
SUMMARY

This summary aims to give you an overview of the information contained in this prospectus. Since it is a summary, it does not contain all the information that may be important to you. You should read the prospectus in its entirety before you decide to invest in our H Shares. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed “Risk Factors” of this prospectus. You should read that section carefully before you decide to invest in our H Shares.

OVERVIEW

We are a leading producer of molybdenum in the PRC with world-class integrated mining and processing facilities according to the Minarco Report. Our primary business operations involve molybdenum mining, flotation, roasting and smelting, and downstream processing. Our Directors believe that, upon Listing, we will be the largest listed primary molybdenum producer in the world as measured by publicly reported resources. In addition, we are a growing producer of tungsten products.

Our Sandaozhuang Mine has one of the world’s largest molybdenum reserves and contains substantial high-grade molybdenum reserves according to the Minarco Report. Molybdenum is the primary mineral deposit at our Sandaozhuang Mine, and tungsten occurs as an associated deposit. According to the Minarco Report, the tungsten reserves at our Sandaozhuang Mine are the second largest in the world and, as part of our strategy, we intend to further capitalize on our tungsten reserves by producing tungsten concentrate and related products in the future.

We are in a period of significant production growth. Following recent capacity increases in our mining, flotation, and roasting and smelting operations, our Directors believe that we are the largest producer of molybdenum in the PRC as measured by annual molybdenum ore mining and flotation plant capacity, with infrastructure capable of receiving ore of approximately 30,000 tpd of ore. With access to abundant reserves, a strategic position in the Luoyang district, and large scale, low-cost operations focused on our Sandaozhuang Mine, we are well placed to become a leading producer of specialty metals (including molybdenum and tungsten) and precious metals.

Molybdenum products have a wide range of applications, including applications in the steel, oil, industrial machinery, automobile and defense industries. Our products can be divided into five categories (listed here in sequential order in the production process): molybdenum ore, molybdenum concentrate, molybdenum oxide, ferromolybdenum and other products. Our principal products are molybdenum concentrate, molybdenum oxide and ferromolybdenum, which, in aggregate, represented 87.5% of our total turnover for the year ended December 31, 2006. Our other products are mainly molybdenum-related products including ammonium molybdate (鉬酸鉍), molybdenum powder, molybdenum trioxide (三氧化鉬), and molybdenum metal products such as molybdenum threads, strips, rods and boards. Ferromolybdenum and other products represent a growing share of our business.

Tungsten products have a wide range of uses, the largest of which is as tungsten carbide in cemented carbides. Cemented carbides (also called hardmetals) are wear-resistant materials used by the metalworking, mining, and construction industries. We are a growing producer of tungsten products. In addition to Yulu, our 40% owned joint venture with Xiamen Tungsten, we plan to set up our own tungsten concentrate production capabilities and expand our tungsten metal processing capabilities.

SUMMARY

Most of our operations are located in Henan, a province in the north-central part of China. The molybdenum resources in Henan constitute approximately 40% of the nation's total molybdenum resources. The tungsten reserves in Henan constitute approximately 12% of the nation's total tungsten reserves. We had a workforce of approximately 5,200 employees as at December 31, 2006. A majority of our executive Directors have over 15 years of experience in the molybdenum industry.

During the years ended December 31, 2004, 2005 and 2006, our turnover was RMB1,170.4 million, RMB2,300.5 million and RMB3,826.2 million, respectively, and we recorded a profit attributable to equity holders of the Company of RMB276.3 million, RMB1,157.3 million and RMB1,515.3 million, respectively.

COMPETITIVE STRENGTHS

Our Directors believe that we possess the following competitive strengths:

- Upon Listing, we will be the largest listed primary molybdenum producer in the world as measured by publicly reported resources and in the PRC as measured by annual molybdenum ore mining and flotation plant capacity;
- We have growth potential with access to abundant high-grade reserves;
- We are an efficient and integrated primary producer of molybdenum;
- We are well positioned to take advantage of our strategic location;
- We are well positioned to become a market consolidator in the PRC molybdenum industry; and
- We have an experienced and dedicated senior management team in the molybdenum and tungsten industries.

STRATEGIES

To consolidate our position in the molybdenum industry and become a leading producer of specialty metals and precious metals, we intend to implement the following key strategies:

- Maintain and improve our leading position in the PRC molybdenum industry;
- Improve our operational efficiency by increasing the recovery rates at our operations;
- Leverage our leading position in China's molybdenum market to enhance and expand our customer relationships and enhance our profitability;
- Capitalize our tungsten reserves through the development of our own tungsten production facilities;
- Explore acquisition opportunities and expand our product portfolio; and
- Enhance production safety and environmental protection.

