

## STRUCTURE OF THE GLOBAL OFFERING

### THE GLOBAL OFFERING

This prospectus is published in connection with the Public Offer as part of the Global Offering. Morgan Stanley is the Sole Global Coordinator and Morgan Stanley, Standard Chartered and BOCOM International are the Joint Bookrunners for the Global Offering. The Global Offering consists of (subject to adjustment and the Over-allotment Option):

- (a) the Public Offer of initially 40,000,000 Shares (subject to re-allocation as mentioned below) in Hong Kong as described below in the section headed “—The Public Offer”; and
- (b) the International Offering of initially 360,000,000 Shares (subject to re-allocation and the Over-allotment Option as mentioned below) in the United States with QIBs in reliance on Rule 144A or another exemption under the U.S. Securities Act, and outside the United States in reliance on Regulation S.

Investors may apply for our Shares under the Public Offer or indicate an interest, if qualified to do so, for our Shares under the International Offering, but may not do both. The Public Offer is open to members of the public in Hong Kong. The International Offering will involve selective marketing of our Shares to QIBs in the United States in reliance on Rule 144A or another exemption under the U.S. Securities Act, as well as to institutional and professional investors and other investors expected to have a sizeable demand for our Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S. The International Underwriters are soliciting from prospective investors indications of interest in acquiring our Shares in the International Offering. Prospective investors will be required to specify the number of our Shares under the International Offering they would be prepared to acquire either at different prices or at a particular price.

The number of Shares to be offered under the Public Offer and the International Offering respectively may be subject to re-allocation as described in the section headed “Structure of the Global Offering—Pricing and Allocation” in this prospectus.

### PRICING AND ALLOCATION

The Offer Price is expected to be fixed by agreement between the Joint Bookrunners (on behalf of the Underwriters) and us on the Price Determination Date, when market demand for the Offer Shares will be determined. The Price Determination Date is expected to be on or around April 14, 2011 and in any event, no later than April 19, 2011.

The Offer Price will be not more than HK\$3.27 per Share and is expected not to be less than HK\$2.50 per Share, unless otherwise announced not later than the morning of the last day for lodging applications under the Public Offer, as explained below. Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative offer price range stated in this prospectus.

If, based on the level of interest expressed by prospective institutional, professional and other investors during the book-building process, the Joint Bookrunners (on behalf of the Underwriters and with our consent) consider it appropriate, the number of Offer Shares being offered under the Global Offering and/or the indicative offer price range may be reduced below that stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Public Offer. In such a case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of April 14, 2011, being the last day for lodging applications under the Public Offer, cause to be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese), on the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) and on the Company’s website at [www.hilonggroup.net](http://www.hilonggroup.net) notice of the reduction in the number of Offer Shares being offered under the Global Offering and/or the indicative offer price range. Such notice will also include confirmation or revision, as appropriate, of the working capital statement and the offering statistics as currently set out in the section headed “Summary” in this prospectus and any other financial information which may change as a result of such reduction. Before submitting applications for Public Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares being offered under the Global Offering and/or the indicative offer price range may not be made

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until the day which is the last day for lodging applications under the Public Offer. Applicants under the Public Offer should note that in no circumstances can applications be withdrawn once submitted, solely because the number of Offer Shares being offered under the Global Offering and/or the indicative offer price range is so reduced.

The Shares to be offered in the Public Offer and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Joint Bookrunners.

Allocation of our Shares pursuant to the International Offering will be determined by the Joint Bookrunners and will be based on a number of factors including the level and timing of demand, total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further, and/or hold or sell Shares after the Listing. Such allocation may be made to professional, institutional and retail or corporate investors and is intended to result in a distribution of our Shares on a basis which would lead to the establishment of a solid shareholder base to the benefit of our Company and our Shareholders as a whole.

Allocation of Shares to investors under the Public Offer will be based solely on the level of valid applications received under the Public Offer. The basis of allocation may vary, depending on the number of Public Offer Shares validly applied for by applicants, although the allocation of Public Offer Shares could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Public Offer Shares, and those applicants who are not successful in the ballot may not receive any Public Offer Shares.

