Sponsor that, during the first six month period and the second six month period, they will:

- (a) if they pledge or charge any of our securities beneficially owned by them in favor of an authorized institution (as defined in the Banking Ordinance, Chapter 155 of the Laws of Hong Kong) for a bona fide commercial loan, immediately inform us, the Sole Global Coordinator and Sole Sponsor of such pledge or charge together with the number of securities so pledged or charged; and
- (b) if they receive indications, either verbal or written, from the pledgee or chargee that any of our pledged or charged securities will be disposed of, immediately inform us, the Sole Global Coordinator and the Sole Sponsor of such indications.

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Undertakings by Mr. Alex Zhu and Grow Brilliant

Each of Mr. Alex Zhu and Grow Brilliant has undertaken to the Company, the Sole Global Coordinator, the Hong Kong Underwriters and the Sole Sponsor that without the prior written permission of the Sole Sponsor and the Sole Global Coordinator (for itself and on behalf of the Hong Kong Underwriters) and subject to compliance with all requirements under the Listing Rules except as pursuant to the Global Offering (including pursuant to exercise of 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 from the Listing Date and unless permitted by the Stock Exchange, each of Mr. Alex Zhu and Grow Brilliant will not, and shall procure that any other registered holder (if any) will not:

- (i) offer, sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, lend, 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, or repurchase, any of its share capital or other securities or any interests therein (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for or that represent the right to receive such share capital or other securities or any interests therein whether now owned or hereinafter acquired), owned directly by any of Mr. Alex Zhu and Grow Brilliant (including holding as custodian or trustee) or with respect to which such relevant Shareholder has beneficial ownership (the “Zhu Lock-up Shares”). The foregoing restriction is expressly agreed to preclude any one of Mr. Alex Zhu and Grow Brilliant from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead or result in a sale or disposition of such Zhu Lock-up Shares even if such Shares would be disposed of by someone other than the relevant Shareholder. Such prohibition would include, without limitation, any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to any of such Zhu Lock-up Shares or with respect of any security that includes, relates to, or derives any significant part of its value from such Shares; or
- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such Zhu Lock-up Shares; or
- (iii) enter into any transaction with the same economic effect as any transaction specified in clause (i) or (ii) above; or
- (iv) offer to or agree to or contract to, or publicly announce any intention to enter into, any transaction described in clause (i), (ii) or (iii) above, whether any such transaction described in (i), (ii) or (iii) above is to be settled by delivery of such Zhu Lock-up Shares, in cash or otherwise (whether or not the issue of such Shares or such other securities will be completed within the first six month period); or
- (v) during the period of six months commencing on the date on which the first six month period expires, not to enter into any of the transactions specified in clause (i), (ii) or (iii) above or offer to or agree to or announce any intention to enter into any such transaction if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or encumbrance pursuant to such transaction, Mr. Shi Xiangdong, AL Stone Holdings Limited, Mr. Alex Zhu, Grow Brilliant Limited, Mr. Ran Xiaochuan, Mr. Ran Chenghao, Hover Wealth Limited, Silver Lion Investment

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Holdings Limited and/or Total Flourish Limited would cease to be the “controlling shareholders” (as the term is defined in the Listing Rules) of the Company. The proportion of their shareholdings that Mr. Alex Zhu and/or Grow Brilliant Limited could commit to any such aforesaid transaction is subject to the condition that Mr. Shi Xiangdong and/or AL Stone Holdings Limited be able to commit the same proportion of their shareholdings to similar transactions during the second six month period, and that Mr. Shi Xiangdong, AL Stone Holdings Limited, Mr. Alex Zhu, Grow Brilliant Limited, Mr. Ran Xiaochuan, Mr. Ran Chenghao, Hover Wealth Limited, Silver Lion Investment Holdings Limited and/or Total Flourish Limited would not cease to be the “controlling shareholders” (as the term is defined in the Listing Rules) of the Company as a result of these aforesaid transactions;

- (vi) until the expiry of the second six month period in as described in (v), in the event that it enters into any of the transactions specified in clause (i), (ii) or (iii) above or offers to or agrees to or announces any intention to effect any such transaction, to take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of the Company.