SUMMARY

SUMMARY OF FINANCIAL INFORMATION

Consolidated income statements

	Year ended December 31,		
	2004	2005	2006
	(RMB'000, except per Share data)		
Turnover	1,170,384	2,300,527	3,826,221
Cost of sales	(423,814)	(530,863)	(1,218,789)
Gross profit	746,570	1,769,664	2,607,432
Other income	13,612	13,558	25,502
Selling and distribution expenses	(6,046)	(10,314)	(20,408)
Administrative expenses	(85,897)	(78,935)	(97,178)
Restructuring expenses	(132,190)	(15,000)	—
Other expenses	(75,704)	(35,873)	(19,835)
Finance costs	(15,410)	(14,312)	(48,275)
Share of results of associates	2,263	11,048	7,048
Profit before taxation	447,198	1,639,836	2,454,286
Taxation	(165,880)	(482,509)	(739,821)
Profit for the year	<u>281,318</u>	<u>1,157,327</u>	<u>1,714,465</u>
Attributable to:			
Equity holders of the Company	276,289	1,157,327	1,515,263
Minority interests	<u>5,029</u>	<u>—</u>	<u>199,202</u>
	<u>281,318</u>	<u>1,157,327</u>	<u>1,714,465</u>
Dividends	<u>75,000</u>	<u>519,957</u>	<u>760,110</u>
Earnings per Share — Basic ⁽¹⁾	<u>RMB0.08</u>	<u>RMB0.33</u>	<u>RMB0.43</u>

Note:

- (1) The calculation of basic earnings per Share is based on the profit attributable to our equity holders for each year and the weighted average number of Shares has been determined taking into consideration the 700,000,000 Shares issued upon the transformation of our Company into a joint stock limited company on August 25, 2006 and has been adjusted for the share split which becomes effective on the date of this prospectus.

SUMMARY

Consolidated balance sheets

	As at December 31,		
	2004	2005	2006
	(RMB'000)		
Non-current assets			
Property, plant and equipment	519,850	1,144,259	2,004,462
Land use right — non-current portion	137,627	191,443	211,037
Mining rights	—	—	392,413
Deposits paid for acquisition of property, plant and equipment	61,050	—	8,000
Interests in associates	25,349	38,047	45,095
Available-for-sale investments	2,100	2,300	2,300
Deferred tax assets	18,625	30,450	16,868
	<u>764,601</u>	<u>1,406,499</u>	<u>2,680,175</u>
Current assets			
Inventories	55,769	163,899	220,680
Trade and other receivables	151,609	271,210	680,974
Loan receivables	50,000	110,000	—
Amount due from an associate	—	1,999	2,630
Amount due from a shareholder	34,556	—	—
Land use right — current portion	3,560	4,789	5,271
Held-for-trading investments	515	60,515	101,493
Pledged bank deposits	—	18,067	6,909
Bank balances and cash	140,391	357,557	827,447
	<u>436,400</u>	<u>988,036</u>	<u>1,845,404</u>
Current liabilities			
Trade and other payables	(289,099)	(381,273)	(800,421)
Dividend payables	—	(22,217)	(193,156)
Tax payable	(189,015)	(292,183)	(300,059)
Bank borrowings — due within one year	(257,430)	(518,190)	(555,250)
	<u>(735,544)</u>	<u>(1,213,863)</u>	<u>(1,848,886)</u>
Net current liabilities	<u>(299,144)</u>	<u>(225,827)</u>	<u>(3,482)</u>
Total assets less current liabilities	<u>465,457</u>	<u>1,180,672</u>	<u>2,676,693</u>
Non-current liabilities			
Bank borrowings — due after one year	—	(80,000)	(490,000)
Provision	(31,800)	(33,390)	(35,060)
Long term payable	(20,268)	(16,523)	(12,777)
	<u>(52,068)</u>	<u>(129,913)</u>	<u>(537,837)</u>
	<u>413,389</u>	<u>1,050,759</u>	<u>2,138,856</u>
Capital and reserves			
Paid-in capital	280,020	280,020	736,842
Reserves	133,229	770,599	1,122,646
Attributable to equity holders of the Company	413,249	1,050,619	1,859,488
Minority interests	140	140	279,368
Total equity	<u>413,389</u>	<u>1,050,759</u>	<u>2,138,856</u>

SUMMARY

PROFIT FORECAST FOR THE SIX MONTHS ENDING JUNE 30, 2007

The following profit forecast is based on the assumptions set out in the section headed “Appendix III — Profit forecast” in this prospectus. For a sensitivity analysis of the forecast consolidated profit attributable to our Shareholders for the six months ending June 30, 2007, please refer to the section headed “Financial information — Profit forecast for the six months ending June 30, 2007” in this prospectus.

