

## SUBSTANTIAL SHAREHOLDERS

The Directors confirm that each of the following persons will, immediately following completion the Global Offering (taking no account of any shares which may be taken up under the Global Offering and assuming that the Over-allotment Option is not exercised), have beneficial interests or short positions in any of the Shares or underlying Shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 10% or more of the nominal value of the Shares carrying the right to vote in all circumstances at general meetings of the Company:

Name	Type of interest	Number of Shares	Approximate percentage of voting power (%)
Sky Treasure <sup>(1)</sup>	Beneficial owner	1,197,000,000	75
Premier Capital <sup>(2)</sup>	Interest in a controlled corporation	1,197,000,000	75

*Notes:*

- (1) Sky Treasure, a company incorporated in BVI on 30 January, 2006, will hold a 75% interest in the issued share capital of the Company immediately following completion of the Global Offering (assuming that the Over-allotment Option is not exercised). As at the Latest Practicable Date, the issued share capital of Sky Treasure is owned as to 37.74% by Premier Capital, as to 12.84% by Fiery Force, as to 12.74% by Cambridge Management, as to 8.71% by Lordachive, as to 6.31% by Sinohead, as to 5.22% by Cofortune, as to 5.01% by Xino, as to 4.90% by Sino Thrill, as to 3.81% by Soldeoro and as to 2.72% by Sino Bearing.
- (2) As Premier Capital controls more than one-third of the voting power at general meetings of Sky Treasure, Premier Capital is deemed to be interested in the 1,197,000,000 Shares held by Sky Treasure under the provisions of the SFO.

Save as disclosed above, the Directors confirm that they are not aware of any other person who will, immediately following completion the Global Offering (taking no account of any shares which may be taken up under the Global Offering and assuming that the Over-allotment Option is not exercised), have beneficial interests or short positions in any of the Shares or underlying Shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 10% or more of the nominal value of the Shares carrying the right to vote in all circumstances at general meetings of the Company.

Each of Messrs. Zhang Jingzhang, Zhang Jianming, Zhang Jianguo, Hu Guiqing, Zhang Jinglai, Qian Yaoen and Zhang Jianfeng and Ms. Chen Ningning, Premier Capital, Cambridge Management and Sky Treasure has undertaken to the Stock Exchange and the Company that, except pursuant to the Global Offering or the Over-allotment Option:

- (a) during the period commencing on the date by reference to which disclosure of its shareholding in the Company is made in this prospectus and ending on the date which is six months from the date on which dealings in the Shares first commence on the Stock Exchange, it shall not, and shall procure that the relevant registered holders shall not, dispose of, or enter into any agreement to dispose of or otherwise

## SUBSTANTIAL SHAREHOLDERS

create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which it is shown by this prospectus to be the beneficial owner; and

- (b) within the six months from the date on which the period referred to in paragraph (a) above expires, it shall not, and shall procure that the relevant registered holders shall not, dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of its Shares if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, the Controlling Shareholders would cease to be a controlling shareholder (as defined in the Listing Rules) of the Company.

Each of Messrs. Zhang Jingzhang, Zhang Jianming, Zhang Jianguo, Hu Guiqing, Zhang Jinglai, Qian Yaoen and Zhang Jianfeng and Ms. Chen Ningning, Premier Capital, Cambridge Management and Sky Treasure has also undertaken to the Stock Exchange and the Company that during the period commencing on the date by reference to which disclosure of its shareholding is made in this prospectus and ending on the date which is 12 months from the date on which dealings in the Shares first commence on the Stock Exchange, it shall:

- (i) when it pledges/charges any securities of the Company beneficially owned by it in favour of an authorised institution pursuant to Note(2) to Rule 10.07(2) of the Listing Rules, immediately inform the Company in writing of such pledge/charge together with the number of the securities so pledged/ charged; and
- (ii) when it receives indications, whether verbal or written, from the pledgee/chargee that any of the pledged/charged securities of the Company beneficially owned by it will be disposed of, immediately inform the Company in writing of such indications.

The Company will inform the Stock Exchange as soon as it has been informed of the matters referred to in (i) and (ii) above by any of the Controlling Shareholders and disclose such matters by way of a press announcement.

### **Stock Borrowing Agreement**

In order to facilitate the settlement of over-allocation in connection with the Global Offering, BNP Paribas may borrow up to 59,850,000 Shares from Sky Treasure, equivalent to the maximum number of Shares that may be issued upon full exercise of the Over-allotment Option. An application has been made by the Company and Sky Treasure to the Stock Exchange for a waiver from strict compliance with Rule 10.07(1)(a) of the Listing Rules which otherwise restricts the disposal of Shares by the Controlling Shareholders following a new listing. Further details of this waiver application are set out in the section headed “Structure of the Global Offering” in this prospectus.