

Giant Interactive Group Inc.
Form SC 13E3/A
July 18, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 5
TO
SCHEDULE 13E-3
RULE 13e-3 TRANSACTION STATEMENT
(Pursuant to Section 13(e) of the Securities Exchange Act of 1934)

Giant Interactive Group Inc.

(Name of the Issuer)

Giant Group Holdings Limited

Giant Investment Limited

Giant Merger Limited

Yuzhu Shi

Union Sky Holding Group Limited

Vogel Holding Group Limited

The Baring Asia Private Equity Fund V, L.P.

Baring Private Equity Asia V Holding (12) Limited

Hony Capital Fund V, L.P.

Rich Noble Enterprises Limited

CDH WM Giant Fund L.P.

CDH Journey Limited

(Names of Persons Filing Statement)

Ordinary Shares, par value \$0.0000002 per share

American Depositary Shares, each representing one Ordinary Share

(Title of Class of Securities)

374511103¹

(CUSIP Number)

Yuzhu Shi

Jazy Zhang

Giant Group Holdings Limited

Giant Interactive Group Inc.

Giant Investment Limited

12/F, No. 3 Building, 700 Yishan Road

Giant Merger Limited

Shanghai, 200233,

Union Sky Holding Group Limited

People s Republic of China

Vogel Holding Group Limited

Telephone: +86 21 3397 9999

12/F, No. 3 Building, 700 Yishan Road

Shanghai, 200233,

People s Republic of China

Telephone: +86 21 3397 9999

Mark Beckett

Yonggang Cao

The Baring Asia Private Equity Fund V, L.P.

Hony Capital Fund V, L.P.

Baring Private Equity Asia V Holding (12) Limited

Rich Noble Enterprises Limited

1 Raffles Place

Suite 2701, One Exchange Square

#29-02 One Raffles Place

Central, Hong Kong

Singapore 048616

Telephone: +852 3961 9700

Telephone: +65 6593 3710

CDH WM Giant Fund, L.P.

CDH Journey Limited

1503, Level 15, International Commerce Centre

1 Austin Road West

Kowloon, Hong Kong

Telephone: +852 3518 8000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

With copies to:

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This statement is filed in connection with (check the appropriate box):

- a The filing of solicitation materials or an information statement subject to Regulation 14A, Regulation 14-C or Rule 13e-3(c) under the Securities Exchange Act of 1934.
- b The filing of a registration statement under the Securities Act of 1933.
- c A tender offer
- d None of the above

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies:

Check the following box if the filing is a final amendment reporting the results of the transaction:

Calculation of Filing Fee

Transactional Valuation*
\$2,153,101,189.50

Amount of Filing Fee**
\$277,319.44

* Calculated solely for the purpose of determining the filing fee in accordance with Rule 0-11(b)(1) under the Securities Exchange Act of 1934, as amended. The filing fee is calculated based on the sum of (a) the aggregate cash payment for the proposed per share cash payment of \$12.00 for 169,059,450 issued and outstanding ordinary

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shares of the issuer (including shares represented by the American depositary shares) subject to the transaction plus (b) the product of 660,150 ordinary shares issuable under all outstanding and unexercised options multiplied by \$7.93 per share (which is the difference between \$12.00 per share merger consideration and the weighted average exercise price of \$4.07 per share plus (c) the product of 9,929,400 shares of company restricted stock multiplied by \$12.00 per share ((a), (b) and (c) together, the Transaction Valuation))

** The amount of the filing fee, calculated in accordance with Exchange Act Rule 0-11(b)(1) and the Securities and Exchange Commission Fee Rate Advisory #1 for Fiscal Year 2014, was calculated by multiplying the Transaction Valuation by 0.0001288.

** Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting of the fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid:

Filing Party:

Form or Registration No.:

Date Filed:

¹ This CUSIP applies to the American Depositary Shares, evidenced by American Depositary Receipts, each representing one ordinary share.

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INTRODUCTION

This Amendment No. 5 (this **Final Amendment**) to the Rule 13e-3 transaction statement on Schedule 13E-3, together with the exhibits hereto (the **Transaction Statement**), is being filed with the Securities and Exchange Commission (this **SEC**) pursuant to Section 13(e) of the Securities Exchange Act of 1934, as amended (the **Exchange Act**), jointly by the following persons (each, a **Filing Person**, and collectively, the **Filing Persons**): (a) Giant Interactive Group Inc., a Cayman Islands company (the **Company**), the issuer of the ordinary shares, par value US\$0.0000002 per share (each, a **Share**), including the Shares represented by the American depositary shares (**ADSs**), each representing one Share, that is subject to the transaction pursuant to Rule 13e-3 under the Exchange Act; (b) Mr. Yuzhu Shi, the chairman of the board of directors the Company (**Mr. Shi**); (c) Giant Group Holdings Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands (**Holdco**); (d) Giant Investment Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands (**Parent**); (e) Giant Merger Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands and a wholly owned subsidiary of Parent (**Merger Sub**); (f) Union Sky Holding Group Limited, a British Virgin Islands business company with limited liability wholly owned by Mr. Shi (**Union Sky**); (g) Vogel Holding Group Limited, a British Virgin Islands business company with limited liability controlled by Mr. Shi (**Vogel** and, together with Mr. Shi and Union Sky, the **Founder Parties**); (h) The Baring Asia Private Equity Fund V, L.P., a limited partnership organized and existing under the laws of the Cayman Islands (**Baring LP**); (i) Baring Private Equity Asia V Holding (12) Limited, a British Virgin Islands business company with limited liability controlled by Baring LP (**Baring SPV** and, together with Baring LP, **Baring**); (j) Hony Capital Fund V, L.P., a limited partnership organized and existing under the laws of the Cayman Islands (**Hony Fund V**); (k) Rich Noble Enterprises Limited, a British Virgin Islands business company with limited liability wholly owned by Hony Fund V (**Hony SPV** and, together with Hony Fund V, **Hony**); (l) CDH WM Giant Fund, L.P., a limited partnership organized and existing under the laws of Cayman Islands (the **CDH Fund**); and (m) CDH Journey Limited, a Cayman Islands company with limited liability wholly owned by CDH Fund (**CDH SPV** and, together with CDH Fund, **CDH**).

This Transaction Statement relates to the Agreement and Plan of Merger, dated as of March 17, 2014, as amended by Amendment No. 1 to the Agreement and Plan of Merger, dated as of May 12, 2014 (as so amended, the **Merger Agreement**) among Parent, Merger Sub and the Company, pursuant to which Merger Sub was merged with and into the Company (the **Merger**), with the Company continuing as the surviving company after the Merger as a wholly owned subsidiary of Parent.

This Final Amendment is being filed pursuant to Rule 13e-3(d)(3) to report the results of the transaction that is the subject of this Transaction Statement.

All information contained in this Final Amendment concerning any of the Filing Persons has been provided by such Filing Person.

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Item 15 Additional Information

Item 15(c) is hereby amended and supplemented as follows:

On July 14, 2014, an extraordinary general meeting of the shareholders of the Company was held at 10:00 a.m. (Hong Kong time), at the offices of O Melveny & Myers, 31st Floor, AIA Central, 1 Connaught Road Central, Hong Kong. At the extraordinary general meeting, the shareholders of the Company voted to approve the Merger Agreement and the transactions contemplated thereby, including the Merger, and the proposal to authorize the directors to do all things necessary to give effect to the Merger Agreement.

