

**DATE: 6 January 2009**

**CHINA BOTANIC DEVELOPMENT HOLDINGS LIMITED**  
**(as the Company)**

**and**

**CHINA WATER AFFAIRS GROUP LIMITED**  
**(as the Underwriter)**

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**SUPPLEMENTAL UNDERWRITING AGREEMENT**

**relating to an open offer of not less than 345,968,750**  
**and not more than 415,040,428 Offer Shares**  
**in the share capital of**  
**CHINA BOTANIC DEVELOPMENT HOLDINGS LIMITED**

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**Michael Li & Co.**  
**Solicitors**  
**14th Floor, Printing House**  
**6 Duddell Street**  
**Central, Hong Kong**  
**(Ref: CCL/083018)**

**THIS AGREEMENT** is dated 6 January 2009

**BETWEEN:**

- (1) **CHINA BOTANIC DEVELOPMENT HOLDINGS LIMITED**, a company incorporated in the Cayman Islands with limited liability whose registered office is situate at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands (the "**Company**"); and
- (2) **CHINA WATER AFFAIRS GROUP LIMITED**, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and having its registered office at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda (the "**Underwriter**").

**WHEREAS:**

- (A) Pursuant to an agreement (the "**Underwriting Agreement**") dated 17 November 2008 and entered into between the Company and the Underwriter relating to the open offer of Shares, the Underwriter has agreed to underwrite the Underwritten Shares on the terms and conditions set out therein.
- (B) The parties to the Underwriting Agreement have agreed to vary certain terms of the Underwriting Agreement in the manner as set out in this supplemental agreement ("**this Supplemental Agreement**").

**NOW IT IS HEREBY AGREED as follows:**

**1. DEFINITIONS**

- 1.1 In this Supplemental Agreement and unless the context otherwise requires, definitions and interpretations used in the Underwriting Agreement shall have the same meaning herein.
- 1.2 Reference to a Clause shall be a clause of the Underwriting Agreement.

**2. AMENDMENTS TO THE UNDERWRITING AGREEMENT**

- 2.1 Recital (B) of the Underwriting Agreement shall be deleted in its entirety and be substituted by the following new Recital (B):

"(B) The Company proposes to offer by way of open offer of not less than 345,968,750 Offer Shares and not more than 415,040,428 Offer Shares to holders of Shares on the basis of one (1) Offer Share for every two (2) Shares held on the Record Date."

- 2.2 The definition of "Offer Shares" as referred to in Clause 1.1 of the Underwriting Agreement shall be amended by substituting the definition thereof as "not less than 345,968,750 new Shares and not more than 404,346,092 new Shares, proposed to be offered to the Qualifying Shareholders for subscription on the terms and subject to the conditions set out in this Agreement and in the Prospectus."

**3. GENERAL**

Subject only to the variations herein contained and such other alterations (if any) as may be necessary to make the Underwriting Agreement consistent with this Supplemental Agreement, the Underwriting Agreement shall remain in full force and effect and shall be read and construed and be enforceable as if the terms of this Supplemental Agreement were inserted therein by way of addition or substitution, as the case may be.

**4. GOVERNING LAW AND JURISDICTION**

4.1 This Supplemental Agreement shall be governed by and construed in accordance with the laws of Hong Kong.

4.2 The parties hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong but this Supplemental Agreement may be enforced in any other court in competent jurisdiction.

**IN WITNESS WHEREOF** this Agreement has been entered into the day and year first above written.

**THE COMPANY**

SIGNED by )


for and on behalf of )

**CHINA BOTANIC DEVELOPMENT  
HOLDINGS LIMITED** )

in the presence of: )

*For and on behalf of*

中國植物開發控股有限公司  
CHINA BOTANIC DEVELOPMENT HOLDINGS LIMITED

  
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*Authorized Signature(s)*

**THE UNDERWRITER**

SIGNED by )

for and on behalf of )

**CHINA WATER AFFAIRS GROUP  
LIMITED** )

in the presence of: )

