

## DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus contains particulars given in compliance with the Companies Ordinance, the Securities and Futures (Stock Market Listing) Rules and the Listing Rules for the purpose of giving information to the public with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief:

- (a) the information contained in this prospectus is accurate and complete in all material respects and not misleading;
- (b) there are no other facts the omission of which would make any statement in this prospectus misleading; and
- (c) all opinions expressed in this prospectus have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

## CSRC APPROVAL

CSRC has given its approval for the Global Offering and the making of application by the Company to list its H Shares on the Stock Exchange. In granting such approval, CSRC accepts no responsibility for the financial soundness of the Company nor the accuracy of any of the statements made or opinions expressed in this prospectus or in the related application forms.

## UNDERWRITING

This Prospectus is published solely in connection with the Public Offer. For applicants under the Public Offer, this Prospectus and the Application Forms set out the terms and conditions of the Public Offer.

The Global Offering comprises the Public Offer of initially 36,056,000 Shares and the International Placing of initially 324,504,000 Shares (subject, in each case, to adjustment on the basis described in "Structure of the Global Offering").

The Listing is sponsored by the Joint Sponsors. The Public Offer is fully underwritten by the Public Offer Underwriters under the terms of the Public Offer Underwriting Agreement, subject to the agreement on the Offer Price between the Global Coordinator (on behalf of the Underwriters) and the Company on the Price Determination Date. For details of the Underwriters and the underwriting arrangements, please see the section headed "Underwriting — Underwriting arrangements and expenses" in this prospectus.

**DETERMINATION OF THE OFFER PRICE**

The Offer Shares are being offered at the Offer Price which will be determined by the Global Coordinator (on behalf of the Underwriters) and the Company at or before 14 December 2006, or such later date as may be agreed between the Global Coordinator and the Company, but in any event no later than 18 December 2006.

If the Global Coordinator (on behalf of the Underwriters) and the Company are unable to reach an agreement on the Offer Price by 14 December 2006, or such later date or time as may be agreed between the Global Coordinator (on behalf of the Underwriters) and the Company, but in any event no later than 18 December 2006, the Global Offering will not become unconditional and will lapse.

**RESTRICTIONS ON SALE OF THE H SHARES**

Each person acquiring the Offer Shares will be required to confirm, or by his acquisition of the Offer Shares be deemed to confirm, that he is aware of the restrictions on the offer of the Offer Shares described in this prospectus.

No action has been taken to permit a public offering of the Offer Shares or the general distribution of this prospectus and/or the related Application Forms in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purposes of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation.

The Offer Shares are offered for subscription and sale solely on the basis of the information contained and representations made in this prospectus. No person is authorised in connection with the Global Offering to give any information, or to make any representation, not contained in this prospectus, and any information or representation not contained in this prospectus must not be relied upon as having been authorised by the Company, the Underwriters, any of their respective directors or any other persons or parties involved in the Global Offering.

**Australia**

No prospectus or other disclosure document has been lodged with the Australian Securities and Investments Commission (“ASIC”) in relation to the Global Offering. This prospectus does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) (the “Corporations Act”) and does not purport to include the information required for a prospectus or other disclosure document under the Corporations Act.

Any offer in Australia of the Offer Shares may only be made to persons (the “Exempt Investors”) who are “sophisticated investors” (within the meaning of section 708(8) of the

Corporations Act), to “professional investors” (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the Offer Shares without disclosure to investors under Chapter 6D of the Corporations Act.

The Offer Shares applied for by Exempt Investors in Australia must not be offered for sale in Australia for 12 months from the date of issue under the Global Offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring our Shares must observe such Australian on-sale restrictions.