On July 18, 2014, the Company and Merger Sub filed a plan of merger with the Cayman Islands Registrar of Companies, which was registered by the Cayman Islands Registrar of Companies as of July 18, 2014, pursuant to which the Merger became effective on July 18, 2014. As a result of the Merger, the Company ceased to be a publicly traded company and became wholly owned by Parent.

At the effective time of the Merger, each of the Company's ordinary shares, par value US\$0.0000002 per share (each, a Share and collectively, the Shares) issued and outstanding immediately prior to the effective time of the merger was cancelled and converted into the right to receive US\$12.00, and because each of the Company's American Depositary Shares (the ADSs) represents one Share, each issued and outstanding ADS immediately prior to the effective time of the Merger was cancelled and represents the right to surrender such ADS in exchange for US\$12.00 (less US\$0.05 per ADS cancellation fees pursuant to the terms of the Deposit Agreement, dated as of November 6, 2007, among the Company, Citibank, N.A., in its capacity as the ADS depository, and the holders and beneficial owners of ADSs issued thereunder), in each case, in cash, without interest and net of any applicable withholding taxes. Notwithstanding the foregoing, the following Shares (including such Shares represented by ADSs) were cancelled at the effective time of the Merger but were not converted into the right to receive the consideration described in the immediately preceding sentence:

- (a) 58,224,305 Shares held by Union Sky, 11,800,000 Shares held by Baring SPV and the Shares held by Parent, the Company or any of their subsidiaries immediately prior to the effective time of the Merger, which were cancelled without payment of any consideration or distribution therefor; and
- (b) 37,500,000 Shares held by Union Sky immediately prior to the effective time of the Merger, which were cancelled in exchange for Union Sky's right to receive a promissory note to be issued by the Company as the surviving company in the Merger in principal amount of US\$450,000,000, which is equal to the product of (i) 37,500,000 and (ii) US\$12.00, which note bears simple interest at 2.0% per annum.

The Company did not receive any notice of objection from any shareholder prior to the vote to approve the Merger, which is required for exercising any dissenter rights.

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In addition to the foregoing, at the effective time of the Merger, (i) each option to purchase Shares granted under the Company's 2007 Performance Incentive Plan and the Employee Share Option Scheme (collectively, the Share Incentive Plans) that was issued and outstanding immediately prior to the effective time of the Merger, whether vested or unvested, was cancelled and converted into the right to receive, as soon as practicable after the effective time of the Merger (and in any event no more than five business days after the effective time of the Merger), an amount equal to the product of the total number of Shares issuable under such option immediately prior to the effective time of the Merger multiplied by the excess of US\$12.00 over the exercise price payable per Share under such option, in cash, without interest and net of any applicable withholding taxes, and (ii) each restricted Share awarded under the Share Incentive Plans that was issued and outstanding (and with respect to which the restrictions had not lapsed) immediately prior to the effective time of the Merger (the Company Restricted Shares) was cancelled and converted into the right to receive, as soon as practicable after the effective time of the Merger (and in any event no more than five business days after the effective time of the Merger), an amount equal to US\$12.00, in cash, without interest and net of any applicable withholding taxes.

Parent, being the parent of the Company after the Merger, has entered into agreements with certain executive officers (other than Mr. Shi) and certain members of senior management of the Company (collectively, the Deferred Payment Management Participants) pursuant to which each Deferred Payment Management Participant has agreed to a deferred payment arrangement (the Deferred Payment Arrangement) with respect to cash payable to such Deferred Payment Management Participant with respect to his or her Company Restricted Shares as contemplated in the Merger Agreement (such cash payment, the Company Restricted Share Payment). The Deferred Payment Arrangements do not change the Company Restricted Share Payment amount of US\$12.00, in cash, without interest and net of any applicable withholding taxes, payable in respect of each Company Restricted Share as contemplated in the Merger Agreement, but (i) defer the Company Restricted Share Payment for each Deferred Payment Management Participant to a future date and (ii) subject such Company Restricted Share Payment to customary terms and conditions, including continued employment with the Company as the surviving company in the Merger or its relevant affiliate. The form of Deferred Payment Arrangement is filed as Exhibit (d)-(2) to this Transaction Statement.

As a result of the Merger, the ADSs will no longer be listed on any securities exchange or quotation system, including the New York Stock Exchange (NYSE) and the ADS program for the Shares will terminate. The NYSE has filed an application on Form 25 with the SEC to remove the ADSs from listing on the NYSE and withdraw registration of the Shares under the Exchange Act. The deregistration will become effective 90 days after the filing of the Form 25 or such shorter period as may be determined by the SEC. In addition, the Company intends to suspend its reporting obligations under the Exchange Act by filing a certification and notice on Form 15 with the SEC in ten days. The Company's reporting obligations under the Exchange Act will be suspended immediately as of the filing date of the Form 15 and will terminate once the deregistration becomes effective.

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Item 16 Exhibits

- (a)-(1) Proxy Statement.
- (a)-(2) Notice of Extraordinary General Meeting of Shareholders of the Company, incorporated herein by reference to the Proxy Statement.
- (a)-(3) Depository's Notice, incorporated herein by reference to the Proxy Statement.
- (a)-(4) Form of Proxy Card, incorporated herein by reference to the Proxy Statement.
- (a)-(5) Form of ADS Voting Instruction Card, incorporated herein by reference to the Proxy Statement.
- (a)-(6) Press Release issued by the Company, dated March 16, 2014, incorporated herein by reference to Exhibit 99.1 to the Report on Form 6-K furnished by the Company to the SEC on March 17, 2014.
- (b)-(1) Debt Commitment Letter, by and among Giant Merger Limited, the Mandated Lead Arrangers and the Underwriters, dated March 17, 2014, incorporated herein by reference to Exhibit 7.08 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(2) Equity Commitment Letter, by and between The Baring Asia Private Equity Fund V, L.P. and Giant Group Holdings Limited, dated March 17, 2014, incorporated herein by reference to Exhibit 7.09 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(3) Equity Commitment Letter, by and between Hony Capital Fund V, L.P. and Giant Group Holdings Limited, dated March 17, 2014, incorporated herein by reference to Exhibit 7.10 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(4) Support Agreement, by and among Giant Investment Limited, Giant Group Holdings Limited, Union Sky Holding Group Limited, Vogel Holding Group Limited and Baring Private Equity Asia V Holding (12) Limited, dated March 17, 2014, incorporated herein by reference to Exhibit 7.11 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(5) Consortium Agreement, by and among Mr. Shi Yuzhu, Union Sky Holding Group Limited, Vogel Holding Group Limited and Baring Private Equity Asia V Holding (12) Limited, dated November 25, 2013, incorporated herein by reference to Exhibit 7.03 to Schedule 13D filed with the SEC by the Founder Parties on November 26, 2013.
- (b)-(6) Guarantee of The Baring Asia Private Equity Fund V, L.P., dated November 25, 2013, incorporated herein by reference to Exhibit 7.04 to Schedule 13D filed with the SEC by the Founder Parties on November 26, 2013.

