
UNDERWRITING

HONG KONG UNDERWRITERS

Guosen Securities (HK) Capital Company Limited
ABCI Securities Company Limited
CMB International Capital Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

The Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, our Company has agreed to offer the Hong Kong Offer 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 Hong Kong Underwriting Agreement, the Hong Kong Underwriters have severally and not jointly agreed to subscribe for or procure subscribers to subscribe for their respective applicable proportions of the Hong Kong Offer Shares now being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions of this prospectus, the Application Forms and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on and subject to, among other things, the International Placing 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 Hong Kong Underwriters to subscribe for or procure subscribers to subscribe for the Hong Kong Offer Shares are subject to termination if certain events, including force majeure, shall occur at any time at or before 8:00 a.m. (Hong Kong time) on the Listing Date. The Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) have the right, in their sole and absolute discretion, to terminate the obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement by giving notice in writing to our Company at any time prior to 8:00 a.m. on the Listing Date, if they see fit upon the occurrence of any of the following events:

- (a) there has come to the notice of the Joint Global Coordinators:
 - (i) any breach of any of the warranties, obligations or undertakings imposed upon any party (other than the Joint Global Coordinators or any of the Underwriters) to any of the Underwriting Agreements; or

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- (ii) any statement contained in this prospectus, the Application Forms, any supplemental offering materials, announcement, the formal notice to be published in connection with the Hong Kong Public Offering, the roadshow materials and any other documents published or issued by or on behalf of our Company, or the International Placing Underwriters for the purposes of or in connection with the Global Offering (“**Offer Documents**”) considered by the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) in their sole and absolute opinion to be material in the context of the Global Offering, was or has become or been discovered to be untrue, incorrect or misleading in any respect, or that any forecast, expression of opinion, intention or expectation expressed in any Offer Documents is not, in the sole and absolute opinion of the Joint Global Coordinators, fair and honest and based on reasonable assumptions, when taken as a whole; or
- (iii) any person (other than the Hong Kong 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
- (iv) our Company withdraws any of the Offer Documents (or any document, other documents used in connection with the contemplated subscription and sale of Offer Shares) or the Global Offering; or
- (v) any event, act or omission which gives or is likely to give rise to any liability of the warranties under the Hong Kong Underwriting Agreement pursuant to the indemnity provisions of the Hong Kong Underwriting Agreement; or
- (vi) any change or development involving a prospective change in the business, assets, liabilities, conditions, business affairs, prospects, profits, losses or the financial or trading position or performance or management of our Group considered by the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) in their sole and absolute opinion to be material in the context of the Global Offering; or
- (vii) 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 Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) in their sole and absolute opinion to be material in the context of the Global Offering; or
- (viii) approval by the Listing Committee of the listing of, and permission to deal in, our Shares (including any additional Shares that may be issued upon the exercise of the Over-allotment Option) 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

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- (ix) a petition or an order 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
 - (x) a material portion of the orders in the bookbuilding process at the time the International Placing Underwriting Agreement is entered into, or the investment commitments by any cornerstone investors after signing of agreements with such cornerstone investors, have been withdrawn, terminated or cancelled; or
- (b) there shall develop, occur, exist or come into effect:
- (i) 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, regional, international, financial, political, economic, legal, military, industrial, fiscal, regulatory, currency, or market conditions (including, without limitation, any moratorium, suspension or restriction on trading in securities generally on the Stock Exchange, the New York Stock Exchange, the London Stock Exchange, the American Stock Exchange, the Nasdaq National Market, the Shanghai Stock Exchange, the Shenzhen Stock Exchange or a material fluctuation in the exchange rate of the Hong Kong dollar or the Renminbi against any foreign currency, or any interruption in monetary or trading or securities settlement or clearance services or procedures or matters) in or affecting Hong Kong or anywhere in the world; or
 - (ii) any new law or regulation or any change or development involving a prospective change in any existing law or regulation, or any change in the interpretation or application thereof by any court or other competent authority in or affecting any of Hong Kong, the PRC, the United States, the Cayman Islands, the BVI, the European Union (or any member thereof) or any other jurisdictions relevant to any member of our Group or the Global Offering (the “**Relevant Jurisdictions**”); or
 - (iii) 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, Swine Flu or such related or mutated forms) or interruption or delay in transportation) in or affecting any of the Relevant Jurisdictions; or