The applicable Offer Price, level of applications in the Public Offer, the level of indications of interest in the International Offering, and the basis of allocations of the Public Offer Shares are expected to be announced on April 20, 2011 through a variety of channels as described in the section headed "How to Apply for Public Offer Shares—Results of Allocations" in this prospectus.

### CONDITIONS OF THE PUBLIC OFFER

Acceptance of any application for the Public Offer Shares pursuant to the Public Offer will be conditional on, inter alia:

- the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Shares in issue and to be issued as mentioned herein, including the Offer Shares and any Shares which may be issued pursuant to the Capitalization Issue and any share options under the Pre-IPO Share Option Scheme, and the Shares which fall to be sold by the Selling Shareholder upon the exercise of the Over-allotment Option;
- the Offer Price being duly determined;
- the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and
- the obligations of the Underwriters under each of the Public Offer Underwriting Agreement and the International Underwriting Agreement having become unconditional and not having been terminated in accordance with the terms of the respective agreements,

in each case on or before the dates and times specified in the Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than April 19, 2011.

**If for any reason, the Offer Price is not agreed by April 19, 2011 between the Joint Bookrunners (on behalf of the Underwriters) and us, the Global Offering will not proceed and will lapse.**

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. We will cause notice of the lapse of the Public Offer to be published by us in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on the next day following such lapse. In such eventuality, all application monies will be returned,

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without interest, on the terms set out in the section headed “How to Apply for Public Offer Shares” in this prospectus. In the meantime, the application monies will be held in separate bank account(s) with the receiving bankers or other bank(s) in Hong Kong licensed under the Banking Ordinance, Chapter 155 of the Laws of Hong Kong, as amended.

The consummation of each of the Public Offer and the International Offering is conditional upon, among other things, the other becoming unconditional and not having been terminated in accordance with its terms.

Share certificates for the Offer Shares are expected to be issued on April 20, 2011 but will only become valid certificates of title at 8.00 a.m. on the date of commencement of the dealings in our Shares, which is expected to be on April 21, 2011, if (i) the Global Offering has become unconditional in all respects and (ii) the right of termination as described in “Underwriting—Underwriting Arrangements and Expenses—Public Offer—Grounds for Termination” in this prospectus has not been exercised.

### THE PUBLIC OFFER

We are initially offering 40,000,000 new Shares at the Offer Price, representing 10% of the 400,000,000 Shares initially available under the Global Offering, for subscription by the public in Hong Kong. Subject to the re-allocation of Offer Shares between the International Offering and the Public Offer, the number of Shares initially offered under the Public Offer will represent approximately 2.5% of our total issued share capital immediately after completion of the Global Offering, assuming that the Over-allotment Option is not exercised. In Hong Kong, individual retail investors are expected to apply for Public Offer Shares through the Public Offer and individual retail investors, including individual investors in Hong Kong applying through banks and other institutions, seeking Offer Shares in the International Offering, will not be allotted Offer Shares in the International Offering.

The Joint Bookrunners (on behalf of the Underwriters) may require any investor who has been offered Shares under the International Offering, and who has made an application under the Public Offer to provide sufficient information to the Joint Bookrunners so as to allow them to identify the relevant applications under the Public Offer and to ensure that it is excluded from any application for Shares under the Public Offer.

The Offer Price will be not more than HK\$3.27 and is expected to be not less than HK\$2.50. Applicants under the Public Offer are required to pay, on application, the maximum offer price of HK\$3.27 per Share plus 1% brokerage fee, 0.003% SFC transaction levy, and 0.005% Stock Exchange trading fee. If the Offer Price, as finally determined on the Price Determination Date, is lower than HK\$3.27, being the maximum price, we will refund the respective difference (including the brokerage fee, the SFC transaction levy and the Stock Exchange trading fee attributable to the surplus application monies) to successful applicants, without interest. Further details are set out in the section headed “How to Apply for Public Offer Shares” in this prospectus.