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- (b)-(7) Interim Investors Agreement, by and among Mr. Shi Yuzhu, Union Sky Holding Group Limited, Vogel Holding Group Limited, Baring Private Equity Asia V Holding (12) Limited, Rich Noble Enterprises Limited, Giant Group Holdings Limited, Giant Investment Limited and Giant Merger Limited, dated March 17, 2014, incorporated herein by reference to Exhibit 7.12 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(8) Guarantee of The Baring Asia Private Equity Fund V, L.P., dated March 17, 2014, incorporated herein by reference to Exhibit 7.13 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(9) Guarantee of Hony Capital Fund V, L.P., dated March 17, 2014, incorporated herein by reference to Exhibit 7.14 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(10) Limited Guarantee of Union Sky Holding Group Limited, dated March 17, 2014, incorporated herein by reference to Exhibit 7.15 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(11) Limited Guarantee of The Baring Asia Private Equity Fund V, L.P., dated March 17, 2014, incorporated herein by reference to Exhibit 7.16 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(12) Limited Guarantee of Hony Capital Fund V, L.P., dated March 17, 2014, incorporated herein by reference to Exhibit 7.17 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(13)** Adherence Agreement of Rich Noble Enterprises Limited to the Consortium Agreement, dated January 12, 2014.
- (b)-(14) Equity Commitment Agreement, by and among Holdco, Union Sky, Baring LP, Hony Fund V and CDH Advisor, dated April 25, 2014, incorporated herein by reference to Exhibit 7.18 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on April 28, 2014.
- (b)-(15)** Amended and Restated Equity Commitment Agreement, by and among Holdco, Union Sky, Baring LP, Hony Fund V and CDH Advisor, dated May 12, 2014.
- (b)-(16)** Equity Commitment Letter, by and between The Baring Asia Private Equity Fund V, L.P. and Giant Group Holdings Limited, dated June 6, 2014.
- (b)-(17)** Equity Commitment Letter, by and between Hony Capital Fund, L.P. and Giant Group Holdings Limited, dated June 6, 2014.

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- (b)-(18)*** Equity Commitment Letter, by and between CDH WM Giant Fund V, L.P. and Giant Group Holdings Limited, dated June 6, 2014.
- (b)-(19)*** Amended and Restated Interim Investors Agreement, by and among Mr. Shi Yuzhu, Union Sky Holding Group Limited, Vogel Holding Group Limited, Baring Private Equity Asia V Holding (12) Limited, Rich Noble Enterprises Limited, CDH Journey Limited, Giant Group Holdings Limited, Giant Investment Limited and Giant Merger Limited, dated June 6, 2014.
- (b)-(20)*** Limited Guarantee of Union Sky Holding Group Limited, dated June 6, 2014.
- (b)-(21)*** Limited Guarantee of The Baring Asia Private Equity Fund V, L.P., dated June 6, 2014.
- (b)-(22)*** Limited Guarantee of Hony Capital Fund V, L.P., dated June 6, 2014.
- (b)-(23)*** Limited Guarantee of CDH WM Giant Fund, L.P., dated June 6, 2014.
- (b)-(24)*** Adherence Agreement of CDH Journey Limited to the Consortium Agreement, dated June 6, 2014.
- (b)-(25) Facility Agreement between Parent, Merger Sub and the other parties named therein, dated June 27, 2014.
- (b)-(26) Post-Closing Equity Commitment Agreement, by and among Holdco, CDH Advisor, CDH Fund, CDH SPV, Baring LP, Hony Fund V and Union Sky, dated as of July 1, 2014.
- (b)-(27) Equity Commitment Letter, by and between Hony Fund V and Holdco, dated as of July 1, 2014.
- (b)-(28) Equity Commitment Letter, by and between CDH Fund and Holdco, dated as of July 1, 2014.
- (b)-(29) Limited Guarantee, by and between Hony Fund V and the Company, dated as of July 1, 2014.
- (b)-(30) Limited Guarantee, by and between CDH Fund and the Company, dated as of July 1, 2014.
- (b)-(31) Second Amended and Restated Interim Investors Agreement, by and among the Founder Parties, Baring SPV, Hony SPV, CDH SPV, Holdco, Parent and Merger Sub, dated as of July 1, 2014.
- (c)-(1) Opinion of Morgan Stanley Asia Limited, dated March 16, 2014, incorporated herein by reference to Annex C to the Proxy Statement.
- (c)-(2) Opinion of Duff & Phelps, LLC, dated March 16, 2014, incorporated herein by reference to Annex D to the Proxy Statement.

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- (c)-(3)* Discussion Materials prepared by Morgan Stanley Asia Limited for discussion with the special committee of the board of directors of the Company, dated December 31, 2013.
- (c)-(4)* Special Committee Materials prepared by Morgan Stanley Asia Limited for discussion with the special committee of the board of directors of the Company, dated March 16, 2014.
- (c)-(5)* Fairness Analysis presented to the special committee of the board of directors of the Company by Duff & Phelps, LLC, dated March 16, 2014.
- (c)-(6)*** Special Committee Materials prepared by Morgan Stanley Asia Limited for discussion with the special committee of the board of directors of the Company, dated March 13, 2014.
- (d)-(1) Agreement and Plan of Merger, dated as of March 17, 2014, among the Company, Parent and Merger Sub and Amendment No.1 to the Agreement and Plan of Merger, dated as of May 12, 2014, incorporated herein by reference to Annex A to the Proxy Statement.
- (d)-(2) Form of Deferred Payment Agreement between Parent and each of the Deferred Payment Management Participants.
- (f)-(1) Dissenters' Rights, incorporated herein by reference to the section entitled Dissenters' Rights in the Proxy Statement.
- (f)-(2) Section 238 of the Cayman Islands Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised), incorporated herein by reference to Annex E to the Proxy Statement.
- (g) Not applicable.

* Previously filed on April 2, 2014.

** Previously filed on May 12, 2014.

*** Previously filed on June 9, 2014.

Previously filed on June 16, 2014.

Previously filed on July 3, 2014.

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SIGNATURES

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: July 18, 2014

Giant Interactive Group Inc.

By /s/ Peter Andrew Schloss
Name: Peter Andrew Schloss
Title: Director, Chairman of the Special
Committee

Giant Group Holdings Limited

By /s/ Yuzhu Shi
Name: Yuzhu Shi
Title: Director

Giant Investment Limited

By /s/ Yuzhu Shi
Name: Yuzhu Shi
Title: Director

Giant Merger Limited

By /s/ Yuzhu Shi
Name: Yuzhu Shi
Title: Director

Yuzhu Shi

/s/ Yuzhu Shi
Yuzhu Shi

Union Sky Holding Group Limited

By /s/ Yuzhu Shi
Name: Yuzhu Shi
Title: Director

Vogel Holding Group Limited

By /s/ Yuzhu Shi
Name: Yuzhu Shi

Title: Director

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**The Baring Asia Private Equity Fund V,
L.P.**

By: Baring Private Equity Asia GP V,
L.P.

acting as its general partner

By: Baring Private Equity Asia GP V
Limited

acting as its general partner

By /s/ Christian Wang Yuen
Name: Christian Wang Yuen
Title: Director

By /s/ Ramesh Awatarsingh
Name: Ramesh Awatarsingh
Title: Director

Baring Private Equity Asia V Holding (12) Limited

By /s/ Mark Beckett
Name: Mark Beckett
Title: Director

Hony Capital Fund V, L.P.

Acting by its sole general partner
Hony Capital Fund V GP, L.P.