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- (iv) (A) any suspension or limitation on trading in shares or securities generally on the Stock Exchange, the New York Stock Exchange, the American Stock Exchange, the Nasdaq National Market, the Shanghai Stock Exchange or the Shenzhen Stock Exchange or (B) any general moratorium on commercial banking activities in any of the Relevant Jurisdictions or any other relevant jurisdiction, declared by the relevant authorities, or a disruption in commercial banking activities or foreign exchange trading or securities settlement or clearance services, in the case of either (A) or (B), in or affecting any of the Relevant Jurisdictions; or
- (v) the imposition of economic sanctions, in whatever form, directly or indirectly, by or for the United States or the European Union (or any member thereof) on Hong Kong, the PRC, the Philippines, the Cayman Islands, the BVI, the European Union (or any member thereof) or any of the Relevant Jurisdictions; or
- (vi) a change or development occurs 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 our Shares; or
- (vii) any change or development involving a prospective change, or a materialisation of, any of the risks set out in the “Risk Factors” section in this prospectus; or
- (viii) the chairman or chief executive officer of our Company vacating his office; or
- (ix) the commencement by any governmental, regulatory or political body or organisation of any action against a Director in his or her capacity as such or an announcement by any governmental, regulatory or political body or organisation that it intends to take any such action; or
- (x) a prohibition on our Company for whatever reason from allotting or selling the Offer Shares pursuant to the terms of the Global Offering; or
- (xi) non-compliance with this prospectus (and/or any other documents used in connection with the subscription and purchase of the Offer Shares) or any aspect of the Global Offering with the Listing Rules or any other laws applicable to the Global Offering; or
- (xii) 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

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- (xiii) an event where, as a result of market conditions or otherwise, a material portion of the orders in the bookbuilding process at the time the International Placing Underwriting Agreement is entered into, has been withdrawn or cancelled and the Joint Global Coordinators, in their absolute discretion, conclude that it is therefore inadvisable or inexpedient or impracticable to proceed with the Global Offering; or
- (xiv) any litigation or claim being threatened or instigated against any member of our Group; or
- (xv) any of our Directors, any senior management members of our Company as set out in the section headed “Directors and Senior Management” of this prospectus 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 the commencement by any governmental, political or regulatory body of any action against any of the said Directors and senior management members in his or her capacity as such or an announcement by any governmental, political or regulatory body that it intends to take any such action; or
- (xvi) any contravention by any Controlling Shareholders as warrantor, any member of Our Group or any Director of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the SFO or any of the Listing Rules; or
- (xvii) the issue or requirement to issue by our Company of a supplement or amendment to this prospectus and/or any other documents pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules,

which in each case or in aggregate in the sole and absolute opinion of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong 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 or risks of our Company or our Group or any member of our Group or on any present or prospective shareholder in his, her or its capacity as such; or
- (b) has or will have or could be expected to have a material adverse effect on the success, marketability or pricing of the Global Offering or the level of applications under the Hong Kong Public Offering or the level of interest under the International Placing; or
- (c) makes it or may make it impracticable, inadvisable or inexpedient to proceed with or to market the Hong Kong Public Offering and/or the International Placing or the delivery of the Offer Shares on the terms and in the manner contemplated by this prospectus, the Application Forms or the formal notice or shall otherwise result in an interruption to or delay thereof; or

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- (d) has or will have the effect of making any part of the Underwriting Agreements 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.

Undertakings to the Stock Exchange under the Listing Rules

Undertakings by us

Pursuant to Rule 10.08 of the Listing Rules, we have undertaken to the Stock Exchange that, except pursuant to the Global Offering, the Over-allotment Option and the Share Option Scheme as described and contained in this prospectus, no further Shares or securities convertible into our equity securities (whether or not of a class already listed) may be issued by us or form the subject of any agreement to such an issue by us within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except for the circumstances as permitted by Rule 10.08(1) to (5) of the Listing Rules.

Undertakings by our Controlling Shareholders

Pursuant to Rule 10.07(1) of the Listing Rules, each of our Controlling Shareholders has undertaken to the Stock Exchange and our Company respectively that, except pursuant to the Stock Borrowing Agreement, the Global Offering and the Over-allotment Option as described and contained in this prospectus, it/he shall not and shall procure that the relevant registered shareholder(s) shall not:

- (a) in the period commencing on the date by reference to which disclosure of its/his shareholding in our Company is made in this prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of those Shares in respect of which it/he is shown by this prospectus to be the beneficial owners; or
- (b) in the period of six months commencing on the date on which the period referred to in paragraph (a) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares referred to in paragraph (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it/he would cease to be a controlling shareholder (as defined in the Listing Rules) of our Company.

