

SUBSTANTIAL SHAREHOLDERS

As of the Latest Practicable Date, our share capital consisted of 7.7 billion A Shares. The following are the shareholdings of our A Shares as far as we are aware:

Name	Number of Shares	Approximate percentage of issued share capital
Fortune Investment Co., Ltd. ⁽¹⁾⁽⁷⁾	1,340,000,000	17.40%
Shenergy Group Co., Ltd. ⁽²⁾⁽⁷⁾	1,278,235,705	16.60
Parallel Investors Holdings Limited ⁽³⁾	1,051,785,087	13.66
Shanghai State-Owned Assets Operation Co., Ltd. ⁽⁴⁾⁽⁷⁾	442,500,000	5.75
Shanghai Tobacco (Group) Corporation ⁽⁵⁾⁽⁷⁾	440,000,000	5.71
Carlyle Holdings Mauritius Limited ⁽³⁾	281,514,913	3.66
Other A Share holders ⁽⁶⁾	2,865,964,295	37.22
Total	7,700,000,000	100.00%

- (1) Fortune Investment Co., Ltd. (formerly Shanghai No. 5 Steel Works International Trading Co., Ltd.) is a wholly state-owned company with limited liability established on 21 November 1994 and has a registered capital of RMB6,869,000,000. Its main businesses include investment and investment management in the metallurgy industry and relevant industries, investment consulting and business consulting service (excluding brokerage). Fortune Investment Co., Ltd. is a wholly-owned subsidiary of Baosteel Group Corporation.

Baosteel Group Corporation is a State-authorized investment institution approved by the State Council and is a wholly State-owned company with limited liability established on 1 January 1992 and has a registered capital of RMB49,479,000,000. Its main businesses include the operation of State-owned assets, as authorized by the State Council, and relevant investments. It is engaged in businesses relating to steel, metallurgical minerals, chemical engineering and electrical power, as well as ports, storage and transportation and steel-related businesses. It is also engaged in the development, transfer, servicing and management consultancy of related technologies, as well as import and export businesses and domestic and international trade and related services approved by the Ministry of Commerce of the PRC.

Baosteel Group Corporation directly holds 71,804,295 Shares in our Company, representing approximately 0.93% of our entire issued share capital as of the Latest Practicable Date. Baosteel Group Corporation wholly-owns Fortune Investment Co., Ltd. and holds 98% and 69.56% interests in Fortune Trust Investment Co., Ltd. and Xinjiang Bayi Iron & Steel Co., Ltd., respectively. Fortune Investment Co., Ltd., Fortune Trust Investment Co., Ltd. and Xinjiang Bayi Iron & Steel Co., Ltd. hold 1,340,000,000, 18,950,000 and 5,000,000 Shares in our Company, respectively. Baosteel Group Corporation and its related parties hold in aggregate 1,435,754,295 Shares in our Company, representing approximately 18.65% of our entire issued share capital as of the Latest Practicable Date.

- (2) Shenergy Group Co., Ltd. is a wholly State-owned company with limited liability established on 18 November 1996 and has a registered capital of RMB6,000,000,000. It is engaged in investment, development and management of electrical power and basic energy enterprises, investment in natural gas resources and urban gas networks, investment and management of real estate and high-tech companies, entrepreneurial investments, asset management and domestic trade.

- (3) Carlyle Mauritius and Parallel Investors are both investment entities controlled by Carlyle-managed funds and hold in aggregate 1,333,300,000 Shares in our Company, representing approximately 17.32% of our entire issued share capital as of the Latest Practicable Date.

- (4) Shanghai State-Owned Assets Operation Co., Ltd. is a wholly State-owned company with limited liability established on 24 September 1999 and has a registered capital of RMB5,000,000,000. Its main businesses include entrepreneurial investments, capital operations, assets acquisition, restructuring and transfer, enterprise trust and asset custody, bond restructuring, property right brokerage, real estate agency, financial consultancy, investment consultancy, and consulting services related to its authorized businesses, as well as guaranty related to its asset management and capital operation businesses.

Shanghai State-Owned Assets Operation Co., Ltd. is the 100% owner of Shanghai Guoxin Investment Development Co., Ltd. Shanghai Guoxin Investment Development Co., Ltd. holds 34,457,000 Shares in our Company. Shanghai State-Owned Assets Operation Co., Ltd. and its subsidiary hold in aggregate 476,957,000 Shares in our Company, representing approximately 6.19% of our entire issued share capital as of the Latest Practicable Date.

- (5) Shanghai Tobacco (Group) Corporation is a wholly State-owned company with limited liability established on 2 April 1984 and has a registered capital of RMB1,740,000,000. It is engaged in businesses relating to various tobacco products, storage and automobile cargo transportation, specialized equipment and materials for cigarette industry, tobacco fermentation, labor, fumigation, food, beverages and potable water.

Shanghai Tobacco (Group) Corporation is the 100% owner of Shanghai Tobacco Industry Printing Factory. Shanghai Tobacco Industry Printing Factory holds 48,100,000 Shares in our Company. Shanghai Tobacco (Group) Corporation and

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its subsidiary hold in aggregate 488,100,000 Shares in our Company, representing approximately 6.34% of our entire issued share capital as of the Latest Practicable Date.