Acting by its sole general partner
Hony Capital Fund V GP Limited

By /s/ Zhao John Huan
Name: Zhao John Huan
Title: Authorized Signatory

Rich Noble Enterprises Limited

By /s/ Bing Yuan
Name: Bing Yuan
Title: Director

CDH WM Giant Fund, L.P.

By: Sino Giant Holdings Limited L.P.
acting as its general partner

By /s/ Wei Ying
Name: Wei Ying
Title: Director

CDH Journey Limited

By /s/ Lilian Xu
Name: Lilian Xu
Title: Director

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EXHIBIT INDEX

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- (a)-(4) Form of Proxy Card, incorporated herein by reference to the Proxy Statement.
- (a)-(5) Form of ADS Voting Instruction Card, incorporated herein by reference to the Proxy Statement.
- (a)-(6) Press Release issued by the Company, dated March 16, 2014, incorporated herein by reference to Exhibit 99.1 to the Report on Form 6-K furnished by the Company to the SEC on March 17, 2014.
- (b)-(1) Debt Commitment Letter, by and among Giant Merger Limited, the Mandated Lead Arrangers and the Underwriters, dated March 17, 2014, incorporated herein by reference to Exhibit 7.08 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(2) Equity Commitment Letter, by and between The Baring Asia Private Equity Fund V, L.P. and Giant Group Holdings Limited, dated March 17, 2014, incorporated herein by reference to Exhibit 7.09 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(3) Equity Commitment Letter, by and between Hony Capital Fund V, L.P. and Giant Group Holdings Limited, dated March 17, 2014, incorporated herein by reference to Exhibit 7.10 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(4) Support Agreement, by and among Giant Investment Limited, Giant Group Holdings Limited, Union Sky Holding Group Limited, Vogel Holding Group Limited and Baring Private Equity Asia V Holding (12) Limited, dated March 17, 2014, incorporated herein by reference to Exhibit 7.11 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(5) Consortium Agreement, by and among Mr. Shi Yuzhu, Union Sky Holding Group Limited, Vogel Holding Group Limited and Baring Private Equity Asia V Holding (12) Limited, dated November 25, 2013, incorporated herein by reference to Exhibit 7.03 to Schedule 13D filed with the SEC by the Founder Parties on November 26, 2013.
- (b)-(6) Guarantee of The Baring Asia Private Equity Fund V, L.P., dated November 25, 2013, incorporated herein by reference to Exhibit 7.04 to Schedule 13D filed with the SEC by the Founder Parties on November 26, 2013.
- (b)-(7) Interim Investors Agreement, by and among Mr. Shi Yuzhu, Union Sky Holding Group Limited, Vogel Holding Group Limited, Baring Private Equity Asia V Holding (12) Limited, Rich Noble Enterprises Limited, Giant Group Holdings Limited, Giant Investment Limited and Giant Merger Limited, dated March 17, 2014, incorporated herein by reference to Exhibit 7.12 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(8) Guarantee of The Baring Asia Private Equity Fund V, L.P., dated March 17, 2014, incorporated herein by reference to Exhibit 7.13 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(9)

Guarantee of Hony Capital Fund V, L.P., dated March 17, 2014, incorporated herein by reference to Exhibit 7.14 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.

- (b)-(10) Limited Guarantee of Union Sky Holding Group Limited, dated March 17, 2014, incorporated herein by reference to Exhibit 7.15 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
- (b)-(11) Limited Guarantee of The Baring Asia Private Equity Fund V, L.P., dated March 17, 2014, incorporated herein by reference to Exhibit 7.16 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on March 18, 2014.
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- (b)-(13)** Adherence Agreement of Rich Noble Enterprises Limited to the Consortium Agreement, dated January 12, 2014.
- (b)-(14) Equity Commitment Agreement, by and among Holdco, Union Sky, Baring LP, Hony Fund V and CDH Advisor, dated April 25, 2014, incorporated herein by reference to Exhibit 7.18 to Schedule 13D, as amended, filed with the SEC by the Founder Parties on April 28, 2014.
- (b)-(15)** Amended and Restated Equity Commitment Agreement, by and among Holdco, Union Sky, Baring LP, Hony Fund V and CDH Advisor, dated May 12, 2014.
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- (b)-(18)*** Equity Commitment Letter, by and between CDH WM Giant Fund V, L.P. and Giant Group Holdings Limited, dated June 6, 2014.
- (b)-(19)*** Amended and Restated Interim Investors Agreement, by and among Mr. Shi Yuzhu, Union Sky Holding Group Limited, Vogel Holding Group Limited, Baring Private Equity Asia V Holding (12) Limited, Rich Noble Enterprises Limited, CDH Journey Limited, Giant Group Holdings Limited, Giant Investment Limited and Giant Merger Limited, dated June 6, 2014.
- (b)-(20)*** Limited Guarantee of Union Sky Holding Group Limited, dated June 6, 2014.
- (b)-(21)*** Limited Guarantee of The Baring Asia Private Equity Fund V, L.P., dated June 6, 2014.
- (b)-(22)*** Limited Guarantee of Hony Capital Fund V, L.P., dated June 6, 2014.
- (b)-(23)*** Limited Guarantee of CDH WM Giant Fund, L.P., dated June 6, 2014.
- (b)-(24)*** Adherence Agreement of CDH Journey Limited to the Consortium Agreement, dated June 6, 2014.
- (b)-(25) Facility Agreement between Parent, Merger Sub and the other parties named therein, dated June 27, 2014.
- (b)-(26) Post-Closing Equity Commitment Agreement, by and among Holdco, CDH Advisor, CDH Fund, CDH SPV, Baring LP, Hony Fund V and Union Sky, dated as of July 1, 2014.
- (b)-(27) Equity Commitment Letter, by and between Hony Fund V and Holdco, dated as of July 1, 2014.
- (b)-(28) Equity Commitment Letter, by and between CDH Fund and Holdco, dated as of July 1, 2014.
- (b)-(29) Limited Guarantee, by and between Hony Fund V and the Company, dated as of July 1, 2014.
- (b)-(30) Limited Guarantee, by and between CDH Fund and the Company, dated as of July 1, 2014.
- (b)-(31) Second Amended and Restated Interim Investors Agreement, by and among the Founder Parties, Baring SPV, Hony SPV, CDH SPV, Holdco, Parent and Merger Sub, dated as of July 1, 2014.
- (c)-(1) Opinion of Morgan Stanley Asia Limited, dated March 16, 2014, incorporated herein by reference to Annex C to the Proxy Statement.
- (c)-(2) Opinion of Duff & Phelps, LLC, dated March 16, 2014, incorporated herein by reference to Annex D to the Proxy Statement.
- (c)-(3)* Discussion Materials prepared by Morgan Stanley Asia Limited for discussion with the special committee of the board of directors of the Company, dated December 31, 2013.
- (c)-(4)* Special Committee Materials prepared by Morgan Stanley Asia Limited for discussion with the special committee of the board of directors of the Company, dated March 16, 2014.
- (c)-(5)* Fairness Analysis presented to the special committee of the board of directors of the Company by Duff & Phelps, LLC, dated March 16, 2014.
- (c)-(6)*** Special Committee Materials prepared by Morgan Stanley Asia Limited for discussion with the special committee of the board of directors of the Company, dated March 13, 2014.
- (d)-(1)

Agreement and Plan of Merger, dated as of March 17, 2014, among the Company, Parent and Merger Sub and Amendment No.1 to the Agreement and Plan of Merger, dated as of May 12, 2014, incorporated herein by reference to Annex A to the Proxy Statement.

