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## CORNERSTONE INVESTORS

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### THE CORNERSTONE PLACING

We and the Joint Global Coordinators have entered into cornerstone investment agreements with certain investors (the “Cornerstone Investors,” each a “Cornerstone Investor”), pursuant to which the Cornerstone Investors have agreed to subscribe at the Offer Price for such number of Offer Shares (rounded down to the nearest whole board lot of 200 H Shares) that may be purchased for an aggregate amount of US\$120 million (the “Cornerstone Placing”). Assuming an Offer Price of HK\$11.33 (being the mid-point of the indicative Offer Price range stated in this prospectus), the total number of Offer Shares to be subscribed for by the Cornerstone Investors (rounded down to the nearest whole board lot of 200 H Shares) would be 82,096,000 Offer Shares, representing approximately 37.13% of the total Offer Shares initially available under the Global Offering and approximately 5.06% of the enlarged issued share capital of the Company immediately following the completion of the Global Offering, assuming that the Over-allotment Option is not exercised.

Each of the Cornerstone Investors is an Independent Third Party and is not our connected person, and is not an existing shareholder of our Company. Details of the actual number of Offer Shares to be allocated to each of the Cornerstone Investors will be disclosed in the allotment results announcement to be issued by our Company on or around December 4, 2012.

The Cornerstone Placing forms part of the International Offering. The Offer Shares to be subscribed for by the Cornerstone Investors will rank *pari passu* in all respects with the other fully paid H Shares in issue and will be counted towards the public float of our Company. Immediately following the completion of the Global Offering, none of the Cornerstone Investors will have any board representation in our Company, nor will any of the Cornerstone Investors become our substantial shareholder. The Offer Shares to be subscribed for by the Cornerstone Investors will not be affected by any reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering described in “Structure of the Global Offering — The Hong Kong Public Offering”, nor by any exercise of the Over-allotment Option.

### CORNERSTONE INVESTORS

We set forth below a brief description of our Cornerstone Investors (in alphabetical order):

#### **China Huadian HongKong Company Limited**

China Huadian HongKong Company Limited (“Huadian HongKong”) has agreed to subscribe for such number of H Shares (rounded down to the nearest whole board lot of 200 H Shares) which may be purchased for US\$30 million at the Offer Price. Assuming an Offer Price of HK\$11.33, being the mid-point of the Offer Price range set out in this prospectus, and an exchange rate of US\$1.00 to HK\$7.7513, the total number of H Shares that Huadian HongKong would subscribe for would be 20,524,000 Offer Shares, representing approximately 9.28% of the total Offer Shares initially available under the Global Offering and approximately 1.27% of the enlarged issued share capital of the Company immediately following the completion of the Global Offering, assuming that the Over-allotment Option is not exercised.

Huadian HongKong is a wholly-owned subsidiary of China Huadian Corporation and was established for China Huadian Corporation’s overseas investment and expansion strategies. Huadian HongKong mainly engages in investing, constructing, operating and managing power plants, coal mining

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projects as well as related investing and financing activities. It focuses on investing in China's neighboring regions, such as Indonesia, Laos, Myanmar, Vietnam, Cambodia, other countries of the Association of Southeast Asian Nations and Russia during the period of Eleventh Five-Year Plan. At present, Huadian HongKong is actively developing power projects in jurisdictions such as Russia, the U.S. and Australia.

### **Eldon Development Ltd.**

Eldon Development Ltd. has agreed to subscribe for such number of H Shares (rounded down to the nearest whole board lot of 200 H Shares) which may be purchased for US\$10 million at the Offer Price. Assuming an Offer Price of HK\$11.33, being the mid-point of the Offer Price range set out in this prospectus, and an exchange rate of US\$1.00 to HK\$7.7513, the total number of H Shares that Eldon Development Ltd. would subscribe for would be 6,841,200 Offer Shares, representing approximately 3.09% of the total Offer Shares initially available under the Global Offering and approximately 0.42% of the enlarged issued share capital of the Company immediately following the completion of the Global Offering, assuming that the Over-allotment Option is not exercised.

Eldon Development Ltd. is a subsidiary of Shandong Laiwu Steel International Corp. which is in charge of all global trading of Laiwu Steel Group Ltd., as well as international cooperation, financing and investment activities. Laiwu Steel Group Ltd. was founded in 1970, is a wholly PRC state-owned enterprise, and is one of the largest steel companies in China with an annual steel production capacity of around 14 million tonnes. Following restructuring of the PRC iron and steel industry in 2008, Laiwu Steel Group Ltd. is currently owned by Shandong Iron and Steel Group Co., Ltd.