- (6) None of these shareholders individually holds 5% or more of our outstanding share capital.
- (7) Pursuant to the Implementing Measures for the Transfer of Part of the State-Owned Shares to the NSSF Council in Domestic Securities Market, jointly issued by the Ministry of Finance, the SASAC, the CSRC and the NSSF on 19 June 2009, State-owned enterprises holding our Shares prior to our A Share Offering are required to transfer to the NSSF Council an aggregate of 100,000,000 A Shares. In particular, Fortune Investment Co., Ltd., Shenergy Group Co., Ltd., Shanghai State-Owned Assets Operation Co., Ltd. and Shanghai Tobacco (Group) Corporation, which are among our substantial shareholders, are required to transfer 28,558,032 A Shares, 27,241,714 A Shares, 9,430,544 A Shares and 9,377,264 A Shares to the NSSF Council, respectively. As of the Latest Practicable Date, the transfer process was ongoing and, upon its completion, the shareholdings of such substantial shareholders in the Company would be reduced accordingly.

Immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is not exercised, our issued share capital would be RMB8,483 million, comprising 2,184,600,000 H Shares and 6,298,400,000 A Shares, representing 25.8% and 74.2%, respectively, of our issued share capital. Particulars of the shareholdings are, as far as we are aware, as follows:

Name	Number of Shares	Approximate percentage of issued share capital
Fortune Investment Co., Ltd. ⁽¹⁾	1,316,808,631	15.52%
Shenergy Group Co., Ltd.	1,256,113,290	14.81%
Parallel Investors Holdings Limited ⁽²⁾	1,043,896,502	12.31%
Shanghai State-Owned Assets Operation Co., Ltd. ⁽³⁾	434,841,656	5.13%
Shanghai Tobacco (Group) Corporation ⁽⁴⁾	432,384,924	5.10%
Carlyle Holdings Mauritius Limited ⁽²⁾	279,403,498	3.29%
Other A Share holders ⁽⁵⁾	2,858,251,499	33.69%
Other H Share holders ⁽⁵⁾	861,300,000	10.15%
Total	<u>8,483,000,000</u>	<u>100.00%</u>

- (1) Baosteel Group Corporation and its subsidiaries will hold in aggregate 1,410,905,707 A Shares in our Company, representing approximately 16.63% of our entire issued share capital immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is not exercised.
- (2) Carlyle Mauritius and Parallel Investors are both investment entities controlled by Carlyle-managed funds and will hold in aggregate 1,323,300,000 H Shares in our Company, representing approximately 15.60% of our entire issued share capital immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is not exercised.
- (3) Shanghai State-Owned Assets Operation Co., Ltd. and its subsidiary will hold in aggregate 468,702,309 A Shares in our Company, representing approximately 5.53% of our entire issued share capital immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is not exercised.
- (4) Shanghai Tobacco (Group) Corporation and its subsidiary will hold in aggregate 479,652,458 A Shares in our Company, representing approximately 5.65% of our entire issued share capital immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is not exercised.
- (5) None of these shareholders individually will hold 5% or more of our entire issued share capital immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is not exercised.

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Immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is exercised in full, our issued share capital would be RMB8,600 million, comprising 2,313,300,000 H Shares and 6,286,700,000 A Shares, representing 26.9% and 73.1%, respectively, of our issued share capital. Particulars of the shareholdings are, as far as we are aware, as follows:

<u>Name</u>	<u>Number of Shares</u>	<u>Approximate percentage of issued share capital</u>
Fortune Investment Co., Ltd. ⁽¹⁾	1,312,835,878	15.27%
Shenergy Group Co., Ltd.	1,252,323,652	14.56%
Parallel Investors Holdings Limited ⁽²⁾	1,043,896,502	12.14%
Shanghai State-Owned Assets Operation Co., Ltd. ⁽³⁾	433,529,758	5.04%
Shanghai Tobacco (Group) Corporation ⁽⁴⁾	431,080,438	5.01%
Carlyle Holdings Mauritius Limited ⁽²⁾	279,403,498	3.25%
Other A Share holders ⁽⁵⁾	2,856,930,274	33.22%
Other H Share holders ⁽⁵⁾	990,000,000	11.51%
Total	8,600,000,000	100.00%

- (1) Baosteel Group Corporation and its subsidiaries will hold in aggregate 1,406,649,068 A Shares in our Company, representing approximately 16.36% of our entire issued share capital immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is exercised in full.
- (2) Carlyle Mauritius and Parallel Investors are both investment entities controlled by Carlyle-managed funds and will hold in aggregate 1,323,300,000 H Shares in our Company, representing approximately 15.39% of our entire issued share capital immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is exercised in full.
- (3) Shanghai State-Owned Assets Operation Co., Ltd. and its subsidiary will hold in aggregate 467,288,255 A Shares in our Company, representing approximately 5.43% of our entire issued share capital immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is exercised in full.
- (4) Shanghai Tobacco (Group) Corporation and its subsidiary will hold in aggregate 478,205,368 A Shares in our Company, representing approximately 5.56% of our entire issued share capital immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is exercised in full.
- (5) None of these shareholders individually will hold 5% or more of our entire issued share capital immediately following the completion of the Global Offering and assuming the H Share Over-Allotment Option is exercised in full.