
UNDERWRITING

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Public Offering Underwriters

Goldman Sachs
CIMB
ABCI Capital Limited
Essence International Financial Holdings Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Public Offering

Public Offering Underwriting Agreement

Pursuant to the Public Offering Underwriting Agreement, we have agreed to offer the Public Offering Shares for subscription by the public in Hong Kong on and subject to the terms and conditions of this prospectus and the Application Forms. Subject to, among other conditions, the granting of the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus by the Listing Committee and to certain other conditions set out in the Public Offering Underwriting Agreement, the Public Offering Underwriters have severally and not jointly agreed to subscribe or procure subscribers for their respective applicable proportions of the Public Offering Shares now being offered which are not taken up under the Public Offering on the terms and conditions of this prospectus, the Application Forms and the Public Offering Underwriting Agreement.

The Public Offering Underwriting Agreement is conditional on and subject to, amongst others, the International Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for termination

The obligations of the Public Offering Underwriters to subscribe or procure subscribers for the Public Offering Shares are subject to termination if certain events, including force majeure, shall occur at any time at or prior to 8:00 a.m. (Hong Kong time) on the Listing Date. The Sole Global Coordinator (for itself and on behalf of the other Public Offering Underwriters) has the right, in its sole and absolute discretion, to terminate the obligations of the Public Offering Underwriters under the Public Offering Underwriting Agreement by giving notice in writing to our Company, if it sees fit upon the occurrence of any of the following events:

- (a) there has come to the notice of the Sole Global Coordinator:
 - (i) that any statement contained in any offer documents as defined in the Public Offering Underwriting Agreement (“**Offer Documents**”) including this prospectus and the Application Forms, considered by the Sole Global Coordinator (for itself and on behalf of the other Public Offering Underwriters) in its sole and absolute opinion to be material in the overall context of the

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Global Offering, was, when it was issued, or has become, untrue, incorrect or misleading in any respect or that any forecast, expression of opinion, intention or expectation expressed in any Offer Documents and/or the relevant Application Forms is not, in the sole and absolute opinion of the Sole Global Coordinator, in all material respects fair and honest and based on reasonable assumptions, when taken as a whole; or

- (ii) that any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute an omission therefrom considered by the Sole Global Coordinator (for itself and on behalf of the other Public Offering Underwriters) in its sole and absolute opinion to be material in the overall context of the Global Offering; or
- (iii) any breach of any of the obligations imposed upon any party (other than the Sole Global Coordinator or any of the Underwriters) to the Public Offering Underwriting Agreement or to the International Underwriting Agreement which is considered by the Sole Global Coordinator (for itself and on behalf of the other Public Offering Underwriters) in its sole and absolute opinion to be material in the context of the Global Offering; or
- (iv) any change or development involving a prospective change in the conditions, business affairs, prospects, profits, losses or the financial or trading position or performance of any member of our Group which is considered by the Sole Global Coordinator (for itself and on behalf of the other Public Offering Underwriters) in its sole and absolute opinion to be material in the context of the Global Offering; or
- (v) any breach of any of the warranties, representations, agreements and undertakings (collectively, the “**Warranties**”) given by our Company, Mr. Qian and/or CITIC Capital China under the Public Offering Underwriting Agreement, considered by the Sole Global Coordinator (for itself and on behalf of the other Public Offering Underwriters) in its sole and absolute opinion to be material in the context of the Global Offering, or any matter or event showing any of the Warranties contained in the Public Offering Underwriting Agreement to be untrue, misleading or inaccurate in any material respect; or
- (vi) approval by the Listing Committee of the Stock Exchange of the listing of, and permission to deal in, the Shares is refused or not granted, other than subject to customary conditions, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or
- (vii) we withdraw any of the Offer Documents (or any other documents used in connection with the contemplated subscription of the Offer Shares) or the Global Offering; or
- (viii) any person (other than any of the Public Offering Underwriters) has withdrawn or sought to withdraw its consent to being named in any of the Offer Documents or to the issue of any of the Offer Documents; or

