
UNDERWRITING

UNDERWRITER

Sun Hung Kai Investment Services Limited

UNDERWRITING ARRANGEMENTS

Underwriting Agreement

Pursuant to the Underwriting Agreement, our Company is offering the Offer Shares for subscription on and subject to the terms and conditions in the Underwriting Agreement and this prospectus.

Subject to, among other conditions, the Stock Exchange granting the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus and to certain other conditions set out in the Underwriting Agreement being satisfied or waived on or before the 30th day after the date of this prospectus (or such later date as our Company, the Sole Bookrunner and the Sole Lead Manager may agree), the Underwriter has agreed to subscribe for or procure subscribers for the Offer Shares on the terms and conditions of the Share Offer.

Grounds for termination

The Underwriter shall have the absolute right upon giving a written notice to our Company to terminate the Underwriting Agreement if any of the following events occurs at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date (which is expected to be on Wednesday, 18 January 2012):

If at any time on or prior to at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date, any of the following events shall occur:

- (a) any matter or event showing any of the warranties to be untrue, inaccurate or misleading in any material aspect when given or repeated or any breach of any of the warranties or any other provision of the Underwriting Agreement by any party other than the Underwriter which is considered, in the opinion of the Underwriter, to be material in the context of the Public Offer or the Placing;
- (b) any matter which, had it arisen immediately before the date of this prospectus and not having been disclosed in this prospectus, would have constituted a material omission in the opinion of the Underwriter in the context of the Public Offer or the Placing;
- (c) any statement contained in this prospectus reasonably considered to be material by the Underwriter which is discovered to be or becomes untrue, incorrect or misleading in any respect considered in the opinion of the Underwriter to be material;
- (d) any event, act or omission which gives rise or is likely to give rise to any liability of our Company, our Directors and our Controlling Shareholders pursuant to the indemnities contained in the Underwriting Agreement;

UNDERWRITING

- (e) any adverse change or a prospective adverse change in the business, results of operation, financial or trading position, or prospects of our Group as a whole the effect of which is, in the opinion of the Underwriter, so material and adverse as to make it impracticable or inadvisable to proceed with the Share Offer;
- (f) there shall develop, occur, exist or come into effect:
 - (i) any new law or regulation or any material change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong, the Cayman Islands, the BVI, the PRC or any relevant jurisdiction;
 - (ii) any adverse change (whether or not permanent) in local, national or international stock market conditions;
 - (iii) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise;
- (g) any change or development involving a prospective change in taxation or exchange control (or the implementation of any exchange control) in Hong Kong, the Cayman Islands, the BVI or the PRC;
- (h) any change or development (whether or not permanent), or any event or series of events resulting in any material adverse change in, the financial, legal, political, economic, military, industrial, fiscal, regulatory, market (including stock market) or currency matters or condition in Hong Kong, the Cayman Islands, the BVI, the PRC or elsewhere;
- (i) any outbreak or escalation of hostilities involving the US, the PRC or the declaration by the US, the PRC of a national emergency or war or the occurrence of any other calamity or crisis;
- (j) any material litigation or claim being threatened or instigated against any member of our Group; and
- (k) any event of force majeure including but without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, tsunami, explosion, epidemic, pandemic, terrorism, earthquakes, strike or lock-out involving Hong Kong, PRC or any other relevant jurisdiction;

which in the opinion of the Underwriter is or will be, or is likely to be, materially adverse to the business or financial condition or prospects of our Group taken as a whole; or has or will have or is likely to have a material adverse effect on the success of the Share Offer; or makes or will make it inappropriate, inadvisable or inexpedient for the Underwriter to proceed with the Share Offer, then in any such case, the Underwriter may terminate the Underwriting Agreement without liability to the other parties hereto by giving notice in writing to our Company, such notice (if any) to be given no later than 8:00 a.m. on the Listing Date.

UNDERWRITING

Commission and expenses

The Underwriter will receive an underwriting commission of 2.5% of the aggregate Share Offer price of all Offer Shares, out of which they will pay any sub-underwriting commission. The Sponsor will receive an advisory and documentation fee in relation to the Listing and will be reimbursed for their expenses. Such commission, advisory and documentation fee, together with the Main Board listing fees, legal and other professional fees, and printing and other expenses relating to the Share Offer and Listing, are estimated to amount in aggregate to approximately HK\$20 million and are to be borne by our Company.

Underwriter's interest in our Company

Save as provided for under the Underwriting Agreement, the Underwriter has no shareholding interests in any member of our Group nor has any right (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any Shares.

On 29 December 2011, the Underwriting Agreement was entered into among our Company, our executive Directors, our Controlling Shareholders and the Underwriter, pursuant to which the Underwriter has agreed to underwrite for an aggregate of 165,000,000 Offer Shares in consideration of an underwriting commission of 2.5% per Offer Share. The maximum amount of the underwriting commission shall be HK\$4,125,000. The Underwriter is an indirect wholly-owned subsidiary of Sun Hung Kai & Co. Limited, whose shares are listed on the Main Board and were owned as to approximately 53.37% by Allied Properties as at the Latest Practicable Date. Since Allied Properties is a substantial shareholder (as defined in the Listing Rules) of our Company through its interests in its subsidiaries, each of Allied Properties and its associates (as defined in the Listing Rules) will become a connected person of our Company upon Listing. As the Underwriter will become a connected person of our Company upon Listing and the Underwriting Agreement is entered into on 29 December 2011, the entering into of the Underwriting Agreement will not constitute a connected transaction for our Company by itself but will constitute a connected transaction for Tian An.

The transaction contemplated under the Underwriting Agreement is one-off in nature and our Directors are of the view that the above transaction was entered into on normal commercial terms and the consideration of which was agreed after arm's length negotiation with reference to the prevailing market prices of similar transactions with the Independent Third Parties.

SPONSOR'S INTEREST IN OUR COMPANY

The Sponsor, being our Company's compliance advisor pursuant to Rule 3A.19 of the Listing Rules, will receive an advisory fee from our Company during the term of its appointment as the compliance advisor of our Company.

Save for (i) the advisory and documentation fees to be paid to Altus Capital as the Sponsor; and (ii) the advisory fee to be paid to Altus Capital as our Company's compliance advisor pursuant to the requirements under Rules 3A.19 of the Listing Rules, neither Altus Capital nor any of its associates has or may have, as a result of the Share Offer, any interest in any class of securities in our Company or any of its subsidiaries (including options or rights to subscribe for such securities).

UNDERWRITING

No director or employee of Altus Capital who is involved in providing advice to our Company has or may have, as a result of the Share Offer, any interest in any class of securities of our Company or any of its subsidiaries (including options or rights to subscribe for such securities that may be subscribed for or purchased by any such director or employee pursuant to the Share Offer).

No director or employee of Altus Capital has a directorship in our Company or any of its subsidiaries.

Altus Capital is independent from our Group under Rule 3A.07 of the Listing Rules.