### **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”) an offer to the public of Offer Shares may not be made in that Relevant Member State except that an offer to the public in that Relevant Member State of any Offer Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (A) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (B) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than Euro 43,000,000 and (3) an annual net turnover of more than Euro 50,000,000, as shown in its last annual or consolidated accounts;
- (C) by the Underwriters to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of Macquarie as the sole global coordinator for any such offer; or
- (D) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Offer Shares shall result in a requirement for the publication by the Company or any Underwriters of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase any Offer Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

**France**

Neither this prospectus nor any offering material relating to the Offer Shares has been or will be submitted to the “*Autorite des marches financiers*” for approval (“*Visa*”) in France. In addition, the Offer Shares have not been offered or sold and will not be offered or sold and copies of this prospectus or any offering material relating to the Offer Shares will not be distributed or caused to be distributed, directly or indirectly, in France, except to qualified investors (*investisseurs qualifiés*) and/or a restricted group of investors (*cercle restreint d’investisseurs*), in each case acting for their account, all as defined in, and in accordance with, Article D. 411.1 and P. 411.2 of the French Code Monétaire et Financier.

**Germany**

Offers and sales in Germany of the Offer Shares, which are not listed on a German stock exchange are subject to the restrictions contained in the German Securities Prospectus Act of 22 June 2005, as amended, (*Wertpapier-Prospektgesetz*) (“*WpPG*”) and any other laws and regulations applicable in the Federal Republic of Germany governing the issue, offering and sale of securities. This prospectus has not been filed with, or approved by, the Federal Financial Supervisory Authority (Bundesanstalt für die Finanzdienstleistungsaufsicht) (“*BaFin*”) in Germany. The Offer Shares may not be offered or sold publicly in Germany except, inter alia, to such persons or under such circumstances which fall within the scope of Section 3 of the *WpPG*. The Offered Shares may only be offered or sold (1) to persons who are qualified investors; or (2) to not more than 100 non-qualified investors in each country of the European Economic Area; or (3) to investors who acquire the Offered Shares for a minimum amount of Euro 50,000.

**Italy**

The offering of the Offer Shares has not been cleared by the Italian Securities Exchange Commission (*Commissione Nazionale per le Società e la Borsa*, or “*CONSOB*”) pursuant to Italian securities legislation and, accordingly, the Offer Shares may not and will not be offered, sold or delivered, nor may or will copies of this document or any other documents relating to and/or connected with the Offer Shares or this document be distributed in Italy, other than to professional investors (“*investitori professionali*”), as defined in article 30, second paragraph, of Legislative Decree no. 58 of 24 February 1998 (the “*Italian Finance Law*”), as amended, which refers to the definition of “*operatori qualificati*” as defined in Article 31, paragraph 2 of *CONSOB* Regulation No. 11522 of 1 July 1998, as amended (“*Regulation No. 11522*”) or in any other circumstances where an express exemption from compliance with the solicitation restrictions provided for under the *Italian Finance Law* or *CONSOB* Regulation No. 11971 of 14 May 1999, as amended, applies.

Any offer, sale or delivery of the Offer Shares or distribution of copies of this document or any other document relating to and/or connected with the Offer Shares or this document in Italy must be carried out in accordance with all Italian securities, tax, exchange control and other applicable laws and regulations, and, in particular, will be: (i) made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993, as amended, the *Italian Finance Law*, *CONSOB* Regulation No.

11522 and any other applicable laws and regulations; and (ii) in compliance with any other applicable filings requirements or limitations which may be imposed upon the offer of the ordinary shares by CONSOB or any other competent authority.

### Japan

The Offer Shares have not been and will not be registered under the Securities and Exchange Law of Japan. Accordingly, the Offer Shares may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan, except (i) pursuant to an exemption from the registration requirements of, or otherwise in compliance with, the Securities and Exchange Law of Japan and (ii) otherwise in compliance with the applicable provisions of Japanese law. As used in this paragraph “resident of Japan” means any person residing in Japan, any corporation or other legal entity organised under the laws of Japan except for its branches or other offices located outside Japan and, with respect to any corporation or other legal entity organised under a law other than Japanese law, its branches and offices located in Japan.

### Netherlands

It is prohibited to offer the Offer Shares or announce such an offer in The Netherlands unless (i) a prospectus, which has been approved by The Netherlands Authority for the Financial Markets (“AFM”) or by the supervisory authority of another member state of the European Union, is published or (ii) an exemption pursuant the Exemption Regulation pursuant to the Dutch Act on the Supervision of the Securities Trade 1995 (*Vrijstellingsregeling Wet toezicht effectenverkeer 1995*), as amended from time to time (“Exemption Regulation”), applies.