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- (ix) any event, act or omission which gives rise or is likely to give rise to any material liability of us under the Public Offering Underwriting Agreement pursuant to the indemnities contained in the Public Offering Underwriting Agreement; or
 - (x) a valid demand by any creditor for repayment or payment of any indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity which demand has or could reasonably be expected to have a material adverse effect on the Group taken as a whole; or
- (b) there shall develop, occur, exist or come into effect:
- (i) any event, or series of events, beyond the reasonable control of the Underwriters (including, without limitation, acts of government or orders of any courts, strikes, calamity, crisis, lock-outs, fire, explosion, flooding, civil commotion, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God, acts of terrorism, declaration of a national or international emergency, riot, public disorder, economic sanctions, outbreaks of diseases pandemics or epidemics (including without limitation Severe Acute Respiratory Syndrome, avian influenza A (H5N1), swine influenza (H1N1) or any related or mutated forms thereof) or interruption or delay in transportation); or
 - (ii) any change or development involving a prospective change, or any event or series of events likely to result in any change or development involving a prospective change, in local, national, international, financial, economic, legal, political, military, industrial, fiscal, regulatory, currency or market conditions, conditions in Hong Kong, the PRC, the United States, Japan, the Cayman Islands, the BVI or any other jurisdictions relevant to any member of our Group (the “**Relevant Jurisdictions**”), or matters and/or disaster or monetary or trading settlement system (including without limitation any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange, the New York Stock Exchange, the Tokyo Stock Exchange, the London Stock Exchange, the American Stock Exchange, the Nasdaq National Market, the Chicago Board of Options Exchange, the Chicago Mercantile Exchange or the Chicago Board of Trade, or a material fluctuation in the exchange rate of the Hong Kong dollar against any foreign currency, or a material revaluation of the Hong Kong currency against the currency of the United States or the Renminbi against any foreign currencies, or any interruption in securities settlement or clearance service or procedures in Hong Kong or anywhere in the world); or
 - (iii) any new laws, rules, statutes, ordinances, regulations, guidelines, opinions, notices, circulars, orders, judgments, decrees or rulings of any governmental authority (“**Laws**”) or any change or development involving a prospective change in the interpretation or application thereof by any court or other competent authority in any of the Relevant Jurisdictions; or
 - (iv) the imposition of economic sanctions or withdrawal of trading privileges, in whatever form, directly or indirectly, by or for the United States or the European Union (or any member thereof) on any of the Relevant Jurisdictions; or

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- (v) a change or development involving a prospective change in taxation or exchange control (or the implementation of any exchange control), currency exchange rates or foreign investment Laws in any of the Relevant Jurisdictions or affecting an investment in the Shares; or
- (vi) any change or development involving a prospective change, or a materialisation of, any of the risks set out in “Risk Factors” in this prospectus; or
- (vii) any litigation or claim of material importance of any third party being threatened or instigated against any member of our Group; or
- (viii) any of the Directors being charged with an indictable offence or prohibited by operation of Law or otherwise disqualified from taking part in the management of a company; or
- (ix) the chairman or chief executive officer of our Company vacating his or her office in circumstances where the operations of our Group will be materially and adversely affected; or
- (x) the commencement by any regulatory body of any public action against any of the Directors in his or her capacity as such or an announcement by any regulatory body that it intends to take any such action; or
- (xi) a contravention by any member of our Group of the Companies Ordinance, the Listing Rules, or any applicable securities laws; or
- (xii) a prohibition on our Company for whatever reason from allotting the Offer Shares pursuant to the terms of the Global Offering; or
- (xiii) non-compliance of this prospectus (or any other documents used in connection with the subscription of the Offer Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable Laws; or
- (xiv) other than with the approval of the Sole Global Coordinator, the issue or requirement to issue by us of a supplementary prospectus (or any other documents used in connection with the subscription of the Offer Shares) pursuant to the Companies Ordinance or the Listing Rules; or
- (xv) a valid demand by any creditor for repayment or payment of any indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or
- (xvi) any loss or damage sustained by any member of our Group (howsoever caused and whether or not the subject of any insurance or claim against any person); or