- (d)-(2) Form of Deferred Payment Agreement between Parent and each of the Deferred Payment Management Participants.
- (f)-(1) Dissenters Rights, incorporated herein by reference to the section entitled Dissenters Rights in the Proxy Statement.
- (f)-(2) Section 238 of the Cayman Islands Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised), incorporated herein by reference to Annex E to the Proxy Statement.
- (g) Not applicable.

* Previously filed on April 2, 2014.

** Previously filed on May 12, 2014.

*** Previously filed on June 9, 2014.

Previously filed on June 16, 2014.

Previously filed on July 3, 2014.

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and self-sufficiency. You should carefully consider the risks related to emerging markets, to which the Notes are highly susceptible, before making a decision to invest in the Notes.

The Notes Are Subject to Foreign Currency Exchange Rate Risk — The share price of each Reference Asset will fluctuate based upon its net asset value, which will in turn depend in part upon changes in the value of the currencies in which the stocks held by the Reference Asset are traded. Accordingly, investors in the notes will be exposed to currency exchange rate risk with respect to each of the currencies in which the stocks held by each Reference Asset are traded. An investor's net exposure will depend on the extent to which these currencies strengthen or weaken against the U.S. dollar. If the dollar strengthens against these currencies, the net asset value of a Reference Asset will be adversely affected and its price may decrease.

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INFORMATION REGARDING THE REFERENCE ASSETS

We have derived the following information regarding each of the applicable Reference Assets from publicly available documents. We have not independently verified the accuracy or completeness of the following information. We are not affiliated with any of the Reference Assets and the Reference Assets will have no obligations with respect to the applicable notes. This pricing supplement relates only to the applicable notes and does not relate to the shares of any of the Reference Asset or any securities included in any of the underlying indices. Neither we nor our affiliates participates in the preparation of the publicly available documents described below. Neither we nor our affiliates has made any due diligence inquiry with respect to any of the Reference Assets in connection with the offering of any of the Notes. There can be no assurance that all events occurring prior to the date of this pricing supplement, including events that would affect the accuracy or completeness of the publicly available documents described below, that would affect the trading prices of the shares of any of the Reference Assets have been or will be publicly disclosed. Subsequent disclosure of any events or the disclosure of or failure to disclose material future events concerning any of the Reference Assets could affect the price of the shares of the applicable Reference Asset after the Pricing Date, and therefore could affect the payment at maturity.

The selection of the applicable Reference Asset relating to any of the Notes is not a recommendation to buy or sell the shares of the applicable Reference Asset. Neither we nor any of our affiliates make any representation to you as to the performance of the shares of any of the Reference Assets. Information provided to or filed with the SEC under the Securities Exchange Act of 1934 and the Investment Company Act of 1940 relating to each Reference Asset may be obtained through the SEC's website at <http://www.sec.gov>.

iShares consists of numerous separate investment portfolios (the "iShares Funds"), including the applicable Reference Asset. Each of the Reference Assets seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of their respective underlying indices. The Reference Assets typically earn income from dividends from securities held by the Reference Assets. These amounts, net of expenses and taxes (if applicable), are passed along to the Reference Assets' shareholders as "ordinary income." In addition, the Reference Assets realizes capital gains or losses whenever they sell securities. Net long-term capital gains are distributed to their respective shareholders as "capital gain distributions." However, because the applicable notes are linked only to the share price of the applicable Reference Asset, you will not be entitled to receive income, dividend, or capital gain distributions from the applicable Reference Asset or any equivalent payments.

"iShare®" and "BlackRock®" are registered trademarks of BlackRock®. The Notes are not sponsored, endorsed, sold, or promoted by BlackRock®, or by any of the iShares® Funds. Neither BlackRock® nor the iShares® Funds make any representations or warranties to the owners of any of the Notes or any member of the public regarding the advisability of investing in any of the Notes. Neither BlackRock® nor the iShares® Funds shall have any obligation or liability in connection with the registration, operation, marketing, trading, or sale of any of the Notes or in connection with our use of information about any of the Reference Assets or any of the iShares® Funds.

iShares® MSCI EAFE ETF (the "EFA")

The iShares® MSCI EAFE ETF trades on the NYSE Arca under the ticker symbol "EFA." The Advisor employs a technique known as representative sampling to track the MSCI EAFE Index. The EFA generally invests at least 90% of its assets in the securities of the MSCI EAFE Index and in American Depositary Receipts or Global Depositary Receipts based on the securities of the MSCI EAFE Index. The EFA may invest the remainder of its assets in securities not included in the MSCI EAFE Index, but which the Advisor believes will help the EFA track the MSCI EAFE Index, or in futures contracts, options on futures contracts, other types of options and swaps related to the

MSCI EAFE Index, as well as cash and cash equivalents, including shares of money market funds affiliated with the Advisor or its affiliates. The Advisor will waive portfolio management fees in an amount equal to the portfolio management fees of such other iShares funds for any portion of the EFA's assets invested in shares of such other funds.

The MSCI EAFE Index

The information below is included only to give insight to the MSCI EAFE Index, the performance of which the EFA attempts to reflect. The Notes are linked to the performance of the EFA and not to the MSCI EAFE Index. We have derived all information contained in this document regarding the MSCI EAFE Index, including, without limitation, its make-up, method of calculation and changes in its components, from publicly available information. The MSCI EAFE Index is a stock index calculated, published and disseminated daily by MSCI, Inc. ("MSCI"), a majority-owned subsidiary of Morgan Stanley, through numerous data vendors, on the MSCI website and in real time on Bloomberg Financial Markets and Reuters Limited. Neither MSCI nor Morgan Stanley has any obligation to continue to calculate and publish, and may discontinue calculation and publication of the MSCI EAFE Index

The MSCI EAFE Index is a free float-adjusted market capitalization index with a base date of December 31, 1969 and an initial value of 100. The MSCI EAFE Index is calculated daily in U.S. dollars and published in real time every 60 seconds during market trading hours. The MSCI EAFE Index currently consists of the following 21 developed countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, The Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom. The MSCI EAFE Index is comprised of companies in both the Large Cap Index and Mid Cap Index, as discussed in the section "—Defining Market Capitalization Size Segments for Each Market" below. The MSCI EAFE Index is part of the MSCI Regional Equity Indices series and is an MSCI Global Investable Market Index, which is a family within the MSCI International Equity Indices.

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iShares® MSCI Emerging Markets ETF (the “EEM”)

The EEM trades on the NYSE Arca under the ticker symbol “EEM.” The Advisor employs a technique known as representative sampling to track the MSCI Emerging Markets Index. The EEM generally invests at least 90% of its assets in the securities of the MSCI Emerging Markets Index and in American Depositary Receipts or Global Depositary Receipts based on the securities of the MSCI Emerging Markets Index. The EEM may invest the remainder of its assets in securities not included in the MSCI Emerging Markets Index, but which the Advisor believes will help the EEM track the MSCI Emerging Markets Index, or in futures contracts, options on futures contracts, other types of options and swaps related to the MSCI Emerging Markets Index, as well as cash and cash equivalents, including shares of money market funds affiliated with the Advisor or its affiliates. The Advisor will waive portfolio management fees in an amount equal to the portfolio management fees of such other iShares funds for any portion of the EEM’s assets invested in shares of such other funds.