For allocation purposes only, the Public Offer Shares (after taking into account any adjustment in the number of Offer Shares allocated between the Public Offer and the International Offering) will be divided equally into two pools: Pool A and Pool B, both of which are available on an equitable basis to successful applicants. All valid applications that have been received for Public Offer Shares with a total subscription amount (excluding brokerage, SFC transaction levy and the Stock Exchange trading fee) of HK\$5 million or below will fall into Pool A and all valid applications that have been received for Public Offer Shares with a total subscription amount (excluding brokerage, SFC transaction levy and Stock Exchange trading fee) of over HK\$5 million and up to the total value of Pool B, will fall into Pool B.

Applicants should be aware that applications in Pool A and Pool B are likely to receive different allocation ratios. If Public Offer Shares in one pool (but not both pools) are undersubscribed, the surplus Public Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. Applicants can only receive an allocation of Public Offer Shares from either Pool A or Pool B but not from both pools and may only apply for Public Offer Shares in either Pool A or Pool B. When there is over-subscription, allocation of the Public Offer Shares to investors under the Public Offer, both in relation to Pool A and Pool B, will be based on the level of valid applications received under the Public Offer. The basis of allocation in each pool may vary, depending on the number of Public Offer Shares validly applied for by each applicant. The allocation of Public Offer Shares could, where appropriate, consist of balloting, which would mean that some

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applicants may receive a higher allocation than others who have applied for the same number of Public Offer Shares and those applicants who are not successful in the ballot may not receive any Public Offer Shares. Multiple or suspected multiple applications within Pool A or Pool B, and between the two pools and any application for more than 50% of the 40,000,000 Shares initially comprised in the Public Offer (that is 20,000,000 Public Offer Shares) are liable to be rejected. Each applicant under the Public Offer will also be required to give an undertaking and confirmation in the application form submitted by him that he and any person(s) for whose benefit he is making the application have not indicated an interest for or taken up and will not indicate an interest for or take up any Offer Shares under the International Offering, and such applicant's application will be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

The allocation of Shares between the Public Offer and the International Offering is subject to adjustment. If the number of Public Offer Shares validly applied for in the Public Offer represents (i) 15 times or more but less than 50 times, (ii) 50 times or more but less than 100 times, and (iii) 100 times or more, of the number of Public Offer Shares initially available under the Public Offer, the total number of Public Offer Shares available under the Public Offer will be increased to 120,000,000, 160,000,000 and 200,000,000 Public Offer Shares, respectively, representing 30% (in the case of (i)), 40% (in the case of (ii)) and 50% (in the case of (iii)), respectively, of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option), and such reallocation being referred to in this prospectus as "Mandatory Reallocation". In such cases, the number of Offer Shares allocated in the International Offering will be correspondingly reduced, in such manner as the Joint Bookrunners deem appropriate, and such additional Offer Shares will be reallocated to Pool A and Pool B in the Public Offer.

If the Public Offer is not fully subscribed, the Joint Bookrunners have the authority to reallocate all or any unsubscribed Public Offer Shares to the International Offering, in such proportions as the Joint Bookrunners deem appropriate. In addition to any Mandatory Reallocation which may be required, the Joint Bookrunners may, at their discretion, reallocate Shares initially allocated for the International Offering to the Public Offer to satisfy valid applications in Pool A and Pool B under the Public Offer, regardless of whether the Mandatory Reallocation is triggered.

References in this prospectus to applications, Application Forms, application monies or to the procedure for application relate solely to the Public Offer.

## THE INTERNATIONAL OFFERING

The number of Shares to be initially offered under the International Offering will be 360,000,000 Shares, representing 90% of the Offer Shares under the Global Offering. The International Offering is subject to the Public Offer being unconditional. Subject to the reallocation of the Offer Shares between the International Offering and the Public Offer, the number of Shares initially offered under the International Offering will represent 22.5% of our total issued share capital immediately after completion of the Global Offering, assuming that the Over-allotment Option is not exercised.

