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## SHARE CAPITAL

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#### *Before the Global Offering*

As at the Latest Practicable Date, the registered capital of our Company was RMB10,320,056,303, comprising 10,320,056,303 A Shares of nominal value RMB1.00 each, which are all listed on the Shanghai Stock Exchange.

	Number of Shares	% of issued share capital
A Shares .....	10,320,056,303	100

#### *Upon Completion of the Global Offering*

Immediately following completion of the Global Offering, assuming that the Over-allotment Option is not exercised and without taking into account any Shares to be issued upon exercise of the Share Option Scheme, the entire share capital of our Company would be as follows:

Description of Shares	Number of Shares	Approximate % of then enlarged issue share capital
A Shares .....	10,137,936,303	83.50
H Shares converted from A Shares and transferred to NSSF .....	182,120,000	1.50
H Shares issued pursuant to the Global Offering .....	1,821,200,000	15.00
<b>Total</b> .....	<b>12,141,256,303</b>	<b>100.00</b>

Immediately following completion of the Global Offering and assuming that the Over-allotment Option and without taking into account any Shares to be issued upon exercise of the Share Option Scheme, is fully exercised, the entire share capital of our Company would be as follows:

Description of Shares	Number of Shares	Approximate % of then enlarged issue share capital
A Shares .....	10,110,618,303	81.44
H Shares converted from A Shares and transferred to NSSF .....	209,438,000	1.69
H Shares issued pursuant to the Global Offering .....	2,094,380,000	16.87
<b>Total</b> .....	<b>12,414,436,303</b>	<b>100.00</b>

### SHARE CLASSES

The H Shares and A Shares in issue upon completion of the Global Offering will be ordinary Shares in our share capital. However, apart from QDIIs, H Shares generally cannot be subscribed for by, or traded between, legal or natural persons of the PRC. A Shares, on the other hand, can only be subscribed for by, and traded between, legal or natural persons of the PRC, QFIIs or qualified foreign strategic investors and must be traded in Renminbi. On 10 April 2014, CSRC and SFC approved, in principle, the development of the pilot program of Shanghai-Hong Kong Stock Interconnection for establishing mutual stock access between Mainland China and Hong Kong. Upon the approval of the implementation of such plan, eligible investors in China and Hong Kong are approved to trade eligible securities listed on the other markets through local securities firms or brokers in a limited amount by Shanghai Stock Exchange and Hong Kong Stock Exchange. All dividends in respect of the H Shares are to be paid by us in Hong Kong dollars whereas all dividends in respect of A Shares are to be paid by us in Renminbi. Our A Shares have been listed on the Shanghai Stock Exchange since 29 December 2009.

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In addition, A Shares and H Shares are regarded as different classes of Shares under our Articles of Association. The differences between the two classes of Shares, provisions on class rights, dispatch of notices and financial reports to Shareholders, dispute resolution, registration of Shares on different branches of the register of Shareholders, the method of Share transfer and appointment of dividend receiving agents are set out in our Articles of Association and summarized in “Appendix VI—Summary of Articles of Association” to this prospectus. Further, any change or abrogation of the rights of class Shareholders should be approved by way of a special resolution of the general meeting of Shareholders and by a separate meeting of Shareholders convened by the affected class of Shareholders. See “Appendix VI—Summary of Articles of Association” for the circumstances under which general meeting and class meeting are required. However, the procedures for approval by separate class Shareholders shall not apply:

- (i) where the Company issues domestic shares and overseas-listed foreign-invested shares, upon the approval by a special resolution of the general meeting, either separately or concurrently once every 12 months, not more than 20% of each of its existing issued domestic shares and overseas-listed foreign-invested shares;
- (ii) where the plan of the Company to issue domestic shares and overseas-listed foreign-invested shares at the time of its establishment is carried out within 15 months from the date of approval of the securities regulatory authority under the State Council; or
- (iii) where the transfer of the domestic shares held by the holders of domestic shares of the Company to foreign investors and the listing on overseas stock exchange are approved by the securities regulatory institution under the State Council.