The MSCI Emerging Markets Index

The information below is included only to give insight to the MSCI Emerging Markets Index, the performance of which the EEM attempts to reflect. The Notes are linked to the performance of the EEM and not to the MSCI Emerging Markets Index. We have derived all information contained in this document regarding the MSCI Emerging Markets Index, including, without limitation, its make-up, method of calculation and changes in its components, from publicly available information. The MSCI Emerging Markets Index is a stock index calculated, published and disseminated daily by MSCI, Inc. (“MSCI”), a majority-owned subsidiary of Morgan Stanley, through numerous data vendors, on the MSCI website and in real time on Bloomberg Financial Markets and Reuters Limited. Neither MSCI nor Morgan Stanley has any obligation to continue to calculate and publish, and may discontinue calculation and publication of the MSCI Emerging Markets Index

The MSCI Emerging Markets Index is intended to measure equity market performance in the global emerging markets. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index with a base date of December 31, 1987 and an initial value of 100. The MSCI Emerging Markets Index is calculated daily in U.S. dollars and published in real time every 60 seconds during market trading hours. The MSCI Emerging Markets Index currently consists of the following 23 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Greece, Egypt, Hungary, India, Indonesia, South Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. The MSCI Emerging Markets Index is part of the MSCI Regional Equity Indices series and is an MSCI Global Investable Market Index, which is a family within the MSCI International Equity Indices.

General – MSCI Indices

MSCI provides global equity indices intended to measure equity performance in international markets and the MSCI International Equity Indices are designed to serve as global equity performance benchmarks. In constructing these indices, MSCI applies its index construction and maintenance methodology across developed, emerging, and frontier markets.

MSCI enhanced the methodology used in its MSCI International Equity Indices. The MSCI Standard and MSCI Small Cap Indices, along with the other MSCI equity indices based on them, transitioned to the global investable market indices methodology described below. The transition was completed at the end of May 2008. The Enhanced MSCI Standard Indices are composed of the MSCI Large Cap and Mid Cap Indices. The MSCI Global Small Cap Index transitioned to the MSCI Small Cap Index resulting from the Global Investable Market Indices methodology and contains no overlap with constituents of the transitioned MSCI Standard Indices. Together, the relevant MSCI Large

Cap, Mid Cap, and Small Cap Indices will make up the MSCI investable market index for each country, composite, sector, and style index that MSCI offers.

Constructing the MSCI Global Investable Market Indices. MSCI undertakes an index construction process, which involves:

- defining the equity universe;
- determining the market investable equity universe for each market;
- determining market capitalization size segments for each market;
- applying index continuity rules for the MSCI Standard Index;
 - creating style segments within each size segment within each market; and
- classifying securities under the Global Industry Classification Standard (the “GICS”).

Defining the Equity Universe. The equity universe is defined by:

Identifying Eligible Equity Securities: the equity universe initially looks at securities listed in any of the countries in the MSCI Global Index Series, which will be classified as either Developed Markets (“DM”) or Emerging Markets (“EM”). All listed equity securities, including Real Estate Investment Trusts, are eligible for inclusion in the equity universe. Conversely, mutual funds, ETFs, equity derivatives and most investment trusts are not eligible for inclusion in the equity universe.

Classifying Eligible Securities into the Appropriate Country: each company and its securities (i.e., share classes) are classified in only one country.

Effective with the November 2015 semi-annual index review, companies traded outside of their country of classification (i.e., “foreign listed companies”) became eligible for inclusion in the MSCI Country Investable Market Indexes along with the applicable MSCI Global Index. In order for a MSCI Country Investable Market Index to be eligible to include foreign listed companies, it must meet the Foreign Listing Materiality Requirement. To meet the Foreign Listing Materiality Requirement, the aggregate market capitalization of all securities represented by foreign

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listings should represent at least (i) 5% of the free float-adjusted market capitalization of the relevant MSCI Country Investable Market Index and (ii) 0.05% of the free-float adjusted market capitalization of the MSCI ACWI Investable Market Index.

Determining the Market Investable Equity Universes. A market investable equity universe for a market is derived by applying investability screens to individual companies and securities in the equity universe that are classified in that market. A market is equivalent to a single country, except in DM Europe, where all DM countries in Europe are aggregated into a single market for index construction purposes. Subsequently, individual DM Europe country indices within the MSCI Europe Index are derived from the constituents of the MSCI Europe Index under the global investable market indices methodology.

The investability screens used to determine the investable equity universe in each market are as follows:

Equity Universe Minimum Size Requirement: this investability screen is applied at the company level. In order to be included in a market investable equity universe, a company must have the required minimum full market capitalization.

Equity Universe Minimum Free Float-Adjusted Market Capitalization Requirement: this investability screen is applied at the individual security level. To be eligible for inclusion in a market investable equity universe, a security must have a free float-adjusted market capitalization equal to or higher than 50% of the equity universe minimum size requirement.

DM and EM Minimum Liquidity Requirement: This investability screen is applied at the individual security level. To be eligible for inclusion in a market investable equity universe, a security must have adequate liquidity. The twelve-month and three-month Annual Traded Value Ratio (“ATVR”), a measure that screens out extreme daily trading volumes and takes into account the free float-adjusted market capitalization size of securities, together with the three-month frequency of trading are used to measure liquidity. A minimum liquidity level of 20% of three- and twelve-month ATVR and 90% of three-month frequency of trading over the last four consecutive quarters are required for inclusion of a security in a market investable equity universe of a DM, and a minimum liquidity level of 15% of three- and twelve-month ATVR and 80% of three-month frequency of trading over the last four consecutive quarters are required for inclusion of a security in a market investable equity universe of an EM.

Global Minimum Foreign Inclusion Factor Requirement: this investability screen is applied at the individual security level. To be eligible for inclusion in a market investable equity universe, a security’s Foreign Inclusion Factor (“FIF”) must reach a certain threshold. The FIF of a security is defined as the proportion of shares outstanding that is available for purchase in the public equity markets by international investors. This proportion accounts for the available free float of and/or the foreign ownership limits applicable to a specific security (or company). In general, a security must have an FIF equal to or larger than 0.15 to be eligible for inclusion in a market investable equity universe.

Minimum Length of Trading Requirement: this investability screen is applied at the individual security level. For an initial public offering (“IPO”) to be eligible for inclusion in a market investable equity universe, the new issue must have started trading at least three months before the implementation of a semi-annual index review (as described below). This requirement is applicable to small new issues in all markets. Large IPOs are not subject to the minimum length of trading requirement and may be included in a market investable equity universe and the Standard Index outside of a Quarterly or Semi-Annual Index Review.

Minimum Foreign Room Requirement: this investability screen is applied at the individual security level.

For a security that is subject to a foreign ownership limit to be eligible for inclusion in a market investable

equity universe, the proportion of shares still available to foreign investors relative to the maximum allowed (referred to as “foreign room”) must be at least 15%.

Defining Market Capitalization Size Segments for Each Market. Once a market investable equity universe is defined, it is segmented into the following size-based indices:

- Investable Market Index (Large + Mid + Small);
- Standard Index (Large + Mid);
- Large Cap Index;
- Mid Cap Index; or
- Small Cap Index.