Pursuant the Exemption Regulation the Offer Shares may be offered and such an offer may be announced to professional market parties including

- (A) Enterprises or entities under supervision by the Dutch Central Bank (*De Nederlandsche Bank*) (“DCB”), the Dutch Financial Markets Authority (*Autoriteit Financiële Markten*) or by a supervisory authority of another state and which are consequently authorised to act on the financial markets;
- (B) Enterprises or entities which pursue regulated activities on the financial markets otherwise than as set out under (A);
- (C) The Dutch Government (*de Staat der Nederlanden*), the DCB, Dutch regional, local or other decentralised governmental institutions, central banks, international treaty organisations and supranational institutions;
- (D) Enterprises or entities which meet at least two of the following three criteria:
  - (1) an average number of employees of 250;
  - (2) an asset value of more than Euro 43,000,000; and
  - (3) an annual net turnover of more than Euro 50,000,000;

## INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

- (E) Dutch legal entities which have requested to be registered as a professional market party;
- (F) Natural persons domiciled in the Netherlands who have requested to be registered as a professional market party, and who meet at least two of the following three criteria:
  - (1) on average at least 10 significant transactions on the financial markets per quarter during the last four quarters;
  - (2) the size of the person's securities portfolio exceeds Euro 500,000; and
  - (3) the person has worked for at least one year in the financial sector in a professional position which requires knowledge of investment in securities,
- (G) Enterprises or institutions which sole corporate purpose is to invest in securities; and
- (H) Enterprises or entities which are solely incorporated to carry out transactions to acquire assets which serve as collateral for securities (*effecten*) offered,

the foregoing all within the meaning of Section 1a paragraph 3 of the Exemption Regulation.

### PRC

This prospectus does not constitute a public offer of the Offer Shares, whether by way of sale or subscription, in the PRC. According to the relevant PRC laws and regulations, the Offer Shares are not being offered directly or indirectly in the PRC to, or for the benefit of, legal or natural persons of the PRC other than qualified institutional investors.

### Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus may not be issued, circulated or distributed in Singapore nor may any persons make an offer of the Offer Shares to any persons in Singapore or invite any person in Singapore to make an offer for the Offer Shares, both which upon acceptance would give rise to a contract for the issue or sale of the Offer Shares by the offeror other than pursuant to, and in accordance with the conditions of, an exemption invoked under Part XIII, Division I, Sub-division (4) of the Securities and Futures Act and to persons to whom the Offer Shares may be offered or sold under such exemption. Furthermore, no advertisement may be made offering or calling attention to an offer or intended offer of the Offer Shares in Singapore, nor any statements be published that directly or indirectly refers to the offer or intended offer, or is reasonably likely to induce persons to subscribe for or purchase the Offer Shares.

### United Arab Emirates

The Offer Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, in the United Arab Emirates, except (i) in compliance with all applicable laws and regulations of the United Arab Emirates and (ii) through persons or corporate entities authorised and licensed to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in the United Arab Emirates.

**United Kingdom**

This prospectus has not been approved under Section 21 of the Financial Services and Markets Act 2000 (“FSMA”) by a person authorised under the FSMA in the United Kingdom. This prospectus is being distributed in the United Kingdom only to, and is directed only at, (i) investment professionals, as defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “FSMA Order”), and (ii) persons falling within Article 49 of the FSMA Order (all such persons together being referred to as “relevant persons”). This prospectus must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this prospectus relates is available only to relevant persons and will be engaged in only with relevant persons. Persons of any description, including those who do not have professional experience in matters relating to investments, should return this document to Macquarie and take no other action.

The Offer Shares may not be offered or sold in the United Kingdom except to persons whose ordinary activities involve acquiring, holding, managing or disposing of investments (as principal or agent) for the purpose of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom for the purposes of the FSMA or the Prospectus Regulations 2005.

In addition, no person may issue or pass on to any person in the United Kingdom any documents received by him in connection with the Global Offering or communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in relation to the Offer Shares unless the recipient is a relevant person.

**United States**

The Offer Shares have not been, and will not be, registered under the US Securities Act and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from or in a transaction not subject to the registration requirements of the US Securities Act.