Forecast consolidated profit attributable to our Shareholders
for the six months ending June 30, 2007 ⁽¹⁾⁽²⁾ not less than RMB950 million
(about HK\$960 million)

Unaudited pro forma forecast earnings per Share
for the six months ending June 30, 2007 ⁽³⁾ RMB0.20
(about HK\$0.20)

Notes:

(1) The bases of preparation of the forecast consolidated profit attributable to our Shareholders for the six months ending June 30, 2007 are summarized in Appendix III to this prospectus.

We have undertaken to the Stock Exchange that our interim report for the six months ending June 30, 2007 will be audited pursuant to Rule 11.18 of the Listing Rules.

(2) Our forecast consolidated profit attributable to our Shareholders for the six months ending June 30, 2007 may not necessarily give any indication of, and should not be interpreted as a guidance of, our full year financial results for 2007. While our business and operations are generally not subject to any material seasonality, they have in the past been, and will continue to be, affected by a number of factors. For further details of such factors, please refer to the sections headed “Risk Factors” and “Financial Information — Factors affecting results of operations and financial condition” in this prospectus.

(3) The calculation of the unaudited pro forma forecast earnings per Share is based on our forecast consolidated profit attributable to our Shareholders for the six months ending June 30, 2007, assuming that we had been listed since January 1, 2007 and a total of 4,767,810,525 Shares were issued and outstanding during the entire six months ending June 30, 2007. This calculation assumes that the Over-allotment Option is not exercised and the H Shares issued pursuant to the Global Offering were issued on January 1, 2007.

OFFER STATISTICS⁽¹⁾

	<u>Based on an Offer Price of HK\$5.00 per H Share</u>	<u>Based on an Offer Price of HK\$6.80 per H Share</u>
Market capitalization upon completion of the Global Offering ⁽²⁾	HK\$23.8 billion	HK\$32.4 billion
Unaudited pro forma adjusted net tangible asset value per Share ⁽³⁾	HK\$1.41	HK\$1.80

SUMMARY

Notes:

- (1) All statistics in this table are based on the assumption that the Over-allotment Option is not exercised.
- (2) The calculation of our market capitalization is based on 4,767,810,525 Shares expected to be in issue following completion of the Global Offering.
- (3) The unaudited pro forma adjusted net tangible asset value per Share is based on 4,767,810,525 Shares expected to be in issue following the completion of the Global Offering and indicative Offer Prices of HK\$5.00 and HK\$6.80 per H Share, respectively, without taking into account the Special Dividend (see “Dividend Policy” below).

DIVIDEND POLICY

Our Board will propose the payment of dividends, if any, with respect to our Shares on a per Share basis. Any dividend for a financial year shall be subject to Shareholders’ approval. Under the Company Law and our Articles of Association, all of our Shareholders have equal rights to dividends and distributions.

For holders of our H Shares, cash dividend payments, if any, will be proposed by our Board in Renminbi and paid in Hong Kong dollars. In addition to cash, dividends may be distributed in the form of Shares. Any distribution of Shares, however, must be approved by a general resolution of the Shareholders. The amount of any dividend payment will depend upon factors including our financial results, Shareholders’ interests, general business conditions and strategies, and capital requirements, as well as relevant statutory and regulatory restrictions. We can give no assurance that any dividends will be paid. Please refer to the section headed “Dividend Policy” in this prospectus. Upon Listing, under PRC law, dividends may be paid only out of distributable profits, which are our retained earnings as determined in accordance with PRC GAAP or IFRS, whichever is lower, less allocations to the statutory and discretionary funds. We will not ordinarily pay any dividends in a year for which we do not have any distributable earnings.

