
CORNERSTONE INVESTOR

We have entered into one agreement with a cornerstone investor (the “**Cornerstone Investor**”), Shougang Hong Kong. The Cornerstone Investor is an independent third party not connected with us and will not be a substantial shareholder of our Company upon Listing and during the twelve-month lock-up period as described below.

The agreement with Shougang Hong Kong forms part of the International Placing. Shougang Hong Kong will not subscribe for any Offer Shares under the Global Offering other than pursuant to the cornerstone investor agreement. The Offer Shares to be subscribed for by Shougang Hong Kong will rank *pari passu* in all respects with the fully paid Shares in issue and will be counted towards the public float of our Company. Shougang Hong Kong has no representative on our Board. The Offer Shares to be subscribed for by Shougang Hong Kong will not be affected by any reallocation of the Offer Shares between the International Placing and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering as described in “Structure of the Global Offering—The Hong Kong Public Offering”.

Shougang Hong Kong

Shougang Hong Kong has agreed to subscribe for such number of Offer Shares (rounded down to the nearest board lot) as may be purchased with an amount of approximately HK\$400 million at the Offer Price which shall not be more than the maximum Offer Price of HK\$2.35. Assuming a maximum Offer Price of HK\$2.35, Shougang Hong Kong will subscribe for 170,212,000 Shares, which would represent approximately 4.26% of the Shares issued and outstanding upon completion of the Global Offering, and approximately 17.02% of the total number of Offer Shares; assuming an Offer Price of HK\$2.05, the mid-point of the indicative Offer Price range, Shougang Hong Kong will subscribe for 195,120,000 Shares, which would represent approximately 4.88% of the Shares issued and outstanding upon completion of the Global Offering and approximately 19.51% of the total number of Offer Shares; and assuming a minimum Offer Price of HK\$1.75, Shougang Hong Kong will subscribe for 228,570,000 Shares, which would represent approximately 5.71% of the Shares issued and outstanding upon completion of the Global Offering and approximately 22.86% of the total number of Offer Shares.⁽¹⁾ The Shares will be delivered to Shougang Hong Kong’s wholly-owned subsidiary, Plus All. In the announcement of allotment results, the Company will disclose the number of Shares for which Shougang Hong Kong will subscribe.

Shougang Hong Kong, a subsidiary of Shougang Corporation, is a Hong Kong incorporated investment holding company. Through its subsidiaries and associated companies, Shougang Hong Kong is engaged in a variety of diversified businesses such as manufacturing and trading of steel and metallic products, shipping, mineral exploration and mining, property investment, and financial services. As one of the largest Chinese steel companies, Shougang Corporation is a state-owned enterprise under the direct supervision of the State Council of the PRC. Shougang Corporation’s primary focus is on the steel industry, with other operational interests in the mining, electronics and machinery, construction and real estate, service and trading industries. It is a market leader in the areas of steel industry, production specifications and technical expertise. Shougang Corporation’s major iron production facilities are located in the Hebei Province and it endeavours to search for more upstream mining opportunities to modernise its vertically integrated model from mining to processing.

The parties’ respective obligations under the cornerstone investor agreement of 16 June 2011 are conditional upon each of the following having been satisfied at or prior to closing: (i) the Underwriting Agreements having been entered into, becoming effective and having become unconditional (or waived) by no later than the time and date as specified in them; (ii) none of the Underwriting Agreements having

(1) These calculations divide the cornerstone investment by the assumed Offer price and then round down to the nearest whole board lot of 2,000 Shares (excluding brokerage fees and levies, in each case, of the total Offer Price that the Cornerstone Investor will pay). The calculations further assume that the Over-allotment Option and options granted pursuant to the Pre-IPO Share Option Scheme or to be granted pursuant to the Share Option Scheme are not exercised.

CORNERSTONE INVESTOR

been terminated; (iii) no laws having been enacted or promulgated by any governmental authority which prohibit the consummation of the closing and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of the closing; and (iv) the respective representations, warranties and confirmations of the investor and the Company in the CIA remaining accurate and true and not misleading and there being no material breach of the CIA by the investor or the Company.

Shougang Hong Kong has agreed that, without the prior written consent of the Company and the Joint Bookrunners, it will not, whether directly or indirectly, at any time during the period of twelve months from the Listing Date, dispose of any Shares subscribed for pursuant to the respective cornerstone investor agreement or any Shares or other securities of the Company deriving from such Shares pursuant to any rights issue, capitalization issue or other form of capital reorganisation. Shougang Hong Kong may transfer the Shares so subscribed for in certain limited circumstances, such as transfer to a wholly owned subsidiary and any such transfer can only be made when the transferee agrees to be subject to the restrictions on disposal imposed on Shougang Hong Kong. The Joint Bookrunners confirm that, unless in exceptional circumstances, they will not exercise their discretion to release Shougang Hong Kong from the above lock-up arrangements.