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- (xvii) a petition is presented for the winding-up or liquidation of any member of our Group 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 any member of our Group or a provisional liquidator, receiver or manager is appointed to take over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurs in respect of any member of our Group; or
- (xviii) any general moratorium on commercial banking activities in Hong Kong (imposed by the Financial Secretary of Hong Kong and/or the Hong Kong Monetary Authority or otherwise), New York (imposed at the United States federal or New York state level or otherwise) or the PRC or a material disruption in commercial banking or securities settlement or clearance services in any of the Relevant Jurisdictions; or
- (xix) any suspension or limitation in trading in shares or securities generally on the New York Stock Exchange or the Stock Exchange or a disruption has occurred in securities settlement or clearance services or procedures in the Relevant Jurisdictions; or
- (xx) any change or development involving a prospective change in the condition, financial or otherwise, or in the earnings, business affairs, business prospects or trading position of our Group, including any litigation or claim of material importance of any third party being threatened or instigated against our Company or any of its subsidiaries; or
- (xxi) any outbreak or escalation of hostilities (whether or not war is or has been declared) involving any of the Relevant Jurisdictions or any escalation thereof, or the declaration by any of the Relevant Jurisdictions of a national emergency or war,

which in each case in the sole and absolute opinion of the Sole Global Coordinator (for itself and on behalf of the other Public Offering Underwriters):

- (a) is or will or could be expected to have a material adverse effect on the general affairs, management, business, financial, trading or other condition or prospects of our Group taken as a whole; or
- (b) has or will have or could be expected to have a material adverse effect on the success of the Global Offering or the level of applications under the Public Offering or the level of interest under the International Offering; or
- (c) makes it inadvisable, inexpedient or impracticable for the Global Offering to proceed or to market the Global Offering or shall otherwise result in an interruption to or delay thereof on the terms and in the manner contemplated in this prospectus; or
- (d) would have the effect of making any part of the Public Offering Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or which prevents the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof.

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Undertakings

Pursuant to the Public Offering Underwriting Agreement, CITIC Capital China has undertaken to each of the Sole Global Coordinator, our Company and the other Public Offering Underwriters that it will, and will procure CITIC Capital China Fund I to observe the following:

- (i) in the period commencing on the date by reference to which disclosure of the respective interest of the Controlling Shareholders in our Company is made in this prospectus and ending on the date falling six months from the Listing Date (the “**First Lock-up Period**”), except pursuant to the Global Offering and the Stock Borrowing Agreement, neither of the Controlling Shareholders shall, and shall procure that none of the relevant registered holder(s), associates and companies controlled by any of the Controlling Shareholders and any nominee or trustee holding in trust for any of the Controlling Shareholders shall, without the prior written consent of the Sole Global Coordinator and unless in compliance with the requirements of the Listing Rules, (a) offer, pledge, charge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, any of the Shares or any securities convertible into or exercisable or exchangeable for, or that represent the right to receive, any of the Shares or securities of the Company as disclosed in this prospectus to be beneficially owned by any of the Controlling Shareholders or the relevant company, nominee or trustee which is disclosed in this prospectus to be the direct or indirect beneficial owner of any of the Shares or securities of the Company (the “**Relevant Securities**”); or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, directly or indirectly, any of the economic consequences of ownership of the Relevant Securities, whether any of the foregoing transactions is to be settled by delivery of the Relevant Securities, in cash or otherwise; or (c) agree (conditionally or unconditionally) to enter into or effect any transaction with the same economic effect as any of the transactions referred to in (a) or (b) above; or (d) announce any intention to enter into or effect any of the transactions referred to in (a), (b) or (c) above;
- (ii) neither of the Controlling Shareholders shall, and shall procure that none of the relevant registered holder(s), associates and companies controlled by any of the Controlling Shareholders and any nominee or trustee holding in trust for any of the Controlling Shareholders shall, directly or indirectly, without the prior written consent of the Sole Global Coordinator and the Stock Exchange in the six months commencing on the expiry of the First Lock-up Period (the “**Second Lock-up Period**”), dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any Relevant Securities if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, any of the Controlling Shareholders would cease to be a controlling shareholder (as defined in the Listing Rules) of the Company;
- (iii) in the event of a disposal of any Shares or securities of our Company or any interest therein within the Second Lock-up Period, the Controlling Shareholders shall take all reasonable steps to ensure that such a disposal shall not create a disorderly or false market for any Shares or other securities of our Company; and

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- (iv) the Controlling Shareholders shall, and shall procure that their respective associates and companies controlled by it and nominees or trustees holding in trust for it shall, comply with all the restrictions and requirements under the Listing Rules on the sale, transfer or disposal by it or by the registered holder controlled by it of any Shares.