Pursuant to the International Offering, the International Underwriters will conditionally place our Shares with QIBs in the United States in reliance on Rule 144A or another exemption under the U.S. Securities Act, as well as with institutional and professional investors and other investors in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S.

The Selling Shareholder expects to grant the Over-allotment Option to the International Underwriters, exercisable by Morgan Stanley on behalf of the International Underwriters, after consultation with the Joint Bookrunners at any time from the Listing Date up to (and including) the date which is the 30th day after the last date for lodging of Application Forms under the Public Offer. Pursuant to the Over-allotment Option, after consultation with the Joint Bookrunners, Morgan Stanley will have the right to require the Selling Shareholder to sell up to an aggregate of 60,000,000 additional Shares for sale, representing in aggregate 15% of the Offer Shares initially available under the Global Offering. These Shares will be offered at the Offer Price. An announcement will be made in the event that the Over-allotment Option is exercised.

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### OVER-ALLOTMENT AND STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the Underwriters may bid for, or purchase, the new securities in the secondary market, during a specified period of time, to retard and, if possible, prevent any decline in the market price of the securities below the offer price. In Hong Kong and certain other jurisdictions, activity aimed at reducing the market price is prohibited and the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager, or any person acting for it, on behalf of the Underwriters, may over allocate or effect short sales or any other stabilizing transactions with a view to stabilizing or maintaining the market price of our Shares at a level higher than that which might otherwise prevail in the open market. Short sales involve the sale by the Stabilizing Manager of a greater number of Shares than the underwriters are required to purchase in the Global Offering. “Covered” short sales are short sales made in an amount not greater than the Over-allotment Option and “covered” short position is any short position, including any such position created as a result of any covered short sales or other sales, in an amount not greater than the Over-allotment Option.

The Stabilizing Manager may close out any covered short position by exercising the Over allotment Option to purchase additional Shares, purchasing Shares in the open market or through stock borrowing arrangements or a combination of these means.

In determining the source of the Shares to close out the covered short position, the Stabilizing Manager will consider, among other things, the price of Shares in the open market as compared to the price at which they may purchase additional Shares pursuant to the Over-allotment Option. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Shares while the Global Offering is in progress. Any market purchases of our Shares may be effected on any stock exchange, including the Stock Exchange, any over-the-counter market or otherwise, provided that they are made in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the Stabilizing Manager or any person acting for it to conduct any such stabilizing activity, which, if commenced, will be done at the absolute discretion of the Stabilizing Manager and may be discontinued at any time. Any such stabilizing activity is required to be brought to an end within 30 days of the last day for the lodging of applications under the Public Offer. The number of our Shares that may be over-allocated will not exceed the number of our Shares that may be issued under the Over-allotment Option, namely 60,000,000 Shares, which is 15% of the Shares initially available under the Global Offering.

Stabilizing action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilizing) Rules, Chapter 571W of the Laws of Hong Kong includes: (i) over-allocation for the purpose of preventing or minimizing any reduction in the market price of the Shares; (ii) selling or agreeing to sell the Shares so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of the Shares; (iii) purchasing or subscribing for, or agreeing to purchase or subscribe for, the Shares pursuant to the Over-allotment Option in order to close out any position established under (i) or (ii) above; (iv) purchasing, or agreeing to purchase, any of the Shares for the sole purpose of preventing or minimizing any reduction in the market price of the Shares; (v) selling or agreeing to sell any Shares in order to liquidate any position held as a result of those purchases; and (vi) offering or attempting to do anything described in (ii), (iii), (iv) or (v). Stabilizing actions by the Stabilizing Manager, or any person acting for it, will be entered into in accordance with the laws, rules and regulations in place in Hong Kong on stabilization.