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Pursuant to Note 3 to Rule 10.07(2) of the Listing Rules, each of our Controlling Shareholders has also undertaken to the Stock Exchange and our Company respectively that, within the period commencing on the date by reference to which disclosure of its/his shareholding in our Company is made in this prospectus and ending on the date which is 12 months from the Listing Date, it/he will:

- (a) when it/he pledges or charges any Shares beneficially owned by it/him in favour of an authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) for a bona fide commercial loan pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform us in writing of such pledge or charge together with the number of Shares so pledged or charged; and
- (b) when it/he receive indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged Shares will be disposed of, immediately inform us of such indications.

Undertakings pursuant to the Hong Kong Underwriting Agreement

Undertakings by us

Except for the issue of Shares pursuant to the Capitalisation Issue, the Global Offering (including pursuant to the Over-allotment Option) and options which may be granted under the Share Option Scheme or as otherwise with the prior written consent of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules, at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the “**First Six-Month Period**”), we have, pursuant to the Hong Kong Underwriting Agreement, undertaken to the Joint Global Coordinators (acting on behalf of the Hong Kong Underwriters) that:

- (a) our Company will not, and will procure that our subsidiaries will not, offer, accept subscription for, pledge, charge, allot, issue, sell, lend, mortgage, assign, contract to allot, issue or sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any options, warrants or other rights to purchase or subscribe for, make any share sale, lend or otherwise transfer or dispose of, either directly or indirectly, or repurchase, any of its share capital, debt capital or any securities of our Company or any of our subsidiaries or any interest therein (including but not limited to any warrants and securities convertible into or exercisable or exchangeable for or that represent the right to receive, or any warrants or other rights to purchase, any such share capital or securities or interest therein, as applicable);
- (b) our Company will not, and will procure that our subsidiaries will not, enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the share capital, debt capital or other securities of our Company or any interest therein;

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- (c) our Company will not, and will procure that our subsidiaries will not, enter into any transaction with the same economic effect as any transaction described in paragraph (a) or (b) above; or
- (d) our Company will not, and will procure that our subsidiaries will not, agree or contract to, or publicly announce any intention to enter into any transaction described in paragraph (a), (b) or (c) above;

whether any of the foregoing transactions described in paragraph (a), (b) or (c) above is to be settled by delivery of share capital or such other securities, in cash or otherwise; and

- (e) our Company will ensure that if any of the transactions in paragraph (a), (b) or (c) above is entered into or agreed to be entered into during the period of six months immediately following the expiry of the First Six-Month Period (the “**Second Six-Month Period**”), it will take all reasonable steps to ensure that any such act will not create a disorderly or false market for any Shares or other securities of our Company.

Undertakings by our Controlling Shareholders

Pursuant to the Hong Kong Underwriting Agreement, each of our Controlling Shareholders has undertaken jointly and severally to each of the Sole Sponsor, the Joint Global Coordinators, the Joint Lead Managers, our Company and the Hong Kong Underwriters that:

- (i) at any time during the First Six-Month Period, he/she/it shall not, and shall procure that the relevant registered holder(s) and his/its associates and companies controlled by him/it and any nominee or trustee holding in trust for him/it shall not, without the prior written consent of the Joint Global Coordinators and unless pursuant to the Stock Borrowing Agreement and/or the Share Option Scheme or otherwise in compliance with the requirements of the Listing Rules, (a) offer, accept subscription for, sell, pledge, mortgage, charge, 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, make any share sale, lend or otherwise transfer or dispose of, either directly or indirectly, any of the share capital of our Company or any securities of our Company or any interest therein (including but not limited to any securities convertible into or exercisable or exchangeable for or that represent the right to receive any such share capital or securities or interest therein); or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the share capital, debt capital or other securities of our Company or any interest therein; (c) enter or agree to enter into, conditionally or unconditionally, or effect any of the transaction with the same economic effect as any transaction referred to in (a) or (b) above; or (d) agree, or contract to, or publicly announce any intention to enter into or effect any of the transaction referred to in (a), (b) or (c) above;

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whether any of the foregoing transactions described in paragraph (a), (b) or (c) above is to be settled by delivery of share capital or such other securities, in cash or otherwise, or offer to or agree to do any of the foregoing or announce any intention to do so; and