A Shares and H Shares will however rank *pari passu* with each other in all other respects and, in particular, will rank equally for all dividends or distributions declared, paid or made.

A Shares and H Shares are generally neither interchangeable nor fungible, and the market prices of our A Shares and H Shares may be different after the Global Offering.

### **TRANSFER OF STATE-OWNED SHARES TO NSSF**

In accordance with the relevant PRC rules regarding the transfer of state-owned shares in overseas capital markets, CNRG and Beijing CNR Investment are required to transfer to NSSF such number of A Shares in aggregate equivalent to 10% of the total number of Offer Shares. Accordingly, 182,120,000 A Shares before the exercise of the Over-allotment Option or 209,438,000 A Shares after the full exercise of the Over-allotment Option will be transferred by Beijing CNR Investment (including the number of A Shares that should have been transferred by CNRG) to NSSF and converted into H Shares.

The A Shares as described above will be converted into H Shares on a one-for-one basis and such H Shares converted will not constitute part of the Offer Shares. Neither our Company nor CNRG and Beijing CNR Investment will receive any proceeds from the transfer of H Shares to NSSF or any subsequent disposal of such H Shares by NSSF. CNRG and Beijing CNR Investment have submitted an application to the SASAC and issued undertaking letters regarding the transfer of the state-owned Shares. Such conversion and holding of H Shares by NSSF in relation to the Global Offering has been approved on 13 March 2014.

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### **TRANSFER OF A SHARES TO OVERSEAS INVESTORS FOR LISTING AND TRADING ON THE HONG KONG STOCK EXCHANGE AS H SHARES**

A Shares and H Shares are generally neither interchangeable nor fungible, and the market prices of our A Shares and H Shares may be different after the Global Offering.

However, if any holder of our A Shares is to transfer its A Shares to overseas investors for listing and trading on the Hong Kong Stock Exchange as H Shares, such transfer and conversion will need to be approved by the relevant PRC regulatory authorities including the CSRC, and such listing and trading will need to be subject to approval by the Hong Kong Stock Exchange, as well as in compliance with the relevant methodology and procedures. To the Company's best knowledge, such transfer and conversion may involve the following steps:

- (1) the holder of A Shares is to obtain the requisite approval of the CSRC or the authorized securities approval authorities of the PRC State Council for the transfer and conversion of all or part of its A Shares into H Shares;
- (2) the holder of A Shares is to issue to us a removal request in respect of a specified number of the Shares, accompanied with the relevant document(s) of title;
- (3) subject to obtaining the approval of the Board, and subject to the listing of and the permission to deal in the H Shares to be converted from those relevant A Shares being granted by the Hong Kong Stock Exchange, we would then issue a notice to the H Share Registrar with instructions that, with effect from a specified date, our H Share Registrar is to issue to relevant holder H Share certificate(s) for such specified number of H Shares;
- (4) such specified number of A Shares to be converted into H Shares are then re-registered on the H Share register maintained in Hong Kong on the condition that:
  - (a) our H Share Registrar lodges with the Hong Kong Stock Exchange a letter confirming the proper entry of the relevant H Shares on the H Share register and the due dispatch of H Share certificate(s); and
  - (b) the admission of the H Shares (converted from A Shares) to trade in Hong Kong will comply with the Hong Kong Listing Rules and the General Rules of CCASS and the CCASS Operational Procedures in force from time to time;
- (5) upon completion of the transfer and conversion, the shareholding of the relevant holder of A Shares in our A Share capital and registered on our A Share register will be reduced by such number of A Shares transferred and converted and the number of H Shares will correspondingly be increased by the same number of H Shares; and
- (6) we will comply with the Hong Kong Listing Rules to inform our Shareholders and the public by way of an announcement of such fact before the proposed effective date.

### **SHARE OPTION SCHEME**

Our Company has adopted the Share Option Scheme on 26 October 2012. A summary of the principal terms of the Share Option Scheme are set out in the section headed "Appendix VII—Statutory and General Information—D. Other Information—1. Share Option Scheme".