The Offer Shares are being offered and sold outside the United States in reliance on Regulation S and within the United States to QIBs in reliance on Rule 144A. In addition, until 40 days after the later of the commencement of the Global Offering and the completion of the distribution of the Offer Shares, an offer or sale of Offer Shares within the United States by any dealer (whether or not participating in the Global Offering) other than pursuant to Rule 144A may violate the registration requirements of the US Securities Act.

The Offer Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Global Offering or the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offence in the United States.

**Switzerland**

The Offer Shares may not be offered or sold directly or indirectly in Switzerland, except in circumstances which will not result in the offer of the Offer Shares being a public offering in Switzerland within the meaning of Article 652a of the Swiss Code of Obligations (*Schweizerisches Obligationenrecht*). This document does not constitute a prospectus pursuant to Article 652a of the Swiss Code of Obligations.

**APPLICATION FOR LISTING ON THE STOCK EXCHANGE**

Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the H Shares (including H Shares which may fall to be issued or sold under the Over-allotment Option).

Save as disclosed herein, no part of the share or loan capital of the Company is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or is proposed to be sought in the near future.

Under section 44B(1) of the Companies Ordinance, any allotment made in respect of any application will be invalid if the listing of, and permission to deal in, the H Shares on the Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to the Company by the Stock Exchange.

**HONG KONG H SHARE REGISTER AND STAMP DUTY**

All H Shares issued pursuant to applications made in the Public Offer and the International Placing will be registered on the Company's H Share register of members to be maintained in Hong Kong. A copy of the Company's register of members will also be maintained by the Company at its legal address in the PRC.

Dealings in the H Shares registered in the H Share register of the Company in Hong Kong will be subject to Hong Kong stamp duty.

Unless determined otherwise by the Company, dividends payable in Hong Kong dollars in respect of the H Shares will be paid to the shareholders listed on the Company's Hong Kong H Share register, by ordinary post, at the shareholders' risk, to the registered address of each shareholder.

**H SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS**

Subject to the granting of listing of, and permission to deal in, the H Shares on the Stock Exchange and the Company's compliance with the stock admission requirements of HKSCC, the H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the H Shares on the Stock Exchange or any other date as HKSCC chooses. Settlements of transactions between participants

of the Stock Exchange are required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made for the H Shares to be admitted into CCASS.

## **EXCHANGE RATE CONVERSION**

Solely for your convenience, this prospectus sets out certain conversion rates of Renminbi amounts into Hong Kong dollars or US dollars, for information only. No representation is made that Renminbi amounts set out in this prospectus could have been or could be converted into Hong Kong dollars or US dollars amounts, as the case may be, at any particular rate indicated on the date or dates in question or any other date or at all.

## **REGISTRATION OF SUBSCRIPTION, PURCHASE AND TRANSFER OF H SHARES**

The Company has instructed Computershare Hong Kong Investor Services Limited, its Hong Kong H Share registrar, and Computershare Hong Kong Investor Services Limited has agreed, not to register the subscription, purchase or transfer of any H Shares in the name of any particular holder unless and until such holder delivers to such Hong Kong H Share registrar a signed form in respect of such H Shares bearing statements to the effect that the holder of the H Shares:

- (i) agrees with the Company and each shareholder of the Company, and the Company agrees with each shareholder of the Company, to observe and comply with the Company Law, the Special Regulations and the Articles of Association;
- (ii) agrees with the Company, each shareholder, Director, Supervisor, manager and officer of the Company, and the Company acting for itself and for each Director, Supervisor, manager and officer of the Company agrees with each shareholder, to refer all differences and claims arising from the Articles of Association or any rights or obligations conferred or imposed by the Company Law or other relevant laws and administrative regulations concerning the affairs of the Company to arbitration in accordance with the Articles of Association, and any reference to arbitration shall be deemed to authorise the arbitration tribunal to conduct hearings in open session and to publish its award. Such arbitration shall be final and conclusive;
- (iii) agrees with the Company and each shareholder of the Company that the H Shares are freely transferable by the holders thereof; and
- (iv) authorises the Company to enter into a contract on his behalf with each Director, Supervisor and officer of the Company whereby each such Director, Supervisor and officer undertakes to observe and comply with his obligation to shareholders as stipulated in the Articles of Association.