Further, each of Mr. Alex Zhu and Grow Brilliant has also jointly and severally undertaken to us and to the Sole Global Coordinator and Sole Sponsor that, during the first six month period and the second six month period, they will:

- (a) if they pledge or charge any of our securities beneficially owned by them in favor of an authorized institution (as defined in the Banking Ordinance, Chapter 155 of the Laws of Hong Kong) for a bona fide commercial loan, immediately inform us the Sole Global Coordinator and Sole Sponsor of such pledge or charge together with the number of securities so pledged or charged; and
- (b) if they receive indications, either verbal or written, from the pledgee or chargee that any of our pledged or charged securities will be disposed of, immediately inform us the Sole Global Coordinator and the Sole Sponsor of such indications.

Undertakings relating to Exchangeable Bonds

Each of Challenger Mining 8 Limited, CMS 2 Limited Partnership, F.S.B.S Limited Partnership and RD 8 Limited Partnership has jointly and severally undertaken to each of the Company, the Sole Global Coordinator, the Underwriters and the Sole Sponsor that, without the prior written permission of the Sole Global Coordinator (for itself and on behalf of the Underwriters) and subject to compliance with all requirements under the Listing Rules, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling twelve months from the Listing Date and unless permitted by the Stock Exchange, not to:

- (i) offer, sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, lend, 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, or repurchase, any of its share capital or other securities or any interests therein (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for or that represent the right to receive such share capital or other securities or any interests therein whether now owned or hereinafter acquired), owned directly by any of Challenger Mining 8 Limited, CMS 2 Limited Partnership, F.S.B.S Limited Partnership and RD 8 Limited Partnership (including holding as

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custodian or trustee) or with respect to which such relevant Shareholder has beneficial ownership (the “EB Lock-up Shares”). The foregoing restriction is expressly agreed to preclude any one of Challenger Mining 8 Limited, CMS 2 Limited Partnership, F.S.B.S Limited Partnership and RD 8 Limited Partnership from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead or result in a sale or disposition of such EB Lock-up Shares even if such Shares would be disposed of by someone other than the relevant Shareholder. Such prohibition would include, without limitation, any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to any of such EB Lock-up Shares or with respect of any security that includes, relates to, or derives any significant part of its value from such Shares; or

- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such EB Lock-up Shares; or
- (iii) enter into any transaction with the same economic effect as any transaction specified in clause (i) or (ii) above; or
- (iv) offer to or agree to or contract to, or publicly announce any intention to enter into, any transaction described in clause (i), (ii) or (iii) above, whether any such transaction described in (i), (ii) or (iii) above is to be settled by delivery of such EB Lock-up Shares, in cash or otherwise.

Undertakings by KR Lenders

Each of Kevin Russell, Evan Marks, Keith Wayne Abell and JC Del Real has jointly and severally undertaken to each of the Company, the Sole Global Coordinator, the Underwriters and the Sole Sponsor that, without the prior written permission of the Sole Global Coordinator (for itself and on behalf of the Underwriters) and subject to compliance with all requirements under the Listing Rules, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling twelve months from the Listing Date and unless permitted by the Stock Exchange, not to:

- (i) offer, sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, lend, 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, or repurchase, any of its share capital or other securities or any interests therein (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for or that represent the right to receive such share capital or other securities or any interests therein whether now owned or hereinafter acquired), owned directly by any of Kevin Russell, Evan Marks, Keith Wayne Abell and JC Del Real (including holding as custodian or trustee) or with respect to which such relevant Shareholder has beneficial ownership (the “KR Lenders Lock-up Shares”). The foregoing restriction is expressly agreed to preclude any one of Kevin Russell, Evan Marks, Keith Wayne Abell and JC Del Real from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead or result in a sale or disposition of such KR Lenders Lock-up Shares even if such Shares would be disposed of by someone other than the relevant Shareholder. Such prohibition would include, without limitation, any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to any of such KR Lenders Lock-up Shares or with respect