As at May 31, 2006, our distributable profits were approximately RMB760.1 million. On June 26, 2006, we declared dividend totaling approximately RMB760.1 million to LMG and CFC, being our distributable profits for the period from January 1, 2005 to May 31, 2006. The dividend was financed by our Group’s internal cash resources and was fully paid by January 19, 2007. No governmental approval was required in relation to the declaration and payment of dividend to LMG and CFC. The dividend was paid to LMG and CFC to provide returns to their respective investments. The amount of dividend paid to LMG and CFC during the Track Record Period was determined taking into account our financial performance, business prospects, immediate anticipated capital requirements, Shareholders’ needs and the amount of distributable profits available at the relevant time.

At a general meeting held on October 19, 2006, we resolved to distribute to LMG and CFC our distributable profits from May 31, 2006 up to the day immediately preceding the Listing Date (the “Special Dividend”). As at December 31, 2006, our audited distributable profits were RMB777.3 million (determined in accordance with PRC GAAP). Pursuant to a general resolution passed on March 25, 2007, we declared out of the distributable reserve as at December 31, 2006, part of the Special Dividend totaling RMB720.0 million, payable to LMG and CFC. Such dividend was fully paid on April 6, 2007 and was financed by our Group’s internal cash resources. No governmental approval was required in relation to the declaration and payment of such dividend to LMG and CFC. The dividend was paid to LMG and CFC to provide returns on their respective investments. The amount of the dividend was determined taking into account our financial performance, business

SUMMARY

prospects, immediate anticipated capital requirements, Shareholders' needs and the amount of distributable profits available at the relevant time. After the distribution of the dividend, the balance of the distributable profits as at December 31, 2006 was approximately RMB57.3 million.

The rest of the Special Dividend (the "Final Special Dividend"), i.e., the amount of the dividend representing the balance of the distributable profits as at December 31, 2006 (approximately RMB57.3 million) and the distributable profits for the period from January 1, 2007 up to the day immediately preceding the Listing Date, will be declared and paid after Listing. The distributable profits for the period from January 1, 2007 up to the day immediately preceding the Listing Date will be determined based on the distributable profits as reflected in the audited financial statements prepared in accordance with PRC GAAP or IFRS, whichever is lower, after making allocations for the required statutory and discretionary funds. In this connection, we will engage Deloitte Touche Tohmatsu to perform a special audit (the "Special Audit") of our accounts for (1) the period from January 1, 2007 to the end of the month immediately preceding the Listing Date and (2) the month of our Listing. For the purpose of determining the amount of distributable profits for the period from the first day of the month of our Listing to the day immediately preceding the Listing Date, the distributable profits as reflected in the audited financial statements for the month of our Listing will be pro-rated using the number of days between the first day of the month of our Listing and the day immediately preceding the Listing Date to the total number of days in the month of our Listing.

Assuming the Listing Date is April 26, 2007, we estimate that the Final Special Dividend will be approximately RMB560 million, being the aggregate of the balance of the distributable profits as at December 31, 2006 in the sum of RMB57.3 million and the distributable profits for the period from January 1, 2007 to the day immediately preceding the Listing Date. We will only declare and pay the Final Special Dividend after completion of the Special Audit, which is currently expected to be by July 2007. The declaration of the Final Special Dividend will be disclosed through a public announcement. The Final Special Dividend will be declared to provide returns to LMG and CFC on their investment after taking into account our capital needs.

Although the Final Special Dividend will only be paid after Listing, our Directors consider the cash resources prior to the Listing Date to be sufficient to cover the full payment of the Final Special Dividend. We have sufficient cash surplus to finance our operations from internally generated cashflow and to maintain a satisfactory financial position derived from the steady growth of our business. As at February 28, 2007, our Group's total balance of cash and cash equivalents (including cash, bank balances and short-term investments in marketable securities) were approximately RMB1.3 billion, before the payment of part of the Special Dividend totaling RMB720 million. In addition, our Directors forecast that the Group's consolidated profit attributable to our Shareholders for the six months ending June 30, 2007 will not be less than RMB950 million. In light of the above, our Directors are of the view that we have, and will have, sufficient funds to make payment of the Final Special Dividend, and we will continue to have sufficient working capital upon the full payment of the Final Special Dividend without using any of the net proceeds from the Global Offering. Our Directors further confirm that the payment of the Final Special Dividend will not adversely affect our financial position taken as a whole, having regard to our strong operating cash flow, our unutilized banking facilities and the expected timing of the payment.