- (ii) at any time during the Second Six-Month Period, he/she/it shall not, and shall procure that the relevant registered holder(s) and his/its associates or companies controlled by him/it and any nominee or trustee holding in trust for him/it shall not, without the prior written consent of the Joint Global Coordinators and unless pursuant to the Stock Borrowing Agreement and/or the Share Option Scheme or otherwise in compliance with the Listing Rules, enter into any of the foregoing transactions in paragraph (i) above or agree or contract to or publicly announce any intention to enter into any such transaction if, immediately following such transfer or disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he/she/it would cease to be a controlling shareholder of our Company or would together with the other Controlling Shareholders cease to be, or regarded as, controlling shareholders of our Company;
- (iii) at any time before the expiry of the Second Six-Month Period, in the event that he/she/it enters into any transaction referred to in paragraph (i) above or agrees or contracts to or publicly announces an intention to enter into such transactions, he/she/it shall take all reasonable steps to ensure that such action shall not create a disorderly or false market for any Shares or other securities of our Company; and
- (iv) he/she/it shall, and shall procure that its associates and companies controlled by him/it and nominees or trustees holding in trust for him/it shall, comply with all the restrictions and requirements under the Listing Rules on the sale, transfer or disposal by him/it or by the registered holder controlled by him/it of any Shares.

Each of our Controlling Shareholders has further undertaken jointly and severally to each of the Sole Sponsor, the Joint Global Coordinators, the Joint Lead Managers, our Company and the Hong Kong Underwriters, during the first twelve months from the Listing Date, he/she/it will:

- (i) when he/she/it pledges or charges any Shares or other securities or interests in the securities of our Company in respect of which he/she/it is the beneficial owner, immediately inform our Company and the Joint Global Coordinators in writing of such pledges or charges together with the number of Shares or other securities of our Company and nature of interest so pledged or charged; and
- (ii) when he/she/it receives any indication, whether verbal or written, from any pledgee or chargee that any of the pledged or charged Shares or securities or interests in the securities of our Company will be sold, transferred or disposed of, immediately inform our Company and the Joint Global Coordinators in writing of such indication.

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We will inform the Stock Exchange as soon as we have been informed of any of the above matters (if any) by our Controlling Shareholders and disclose such matters by way of a press announcement in accordance with Rule 2.07C of the Listing Rules.

The International Placing

In connection with the International Placing, it is expected that our Company, our Controlling Shareholders and executive Directors will enter into the International Placing Underwriting Agreement with, *inter alia*, the Joint Global Coordinators and the International Placing Underwriters, on terms and conditions that are substantially similar to the Hong Kong Underwriting Agreement as described above and on the additional terms described below. Under the International Placing Underwriting Agreement, the International Placing Underwriters will, subject to certain conditions set out therein, severally agree to subscribe for or purchase or procure subscribers or purchasers to subscribe for the International Placing Shares being offered pursuant to the International Placing.

Our Company will grant to the International Placing Underwriters the Over-allotment Option, exercisable by the Joint Global Coordinators on behalf of the International Placing Underwriters at any time from the Listing Date up to (and including) the date which is the 30th day after lodging applications under the Hong Kong Public Offering, to require our Company to allot and issue up to an aggregate of 30,000,000 additional Shares representing 15% of the number of Offer Shares initially offered under the Global Offering, at the same price per Share under the International Placing to cover over-allocations (if any) in the International Placing.

Commissions and expenses

The Underwriters will receive an underwriting commission at the rate of 3% of the aggregate Offer Price payable for the Offer Shares (including the Shares to be issued pursuant to the Over-allotment Option, if any), out of which they will pay any sub-underwriting commissions. Furthermore, our Company agrees, at its discretion, to pay to the Joint Global Coordinators a discretionary incentive fee of up to 1% of the aggregate Offer Price payable for the Offer Shares (excluding the Shares to be issued pursuant to the Over-allotment Option, if any). The underwriting commission (not taking into account the aforesaid incentive fee), together with the Stock Exchange listing fees, the Stock Exchange trading fee, the SFC transaction levy, legal and other professional fees, printing, and other expenses relating to the Global Offering, is currently estimated to be approximately HK\$32.8 million in aggregate (assuming the Over-allotment Option is not exercised and based on an Offer Price of HK\$2.77 per Offer Share, being the mid-point of the indicative Offer Price range of HK\$2.46 and HK\$3.08 per Offer Share) and is paid or payable by our Company.

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UNDERWRITERS' INTERESTS IN OUR COMPANY

Save for their obligations under the Underwriting Agreements, none of 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.