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of any security that includes, relates to, or derives any significant part of its value from such Shares; or

- (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such KR Lenders Lock-up Shares; or
- (iii) enter into any transaction with the same economic effect as any transaction specified in clause (i) or (ii) above; or
- (iv) offer to or agree to or contract to, or publicly announce any intention to enter into, any transaction described in clause (i), (ii) or (iii) above, whether any such transaction described in (i), (ii) or (iii) above is to be settled by delivery of such KR Lenders Lock-up Shares, in cash or otherwise.

International Placing

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

The Company will grant to the International Underwriters the Over-allotment Option, exercisable by the Sole Global Coordinator on behalf of the International Underwriters on or before Friday, January 6, 2012, being the 30th day after the last day for the lodging of applications under the Hong Kong Public Offer, to require the Company to sell up to an aggregate of 75,000,000 additional Shares, representing 15% of the number of Offer Shares initially being offered under the Global Offering, at the Offer Price to cover over-allocations in the International Placing, if any.

Commission and expenses

Under the terms and conditions of the Hong Kong Underwriting Agreement, the Hong Kong Underwriters will receive a gross underwriting commission of 3.5% of the aggregate Offer Price payable for the Hong Kong Offer Shares, out of which they will pay any sub-underwriting commissions. In addition, we may at our sole discretion, pay the Sole Global Coordinator (on behalf of the Hong Kong Underwriters) an incentive fee of 1% of the aggregate Offer Price for the Hong Kong Offer Share if we are satisfied with the outcome of the Global Offering.

Assuming the Over-allotment Option is not exercised at all and based on an Offer Price of HK\$2.38, being the mid-point of our offer price range of HK\$2.22 to HK\$2.54 per Share, the fees and commissions in connection with the Hong Kong Public Offer and the International Placing, together with the Stock Exchange listing fees, the SFC transaction levy, the Stock Exchange trading fee, legal and other professional fees, printing, and other expenses relating to the Global Offering, are estimated to amount to approximately HK\$108 million in aggregate. Such commissions, fees and expenses are payable by us (as to approximately HK\$108 million).

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

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Underwriters' Interests in our Company and Sole Sponsors' Independence

Citi satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

Although Mr. Shi Xiangdong, a non-executive Director of our Company, has worked in Citigroup Global Markets Inc. as a director for the period from April 2003 to March 2010, the Sole Sponsor is satisfied that Mr. Shi Xiangdong's prior role in Citigroup Global Markets Inc. as a director in Citigroup Global Markets Inc.'s trading and market risk assessment division in North America (which he completely relinquished along with all powers and duties when he left Citigroup Global Markets Inc. in March 2010) has minimal overlap with the Investment Banking Division which the Sole Sponsor team is set up.

Citi adheres strictly to its high standards of duty of care owing to its clients, and benefits from its corporate governance and independence rules that ensure the independent judgment and decision of the Investment Banking team on its assignment. Sophisticated segregation and Chinese wall arrangements that are compliant with the SFC's Code of Conduct for Licensed Persons are also set in place to ensure the independence of the Sole Sponsor team in charge of the Listing. In particular, the Sole Sponsor is not susceptible to any potential influence of Mr. Shi Xiangdong. Mr. Shi has never been involved in advising our listing application during his tenure with Citigroup Global Markets Inc. In addition, Mr. Shi became involved with our Group through his personal connection with Mr. Ran Chenghao and his previous employment with Citigroup Global Markets Inc. was irrelevant to his involvement with our Group. Instead, Mr. Shi was appointed as a non-executive Director due to his extensive experiences in risk management, corporate finance and capital markets. Mr. Shi is not acting as a representative of the KR Lenders who are ex-colleagues of Mr. Shi at Citi. Based on the above, the Sole Sponsor's independence under Rule 3A.07 of the Listing Rules has not been compromised by Mr. Shi Xiangdong's involvement with the Company.

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