The public announcement in relation to the Special Audit will contain, inter alia, a statement of the balance of our distributable profits as at December 31, 2006, the distributable profits from January 1, 2007 to the day immediately preceding the Listing Date, the amount of Final Special

SUMMARY

Dividend, the total balance of cash and cash equivalents on the day immediately preceding the Listing Date, and the total balance of cash and cash equivalents on the closest practicable date at the time of the public announcement.

Investors in the Global Offering should note that they will not be entitled to the Final Special Dividend and therefore any distributable profits for the year ending December 31, 2007 available for distribution to the Shareholders after the Global Offering will exclude the amount of the Final Special Dividend to be paid to LMG and CFC.

Under our current policy, we intend (subject to the arrangements for the Final Special Dividend described above as applicable to the year ending December 31, 2007) to distribute not less than 30% of our distributable profits in each financial year. The actual amount distributed will depend upon our earnings and financial condition, operating requirements and capital requirements, and approval of our Shareholders. You should not view the extent of the Final Special Dividend as an indication of the amount of dividends that we may declare or pay in the future.

FUTURE PLANS

We aim to become a leading producer of specialty metals and precious metals. In support of this strategy, our capital expenditure plans till 2009 will focus on the following areas:

- Increase our production efficiency and capacity;
- Expand our downstream processing capabilities;
- Capitalize our tungsten reserves through the development of our own tungsten production facilities; and
- Invest in or acquire molybdenum reserves and other specialty metal and precious metal reserves prudently.

USE OF PROCEEDS

Assuming that the Over-allotment Option is not exercised and an Offer Price of HK\$5.90 per H Share (being the mid-point of the estimated Offer Price range of between HK\$5.00 and HK\$6.80 per H Share), we estimate that the net proceeds to us from the Global Offering will be approximately HK\$6.1 billion, after deducting the underwriting commissions and other estimated expenses payable by us in relation to the Global Offering. We intend to use the net proceeds to us from the Global Offering as follows:

- approximately 20% of the net proceeds (approximately HK\$1.2 billion) will be used to expand our molybdenum production capabilities;
- approximately 20% of the net proceeds (approximately HK\$1.2 billion) will be used on the development of our own tungsten production and downstream processing capabilities;
- approximately 40% of the net proceeds (approximately HK\$2.4 billion) will be used for the acquisition of mines and mining rights in relation to mines with identified mining resources;

SUMMARY

- approximately 10% of the net proceeds (approximately HK\$0.6 billion) will be used to repay the aggregate principal amounts and interest accrued on a portion of our short-term bank borrowings from various branches of Bank of Communications, China Construction Bank, Industrial and Commercial Bank of China, China Everbright Bank, CITIC Bank and Bank of China, which are predominantly denominated in RMB, bear an interest rate from 5.02% to 6.7% per annum, mature within one year after the Listing Date, and have been predominately used by us to fund our working capital and capital expenditure needs; and
- approximately 10% of the net proceeds (approximately HK\$0.6 billion) will be used for working capital and other general corporate purposes.

If the Over-allotment Option is exercised in full, the net proceeds of the Global Offering will be increased by up to approximately HK\$615 million (based on the mid-point Offer Price of HK\$5.90 per H Share). We will apply such additional net proceeds in the same proportions as set out above.

If the Offer Price is fixed at HK\$5.00 (being the lowest price of the estimated Offer Price range), the net proceeds will be reduced by approximately HK\$939 million. In such circumstances, we intend to reduce the application of the proceeds for the above uses in the proportions as set out above.

If the Offer Price is fixed at HK\$6.80 (being the highest price of the estimated Offer Price range), the net proceeds will be increased by approximately HK\$939 million. In such circumstances, we intend to increase the application of the proceeds for the above uses in the proportions as set out above.

Consistent with our strategy to grow our business through acquisition, we have identified a number of preliminary potential acquisition targets for assessment. These targets are in various stages of review consistent with the guidelines outlined in the section headed “Business — Strategies” in this prospectus and we may or may not decide to proceed with any or all of them as a result of these reviews, our financial position and market outlook. In addition to these opportunities, we will continue to identify and review potential acquisition targets as they become available to us or we become aware of them through the normal course of our business. While our reviews are ongoing, to date, we have not identified any definitive acquisition or investment targets and, as at the Latest Practicable Date, we had not entered into any definitive agreement with any parties in respect of the acquisition of any mines or mining rights. Pending the outcome of these reviews, the use of net proceeds from the Global Offering for the purposes described above, and to the extent permitted under relevant PRC and Hong Kong law, we intend to deposit the proceeds in short-term interest-bearing accounts with licensed third-party financial institutions or invest the proceeds in short-term money market instruments.