CITIC Capital China has further undertaken to each of our Company, the Sole Global Coordinator and the other Public Offering Underwriters that, within the Second Lock-up Period, it will and will procure CITIC Capital China Fund I to:

- (i) when it or CITIC Capital China Fund I pledges or charges any securities or interests in the Relevant Securities, immediately inform our Company and the Sole Global Coordinator in writing of such pledges or charges together with the number of securities and nature of interest so pledged or charged; and
- (ii) when it or CITIC Capital China Fund I receives indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged securities or interests in the securities of our Company will be sold, transferred or disposed of, immediately inform our Company and the Sole Global Coordinator in writing of such indications.

We will inform the Stock Exchange as soon as practicable after we have been informed of the matters above (if any) by any of the Controlling Shareholders and disclose such matters by way of a press announcement.

We have undertaken to the Sole Global Coordinator, the Sponsor and the other Public Offering Underwriters that we shall not effect any purchase of Shares, or agree to do so, which may reduce the holdings of Shares of persons other than the Directors, chief executives, substantial shareholders or their respective associates (as defined in the Listing Rules) to below 25% within the First Lock-up Period without first having obtained the prior written consent of the Sole Global Coordinator (on behalf of the Public Offering Underwriters).

We have further undertaken to the Sole Global Coordinator, the Sponsor and the other Public Offering Underwriters that pursuant to Rule 10.08 of the Listing Rules, no further Shares or securities convertible into its 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 the First Lock-up Period (whether or not such issue of Shares or its 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.

International Offering

In connection with the International Offering, it is expected that we will enter into the International Underwriting Agreement with, inter alia, the International Underwriters, on terms and conditions that are substantially similar to the Public Offering Underwriting Agreement as described above and on the additional terms described below. Under the International Underwriting Agreement, the International Underwriters will severally agree to subscribe or procure subscribers for the International Offering Shares being offered pursuant to the International Offering.

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We will grant to the Sole Global Coordinator, on behalf of the International Underwriters, the Over-allotment Option, which will be exercisable in whole or in part on one or more occasions by the Sole Global Coordinator, on behalf of the International Underwriters, at any time from the Price Determination Date up to 30 days after the last day for the lodging of applications under the Public Offering. Pursuant to the Over-allotment Option, we may be required to issue and allot up to 45,000,000 additional Shares, representing 15% of the initial number of the Offer Shares, at the Offer Price.

Commissions and expenses

The Underwriters will receive an underwriting commission at the rate of 3.20% of the aggregate Offer Price payable for the Offer Shares (including shares to be issued pursuant to the Over-allotment Option), out of which they will pay any sub-underwriting commissions. Such commission, together with the Stock Exchange listing fees, the Stock Exchange trading fees, the SFC transaction levy, legal and other professional fees, printing, and other expenses relating to the Global Offering, is currently estimated to be HK\$65.5 million in aggregate (based on an Offer Price of HK\$2.09 per Offer Share, being the mid-point of the stated range of the Offer Price of between HK\$1.80 and HK\$2.38 per Offer Shares and the assumption that the Over-allotment Option is not exercised) and is paid or payable by our Company. In addition, our Company may also in its sole discretion pay the Sole Global Coordinator an incentive fee of up to 1.00% of the aggregate Offer Price for the number of Offer Shares offered by us under the Global Offering, which is currently estimated to be HK\$6.3 million (the “**Incentive Fee**”) (based on an Offer Price of HK\$2.09 per Offer Share, being the mid-point of the Offer Price range and the assumption that the Over-allotment Option is not exercised), and the total estimated listing expenses, assuming the Incentive Fee will be paid in full, will be increased to HK\$71.8 million in aggregate.

SPONSOR’S AND UNDERWRITERS’ INTERESTS IN OUR COMPANY

CIMB, being the Sponsor, will receive a documentation fee. Goldman Sachs, being the Sole Global Coordinator (for itself and on behalf of other Underwriters) will receive an underwriting commission. Particulars of these underwriting commission and expenses are set forth in the above “Commission and expenses”.

None of the Sponsor and the Underwriters is interested legally or beneficially in any shares of any member of our Group nor 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 member of our Group nor any interest in the Global Offering.