Creating the size segment indices in each market involves the following steps:

- defining the market coverage target range for each size segment;
- determining the global minimum size range for each size segment;
- determining the market size segment cutoffs and associated segment number of companies;
- assigning companies to the size segments; and
- applying final size-segment investability requirements.

Index Continuity Rules for the Standard Indices. In order to achieve index continuity, as well as to provide some basic level of diversification within a market index, and notwithstanding the effect of other index construction rules described in this section, a minimum number of five

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constituents will be maintained for a DM Standard Index and a minimum number of three constituents will be maintained for an EM Standard Index.

Creating Style Indices within Each Size Segment. All securities in the investable equity universe are classified into value or growth segments using the MSCI Global Value and Growth methodology.

Classifying Securities under the Global Industry Classification Standard. All securities in the global investable equity universe are assigned to the industry that best describes their business activities. To this end, MSCI has designed, in conjunction with S&P Dow Jones Indexes, the GICS. Under the GICS, each company is assigned to one sub-industry according to its principal business activity. Therefore, a company can belong to only one industry grouping at each of the four levels of the GICS.

Index Maintenance

The MSCI Global Investable Market Indices are maintained with the objective of reflecting the evolution of the underlying equity markets and segments on a timely basis, while seeking to achieve index continuity, continuous investability of constituents and replicability of the indices, index stability and low index turnover. In particular, index maintenance involves:

(i) Semi-Annual Index Reviews (“SAIRs”) in May and November of the Size Segment and Global Value and Growth

Indices which include:

- updating the indices on the basis of a fully refreshed equity universe;
- taking buffer rules into consideration for migration of securities across size and style segments; and
- updating FIFs and Number of Shares (“NOS”).

(ii) Quarterly Index Reviews in February and August of the Size Segment Indices aimed at:

- including significant new eligible securities (such as IPOs that were not eligible for earlier inclusion) in the index;
- allowing for significant moves of companies within the Size Segment Indices, using wider buffers than in the SAIR;
- and
- reflecting the impact of significant market events on FIFs and updating NOS.

(iii) Ongoing Event-Related Changes: changes of this type are generally implemented in the indices as they occur.

Significantly large IPOs are included in the indices after the close of the company’s tenth day of trading.

None of us, the dealer or any of our other affiliates accepts any responsibility for the calculation, maintenance, or publication of, or for any error, omission, or disruption in, the index or any successor to the index.

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Historical Information for the iShares® MSCI EAFE ETF (“EFA”)

The graph below sets forth the information relating to the historical performance of the EFA. In addition, below the graph is a table setting forth the intra-day high, intra-day low and period-end closing share prices of the EFA. The information provided in this table is for the four calendar quarters of 2013, 2014, 2015, and 2016, the first quarter of 2017, and for the period from April 1, 2017 through April 7, 2017.

We obtained the information regarding the historical performance of the EFA in the chart below from Bloomberg Financial Markets.

We have not independently verified the accuracy or completeness of the information obtained from Bloomberg Financial Markets. The historical performance of the Reference Asset should not be taken as an indication of its future performance, and no assurance can be given as to the Final Level of the Reference Asset. We cannot give you assurance that the performance of the Reference Asset will result in any positive return on your initial investment.

Period-Start Date	Period-End Date	High Intra-Day Price of this Reference Asset (\$)	Low Intra-Day Price of this Reference Asset (\$)	Period-End Closing Price of this Reference Asset (\$)
1/1/2012	3/31/2012	55.91	48.99	54.90
4/1/2012	6/30/2012	55.68	46.55	49.96
7/1/2012	9/30/2012	55.57	47.30	53.00
10/1/2012	12/31/2012	56.88	51.63	56.82
1/1/2013	3/31/2013	59.99	56.69	58.98
4/1/2013	6/30/2013	64.13	56.45	57.38
7/1/2013	9/30/2013	65.11	57.02	63.79
10/1/2013	12/31/2013	67.36	62.54	67.06
1/1/2014	3/31/2014	68.19	62.28	67.17
4/1/2014	6/30/2014	70.78	65.69	68.37
7/1/2014	9/30/2014	69.29	63.85	64.12
10/1/2014	12/31/2014	64.54	58.64	60.84
1/1/2015	3/31/2015	66.20	58.29	64.17
4/1/2015	6/30/2015	68.52	63.27	63.49
7/1/2015	9/30/2015	65.60	55.89	57.32
10/1/2015	12/31/2015	62.18	56.99	58.75
1/1/2016	3/31/2016	58.06	50.94	57.13
4/1/2016	6/30/2016	60.16	51.94	55.81
7/1/2016	9/30/2016	60.15	53.77	59.13
10/1/2016	12/31/2016	59.35	56.11	57.73
1/1/2017	3/31/2017	62.65	57.85	62.29
4/1/2017	4/7/2017	62.29	61.74	61.82

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

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Historical Information for the iShares® MSCI Emerging Markets ETF (“EEM”)

The graph below sets forth the information relating to the historical performance of the EEM. In addition, below the graph is a table setting forth the intra-day high, intra-day low and period-end closing share prices of the EEM. The information provided in this table is for the four calendar quarters of 2013, 2014, 2015, and 2016, the first quarter of 2017, and for the period from April 1, 2017 through April 7, 2017.

We obtained the information regarding the historical performance of the EEM in the chart below from Bloomberg Financial Markets.

We have not independently verified the accuracy or completeness of the information obtained from Bloomberg Financial Markets. The historical performance of the Reference Asset should not be taken as an indication of its future performance, and no assurance can be given as to the Final Level of the Reference Asset. We cannot give you assurance that the performance of the Reference Asset will result in any positive return on your initial investment.

Period-Start Date	Period-End Date	High Intra-Day Price of this Reference Asset (\$)	Low Intra-Day Price of this Reference Asset (\$)	Period-End Closing Price of this Reference Asset (\$)
1/1/2012	3/31/2012	44.91	38.21	42.94
4/1/2012	6/30/2012	43.75	36.58	39.19
7/1/2012	9/30/2012	42.83	37.15	41.32
10/1/2012	12/31/2012	44.42	39.93	44.35
1/1/2013	3/31/2013	45.28	41.72	42.78
4/1/2013	6/30/2013	44.26	36.16	38.57
7/1/2013	9/30/2013	43.32	36.98	40.77
10/1/2013	12/31/2013	43.91	40.15	41.77
1/1/2014	3/31/2014	41.25	37.06	40.99
4/1/2014	6/30/2014	43.98	40.55	43.23
7/1/2014	9/30/2014	45.85	41.36	41.56
10/1/2014	12/31/2014	42.46	37.23	39.29
1/1/2015	3/31/2015	41.11	37.72	40.13
4/1/2015	6/30/2015	44.18	39.03	39.62
7/1/2015	9/30/2015	40.02	30.00	32.78
10/1/2015	12/31/2015	36.42	31.51	32.19
1/1/2016	3/31/2016	34.58	27.62	34.25
4/1/2016	6/30/2016	35.34	31.71	34.36
7/1/2016	9/30/2016	38.31	33.33	37.45
10/1/2016	12/31/2016	38.19	33.95	35.01
1/1/2017	3/31/2017	40.23	35.30	39.39
4/1/2017	4/7/2017	39.90	39.32	39.37

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

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SUPPLEMENTAL DISCUSSION OF U.S. FEDERAL INCOME TAX CONSEQUENCES

The following disclosure supplements, and to the extent inconsistent supersedes, the discussion in the product prospectus supplement dated January 11, 2016 under “Supplemental Discussion of U.S. Federal Income Tax Consequences.”