SUMMARY

RISK FACTORS

You should carefully consider the following risks before you make a decision to invest in our H Shares. Please refer to the section headed “Risk Factors” in this prospectus for further details.

Risks Relating to Our Business and Our Industry

- Our business and results of operations are dependent on the market price for molybdenum, which is volatile, driven by exogenous supply and demand factors, and susceptible to variations in the economic cycle, and we may also be exposed to fluctuations in tungsten prices in the future;
- The accuracy of our resources and reserves estimates is based on a number of assumptions, and we may produce less molybdenum and tungsten than our current estimates;
- We face risks associated with our mining and processing operations, and our business is dependent on our Sandaozhuang Mine;
- We may be unable to renew our mining rights;
- We face risks associated with our joint ventures;
- Our existing and future major capital expenditure projects may not be completed within the expected time frame and within our budget, or at all, and may not achieve the intended economic results;
- We may be unable to increase the ore mining capacity of our Sandaozhuang Mine;
- Our acquisition and investment strategies may not be successful;
- More restrictive interpretation or more rigorous enforcement of current environmental laws and regulations, or the adoption of new environmental laws and regulations, or unanticipated environmental effects of our operations, could require us to incur new or increased costs;
- We may be unable to obtain financing on favorable terms, or at all, to fund our ongoing operations, existing and future capital expenditure requirements, acquisition and investment plans and other funding requirements;
- We face risks in outsourcing some of our labor-intensive operations with lower technical sophistication;
- There may be a material adverse impact on us if we are unable to secure qualified personnel for our operations;
- We may not have insurance coverage that is adequate to cover potential liabilities and losses;
- We face increasing competition from domestic and foreign competitors;
- We are subject to risks relating to product concentration;

SUMMARY

- We are dependent on a few major customers;
- Anti-dumping measures initiated by countries to which we export a large proportion of our products may affect our export sales to those countries;
- Our business operations may be materially and adversely affected in the event that we fail to record positive net current assets in the future;
- Dachuan's registration and business license may be revoked as a result of the non-payment of the registered capital by Gongda Zhiyuan, our joint venture partner in Dachuan;
- We will continue to be controlled by our Controlling Shareholders, whose interests may differ from those of our other Shareholders;
- We may be unable to pay any dividends on our Shares; and
- Our forecast consolidated profit attributable to our Shareholders for the six months ending June 30, 2007 may not necessarily give any indication of, and should not be interpreted as a guidance of, our full year financial results for 2007.

Risks Relating to Conducting Operations in the PRC

- The political and economic situation in the PRC may affect our business;
- Changes in PRC laws, regulations and policies, or the enactment and implementation of new PRC laws and regulations, may materially and adversely affect our financial condition and results of operations;
- Fluctuations in foreign exchange rates and changes in foreign exchange regulations may materially and adversely affect our results of operations;
- The outbreak of any severe communicable disease in the PRC, if uncontrolled, may materially and adversely affect our results of operations;
- Interpretation of PRC laws and regulations involves uncertainty and we face risks relating to the inspections and examinations by relevant authorities;
- Holders of our H Shares may not be able to enforce their rights;
- Holders of our H Shares may be subject to PRC taxation; and
- We cannot guarantee the accuracy of government official facts and statistics with respect to the PRC, the PRC economy and the PRC molybdenum and other industries contained in this prospectus.

Risks Relating to the Global Offering

- Future sales of substantial amounts of our securities in the public market (or transactions perceived as sales), including any future A Share offering, any sale of our H Shares by the NSSF or any conversion of our Domestic Shares into H Shares, could have a material adverse effect on the prevailing market price of our H Shares and our ability to raise capital in the future and may result in dilution of your shareholdings;

SUMMARY

- There has been no prior public market for our H Shares; our H Shares may not trade actively in the market, and their transaction price may be volatile;
- As the Offer Price is higher than the net tangible book value per Share, the book value of any H Shares you buy will be diluted immediately;
- There will be a four business-day time gap between the pricing and trading of our H Shares offered in the Global Offering; and
- You should read the entire prospectus carefully and we strongly caution you not to place any reliance on any information contained in press articles or other media, including, in particular, any projections, valuations, other forward-looking information or information about corporate investors.