### **Topful Holdings Limited**

Topful Holdings Limited has agreed to subscribe for such number of H Shares (rounded down to the nearest whole board lot of 200 H Shares) which may be purchased for US\$50 million at the Offer Price. Assuming an Offer Price of HK\$11.33, being the mid-point of the Offer Price range set out in this prospectus, and an exchange rate of US\$1.00 to HK\$7.7513, the total number of H Shares that Topful Holdings Limited would subscribe for would be 34,206,800 Offer Shares, representing approximately 15.47% of the total Offer Shares initially available under the Global Offering and approximately 2.11% of the enlarged issued share capital of the Company immediately following the completion of the Global Offering, assuming that the Over-allotment Option is not exercised.

Topful Holdings Limited is a company incorporated in the British Virgin Islands and its principal business activity is investment holding. It is managed by Shikumen Capital Management (HK) Limited, a Hong Kong incorporated company licensed and regulated by the SFC.

### **Yitai (Group) HK Co., Ltd.**

Yitai (Group) HK Co., Ltd. has agreed to subscribe for such number of H Shares (rounded down to the nearest whole board lot of 200 H Shares) which may be purchased for US\$30 million at the Offer Price. Assuming an Offer Price of HK\$11.33, being the mid-point of the Offer Price range set out in this prospectus, and an exchange rate of US\$1.00 to HK\$7.7513, the total number of H Shares that Yitai (Group) HK Co., Ltd. would subscribe for would be 20,524,000 Offer Shares, representing approximately 9.28% of the total Offer Shares initially available under the Global Offering and approximately 1.27% of the enlarged issued share capital of the Company immediately following the completion of the Global Offering, assuming that the Over-allotment Option is not exercised.

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Yitai (Group) HK Co., Ltd. is a wholly-owned subsidiary of Inner Mongolia Yitai Group Co., Ltd. (“Yitai Group”) and is incorporated in Hong Kong. Yitai Group’s core businesses include coal production and sales, technology development in relation to coal-based chemical products, and real estate development. Yitai Group is an Independent Third Party.

### CONDITIONS PRECEDENT

Completion of the Cornerstone Placing is subject to, among other things, the following conditions precedent:

- (a) the Company and the Joint Global Coordinators and other parties entering into the underwriting agreement for the Hong Kong Public Offering and the underwriting agreement for the International Offering;
- (b) each of such underwriting agreements having become effective and unconditional and not having been terminated by the time and date as specified in those underwriting agreements (in accordance with their respective original terms or as subsequently varied by agreement of the relevant parties);
- (c) the Listing Committee of the Hong Kong Stock Exchange having granted the approval for the listing of, and permission to deal in, the H Shares and such approval or permission not having been revoked prior to the commencement of dealings in the H Shares on the Hong Kong Stock Exchange.

### RESTRICTIONS ON DISPOSALS BY THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors covenants with and undertakes to each of the Company and the Joint Global Coordinators that unless it has obtained the prior written consent of the Company and the Joint Global Coordinators, the Cornerstone Investor will not at any time during a period of six months starting from the Listing Date, directly or indirectly, dispose of (as defined in the relevant cornerstone investment agreement) any of the H Shares subscribed for by it pursuant to the relevant cornerstone investment agreement or any interest in any company or entity holding, directly or indirectly, any such H Shares, other than in certain limited circumstances such as intra-group transfers in the case of certain Cornerstone Investors, and, in the case of Topful Holdings Limited, using such H Shares as security (including a charge or a pledge) in favor of an authorized institution for a bona fide commercial loan.

### EXCHANGE RATE CONVERSION

Solely for your convenience, this section contains translations of certain U.S. dollar amounts into Hong Kong dollars at specified rates. No representation is made that the U.S. dollar amounts could actually be converted into any Hong Kong dollar amounts at the rates indicated or at all.

According to the relevant cornerstone investment agreements, the HK dollars equivalents of the investment amounts agreed to by the Cornerstone Investors will be calculated using the HK dollar to US dollar exchange rate based on the spot rate quoted by Bloomberg (USD-HKD Spot Exchange Rate page) for US dollars at 9:00 a.m. Hong Kong time on the Price Determination Date.