A “dividend equivalent” payment is treated as a dividend from sources within the United States and such payments generally would be subject to a 30% U.S. withholding tax if paid to a non-U.S. holder. Under U.S. Treasury Department regulations, payments (including deemed payments) with respect to equity-linked instruments (“ELIs”) that are “specified ELIs” may be treated as dividend equivalents if such specified ELIs reference an interest in an “underlying security,” which is generally any interest in an entity taxable as a corporation for U.S. federal income tax purposes if a payment with respect to such interest could give rise to a U.S. source dividend. However, U.S. Treasury Department regulations provide that withholding on dividend equivalent payments will not apply to specified ELIs that are not delta-one instruments and that are issued before January 1, 2018. Based on our determination that the Notes are not delta-one instruments, non-U.S. holders should not be subject to withholding on dividend equivalent payments, if any, under the Notes. However, it is possible that the Notes could be treated as deemed reissued for U.S. federal income tax purposes upon the occurrence of certain events affecting the Reference Assets or the Notes, and following such occurrence the Notes could be treated as subject to withholding on dividend equivalent payments. Non-U.S. holders that enter, or have entered, into other transactions in respect of the Reference Asset or the Notes should consult their tax advisors as to the application of the dividend equivalent withholding tax in the context of the Notes and their other transactions. If any payments are treated as dividend equivalents subject to withholding, we (or the applicable withholding agent) would be entitled to withhold taxes without being required to pay any additional amounts with respect to amounts so withheld.

SUPPLEMENTAL PLAN OF DISTRIBUTION (CONFLICTS OF INTEREST)

Delivery of the Notes will be made against payment for the Notes on April 12, 2017, which is the third (3rd) business day following the Pricing Date (this settlement cycle being referred to as “T+3”). See “Plan of Distribution” in the prospectus dated January 8, 2016. For additional information as to the relationship between us and RBCCM, please see the section “Plan of Distribution—Conflicts of Interest” in the prospectus dated January 8, 2016.

In the initial offering of the Notes, they were offered to investors at a purchase price equal to par, except with respect to certain accounts as indicated on the cover page of this document.

The value of the Notes shown on your account statement may be based on RBCCM’s estimate of the value of the Notes if RBCCM or another of our affiliates were to make a market in the Notes (which it is not obligated to do). That estimate will be based upon the price that RBCCM may pay for the Notes in light of then prevailing market conditions, our creditworthiness and transaction costs. For a period of approximately 9 months after the issue date of the Notes, the value of the Notes that may be shown on your account statement may be higher than RBCCM’s estimated value of the Notes at that time. This is because the estimated value of the Notes will not include the underwriting discount and our hedging costs and profits; however, the value of the Notes shown on your account statement during that period may be a higher amount, reflecting the addition of RBCCM’s underwriting discount and our estimated costs and profits from hedging the Notes. This excess is expected to decrease over time until the end of this period. After this period, if RBCCM repurchases your Notes, it expects to do so at prices that reflect their estimated value.

We may use this pricing supplement in the initial sale of the Notes. In addition, RBCCM or another of our affiliates may use this pricing supplement in a market-making transaction in the Notes after their initial sale. Unless we or our agent informs the purchaser otherwise in the confirmation of sale, this pricing supplement is being used in a market-making transaction.

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Barrier Enhanced Return Notes
Linked to the Lesser Performing of
Two
Exchange Traded Funds, Due July 10,
2020
Royal Bank of Canada

STRUCTURING THE NOTES

The Notes are our debt securities, the return on which is linked to the performance of the Reference Assets. As is the case for all of our debt securities, including our structured notes, the economic terms of the Notes reflect our actual or perceived creditworthiness at the time of pricing. In addition, because structured notes result in increased operational, funding and liability management costs to us, we typically borrow the funds under these Notes at a rate that is more favorable to us than the rate that we might pay for a conventional fixed or floating rate debt security of comparable maturity. Using this relatively lower implied borrowing rate rather than the secondary market rate, is a factor that reduced the initial estimated value of the Notes at the time their terms were set. Unlike the estimated value included in this pricing supplement, any value of the Notes determined for purposes of a secondary market transaction may be based on a different funding rate, which may result in a lower value for the Notes than if our initial internal funding rate were used.

In order to satisfy our payment obligations under the Notes, we may choose to enter into certain hedging arrangements (which may include call options, put options or other derivatives) on the issue date with RBCCM or one of our other subsidiaries. The terms of these hedging arrangements take into account a number of factors, including our creditworthiness, interest rate movements, the volatility of the Reference Assets, and the tenor of the Notes. The economic terms of the Notes and their initial estimated value depend in part on the terms of these hedging arrangements.

The lower implied borrowing rate is a factor that reduced the economic terms of the Notes to you. The initial offering price of the Notes also reflects the underwriting commission and our estimated hedging costs. These factors resulted in the initial estimated value for the Notes on the Pricing Date being less than their public offering price. See “Selected Risk Considerations—The Initial Estimated Value of the Notes Is Less than the Price to the Public” above.

VALIDITY OF THE NOTES

In the opinion of Norton Rose Fulbright Canada LLP, the issue and sale of the Notes has been duly authorized by all necessary corporate action of the Bank in conformity with the Indenture, and when the Notes have been duly executed, authenticated and issued in accordance with the Indenture and delivered against payment therefor, the Notes will be validly issued and, to the extent validity of the Notes is a matter governed by the laws of the Province of Ontario or Québec, or the laws of Canada applicable therein, and will be valid obligations of the Bank, subject to equitable remedies which may only be granted at the discretion of a court of competent authority, subject to applicable bankruptcy, to rights to indemnity and contribution under the Notes or the Indenture which may be limited by applicable law; to insolvency and other laws of general application affecting creditors’ rights, to limitations under applicable limitations statutes, and to limitations as to the currency in which judgments in Canada may be rendered, as prescribed by the Currency Act

(Canada). This opinion is given as of the date hereof and is limited to the laws of the Provinces of Ontario and Québec and the federal laws of Canada applicable thereto. In addition, this opinion is subject to customary assumptions about the Trustee’s authorization, execution and delivery of the Indenture and the genuineness of signatures and certain factual matters, all as stated in the letter of such counsel dated January 8, 2016, which has been filed as Exhibit 5.1 to Royal Bank’s Form 6-K filed with the SEC dated January 8, 2016.

In the opinion of Morrison & Foerster LLP, when the Notes have been duly completed in accordance with the Indenture and issued and sold as contemplated by the prospectus supplement and the prospectus, the Notes will be valid, binding and enforceable obligations of Royal Bank, entitled to the benefits of the Indenture, subject to

applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith). This opinion is given as of the date hereof and is limited to the laws of the State of New York. This opinion is subject to customary assumptions about the Trustee's authorization, execution and delivery of the Indenture and the genuineness of signatures and to such counsel's reliance on the Bank and other sources as to certain factual matters, all as stated in the legal opinion dated January 8, 2016, which has been filed as Exhibit 5.2 to the Bank's Form 6-K dated January 8, 2016.

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