## PROFESSIONAL TAX ADVICE RECOMMENDED

If you are unsure about the taxation implications of subscribing for, purchasing, holding, disposing of, dealing in, or the exercise of any rights in relation to the Offer Shares, you should consult your professional advisers.

None of the Company, the Joint Sponsors, the Underwriters and any of their respective directors, agents or advisers or any other person involved in the Global Offering accepts responsibility for any tax effects on, or liabilities resulting from, the subscription for, purchase, holding, disposing of, dealing in, or the exercise of any rights in relation to the Offer Shares.

## OVER-ALLOTMENT AND STABILISATION

Stabilisation is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilise, the underwriters may bid for, or purchase, the securities in the secondary market, during a specified period of time, to retard, and if possible, prevent any decline in the market price of the securities below the offer price. In Hong Kong and certain other jurisdictions, the price at which stabilisation is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Global Coordinator, as stabilising manager, or any person acting for it, may over-allocate or effect any other transactions with a view to stabilising or maintaining the market price of the Shares at a level higher than that which might otherwise prevail in the open market for a limited period after the last day for the lodging of applications under the Public Offer. Any market purchases of Shares will be effected in compliance with all applicable laws and regulatory requirements. However there is no obligation on the Global Coordinator or any person acting for it to conduct any such stabilising activity, which if commenced, will be done at the absolute discretion of the Global Coordinator and may be discontinued at any time. Any such stabilising activity is required to be brought to an end on the thirtieth day after the last day of the lodging of applications under the Public Offer. The number of Shares that may be over-allocated will not exceed the number of Shares that may be sold under the Over-allotment Option, namely 54,084,000 Shares, which is 15% of the number of Offer Shares initially available under the Global Offering.

Stabilising action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilising) Rules includes (i) over-allocation for the purpose of preventing or minimising any reduction in the market price, (ii) selling or agreeing to sell Shares so as to establish a short position in them for the purpose of preventing or minimising any reduction in the market price, (iii) subscribing, or agreeing to subscribe, for shares pursuant to the Over-allotment Option in order to close out any position established under (i) or (ii) above, (iv) purchasing, or agreeing to purchase, Shares for the sole purpose of preventing or minimising any reduction in the market price, (v) selling Shares to liquidate a long position held as a result of those purchases and (vi) offering or attempting to do anything described in (ii), (iii), (iv) or (v).

Stabilising actions by the Global Coordinator, or any person acting for it, will be entered into in accordance with the law, rules and regulations in place in Hong Kong on stabilisation.

## **INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING**

As a result of effecting transactions to stabilise or maintain the market price of the Shares, the Global Coordinator, or any person acting for it, may maintain a long position in the H Shares. The size of the long position, and the period for which the Global Coordinator, or any person acting for it, will maintain the long position, is at the discretion of the Global Coordinator and is uncertain. In the event that the Global Coordinator liquidates this long position by making sales in the open market, this may lead to a decline in the market price of the H Shares.

Stabilising action by the Global Coordinator, or any person acting for it, is not permitted to support the price of the Shares for longer than the stabilising period, which begins on the day on which trading of the H Shares commences on the Stock Exchange and ends on the thirtieth day after the last day for the lodging of applications under the Public Offer. The stabilising period is expected to end on 12 January 2007. As a result, demand for the H Shares, and their market price, may fall after the end of the stabilising period.

Any stabilising action taken by the Global Coordinator, or any person acting for it, may not necessarily result in the market price of the H Shares staying at or above the Offer Price either during or after the stabilising period. Bids for or market purchases of the Shares by the Global Coordinator, or any person acting for it, may be made at a price at or below the Offer Price and therefore at or below the price paid for Shares by purchasers.

### **PROCEDURES FOR APPLICATION FOR THE PUBLIC OFFER SHARES**

The procedures for applying for the Public Offer Shares are set out under the section headed “How to apply for the Public Offer Shares” in this prospectus and on the relevant Application Forms.

### **STRUCTURE OF THE GLOBAL OFFERING**

Details of the structure of the Public Offer and the International Placing, including their respective conditions, and the Over-allotment Option, are set out in the section headed “Structure of the Global Offering” of this prospectus.