Specifically, prospective applicants for and investors in the Shares should note that:

- the Stabilizing Manager or any person acting for it, may, in connection with the stabilizing action, maintain a long position in the Shares;
- there is no certainty regarding the extent to which and the time period for which the Stabilizing Manager or any person acting for it, will maintain such a position;



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- liquidation of any such long position by the Stabilizing Manager which may also take place during the stabilization period, may have an adverse impact on the market price of the Shares;
- no stabilizing action can be taken to support the price of the Shares for longer than the stabilizing period which will begin on the Listing Date following announcement of the Offer Price, and is expected to expire on May 14, 2011, being the 30th day after the last date for lodging applications under the Public Offer. After this date, when no further stabilizing action may be taken, demand for the Shares, and therefore the price of the Shares, could fall;
- the price of the Shares cannot be assured to stay at or above the Offer Price either during or after the stabilizing period by the taking of any stabilizing action; and
- stabilizing bids may be made or transactions effected in the course of the stabilizing action at any price at or below the Offer Price, which means that stabilizing bids may be made or transactions effected at a price below the price paid by applicants for, or investors in, the Shares.

Our Company will procure that a public announcement in compliance with the Securities and Futures (Price Stabilizing) Rules will be made within seven days of the expiration of the stabilizing period.

For the purpose of covering any covered short position, including any covered short position created by over-allocations, the Stabilizing Manager or its affiliates may borrow from Hilong Group Limited (our Controlling Shareholder) up to 60,000,000 Shares, equivalent to the maximum number of Shares to be sold on a full exercise of the Over-allotment Option, under the Stock Borrowing Agreement expected to be entered into between the Stabilizing Manager (or its affiliates acting on its behalf) and Hilong Group Limited on or about the Price Determination Date. The loan of Shares by Hilong Group Limited pursuant to the Stock Borrowing Agreement shall not be subject to the non-disposal undertakings given by the Controlling Shareholders to the Stock Exchange and the Joint Bookrunners, the Sole Sponsor and the Public Offer Underwriters (See “Underwriting—Underwriting Arrangements and Expenses—(c) Undertakings in respect of the Global Offering”) which restrict the disposal of Shares by Hilong Group Limited subsequent to the date of the Public Offer Underwriting Agreement, subject to compliance with the following requirements:

- (i) the Stock Borrowing Agreement will be for the sole purpose of covering any short position prior to the exercise of the Over-allotment Option in connection with the International Offering;
- (ii) the maximum number of Shares which may be borrowed from Hilong Group Limited must not exceed the maximum number of Shares which may be sold upon the full exercise of the Over-allotment Option;
- (iii) the same number of Shares so borrowed must be returned to Hilong Group Limited or its nominees, as the case may be, on or before three Business Days after the earlier of (a) the last date on which the Over-allotment Option may be exercised, and (b) the date on which the Over-allotment Option is exercised in full;
- (iv) the borrowing of Shares pursuant to the Stock Borrowing Agreement will be effected in compliance with all applicable Listing Rules, laws and other regulatory requirements; and
- (v) no payments will be made to Hilong Group Limited by the Stabilizing Manager in relation to the Stock Borrowing Agreement.

## DEALING ARRANGEMENTS

Assuming that the Public Offer becomes unconditional at or before 8:00 a.m. in Hong Kong on April 21, 2011, it is expected that dealings in Shares on the Stock Exchange will commence at 9:00 a.m. on April 21, 2011.

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**UNDERWRITING ARRANGEMENTS**

The Public Offer is fully underwritten by the Public Offer Underwriters under the terms of the Public Offer Underwriting Agreement, subject to agreement on the Offer Price between the Joint Bookrunners (on behalf of the Underwriters) and us on the Price Determination Date and subject to the other conditions set out in the section headed “Conditions of the Public Offer” above.

We expect shortly after determination of the Offer Price on the Price Determination Date, to enter into the International Underwriting Agreement relating to the International Offering.

Underwriting arrangements, the Public Offer Underwriting Agreement and the International Underwriting Agreement are summarized in the section headed “Underwriting” in this prospectus.