This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain nor does it purport to contain all the information that may be important to you. You should read this prospectus in its entirety before you decide to invest in the Offer Shares. There are risks associated with any investment. Some of the particular risks in investing in the H Shares are set out in the section headed "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

We are a leading comprehensive coal mining and excavating equipment manufacturer in the PRC in terms of total sales of coal mining and excavating equipment in 2011, according to the China National Coal Mining Machinery Industry Association (the "CMIA"). We focus on the manufacturing and sale of hydraulic roof supports, and were the largest hydraulic roof support manufacturer in the PRC, with approximately 22.6% of the PRC market share for hydraulic roof supports based on production volume in 2011, according to the CMIA. We are also engaged in the trading of steel and other raw materials primarily through our wholly-owned subsidiary, ZMJ Material Trading, which we established in March 2008. We have commenced manufacturing and selling armored-face conveyors in recent years and intend to commence selling roadheaders by the end of 2012. We are one of the few coal mining and excavating equipment manufacturers in the PRC able to manufacture three of the four components that comprise a complete integrated coal mining and excavating system for underground coal mining, namely, hydraulic roof supports, armored-face conveyors and roadheaders. We currently do not manufacture the fourth component, shearers, but are in the process of developing the related manufacturing technology and capability. Our established operating history, high quality products, strong in-house research and development capabilities, advanced manufacturing processes and extensive sales and service network are the keys to our success and allow us to maintain our leading position in the PRC coal mining and excavating equipment market.

The following is a brief overview of our products and businesses:

- ***Hydraulic roof supports.*** Hydraulic roof supports control the height of, and provide support to, the mine roof of the working face during the coal mining process to form a moveable underground mining area, allowing the armored-face conveyor and shearer to operate underneath. Hydraulic roof supports generally account for over 50% of the total value of a coal mining and excavating system. In addition, we are one of the few manufacturers in the PRC able to design and manufacture high-end hydraulic roof supports. In 2004, we developed the PRC's first set of high-end hydraulic roof supports with electronic hydraulic control systems, which have emerged as a significant domestic alternative to imported high-end hydraulic roof supports. Such hydraulic roof supports have been widely used by domestic coal mining enterprises since their introduction. Moreover, we are one of the few hydraulic roof support manufacturers in the PRC able to independently manufacture such electronic hydraulic control systems, a critical component of high-end hydraulic roof supports. As of June 30, 2012, we had an annual production capacity of 23,400 units of hydraulic roof supports.

- ***Steel and other raw materials trading.*** We trade steel and other raw materials primarily through our wholly-owned subsidiary, ZMJ Material Trading, which we established in March 2008. Due to our large steel procurement volumes, we are able to leverage on our bargaining power and sourcing network with steel producers to purchase high quality steel in bulk from approximately 20 suppliers at competitive prices for sales to third party customers. Our steel and other raw materials trading business allows us to efficiently manage our overall procurement costs for key raw materials, in particular, steel, used in our manufacturing operations while mitigating the impact of steel price fluctuations.

- ***Spare parts.*** We sell spare parts, such as jacks, hydraulic valves and structural parts for hydraulic roof supports, to third-party coal mining companies, most of which have previously purchased our hydraulic roof supports. Since 2009, we have also sold spare parts to our associate, ZMJ Suda, which focuses on the provision of aftermarket services for the hydraulic roof supports sold by our Company in the PRC. We sell spare parts through bidding or direct ordering processes, and we generally do not enter into long-term sales agreements with our customers for spare parts. Our spare parts are primarily manufactured and sold by our Company, as well as our subsidiaries, ZMJ Comprehensive Equipment and ZMJ Hydraulic Control.

- ***Other coal mining equipment.*** Since 2008, we have manufactured high-powered armored-face conveyors, which are used in mining operations to support shearers and transport coal cut from the working face by shearers. In 2011, we completed production and delivery of one of the largest armored-face conveyors in the PRC, with an operating capacity of 2,000kW and line pans of 1.2 meters. In 2010, we commenced design and testing of prototype roadheaders which are mobile mining units used to dig tunnels and crush rocks with drill units. We are currently testing five prototype models of roadheaders that are generally classified into light-duty, medium-duty and heavy-duty categories according to their cutting power. We intend to commence selling roadheaders by the end of 2012. We also provide various related mining and excavating equipment that supports coal mining operations, including belt conveyors, crushers and loaders.

We have a strong in-house research and development team and have substantially invested in research and development. In 2004, we realized 30 years of research and development by manufacturing the PRC's first set of high-end hydraulic roof supports with electronic hydraulic systems characterized by high support capacity and high reliability. Certain large mining height hydraulic roof supports that we manufactured in 2009 and 2010 had the world's largest support height of 7.0 meters at that time. In recent years, we have developed the technology and capability to produce armored-face conveyors and roadheaders. We have been able to maintain our position as an industry leader in innovation and have continuously improved the function and quality of our products and our manufacturing processes. As a result of our industry-leading products, we have won several awards and received widespread recognition in the PRC, including being designated a National Innovative Enterprise by the MOST, SASAC and the All-China Federation of Trade Unions. In 2007, our technology center was jointly recognized as a nationally-accredited technical center by five separate PRC government departments and authorities, namely the NDRC, MOST, MOF, GAC and SAT.

We have advanced and efficient production processes. Supported by our large, advanced and comprehensive manufacturing facilities located in Zhengzhou, Henan Province, we are able to provide our customers with customized coal mining and excavating equipment with short lead times. In addition, we utilize standardized production processes that incorporate state-of-the-art technologies and equipment such as our large-scale, multi-stage robotic welding systems and advanced hydraulic cylinder production technology and equipment. From time to time, we also selectively outsource the production of certain non-critical parts and components, such as structural parts and rams to third-party manufacturers and assemble such outsourced parts at our manufacturing facilities. We believe that outsourced manufacturing enhances our manufacturing efficiency and enables us to meet the increasing demand for our products.

Our sales and service network allows us to provide our customers with a broad range of services. Our Company's sales and service network primarily comprises eight domestic sales offices and four overseas sales agents in Russia, India, Turkey and the United States. In addition, we provide aftermarket services through a three-tier system which comprises: (i) joint ventures with our selected strategic customers which focus on manufacturing coal mining and excavating equipment and providing aftermarket services; (ii) certain of our subsidiaries; and (iii) our associate, ZMJ Suda. See "Business — Sales and Marketing — Aftermarket Services." Our domestic sales and service network together with those of our joint ventures and ZMJ Suda cover substantially all of the major coal mining provinces and regions in the PRC, and are in close proximity to most of our domestic customers located in Shanxi, Shaanxi, Anhui, Henan, Shandong, Guizhou, Hebei, Heilongjiang, Jilin, Liaoning and Gansu Provinces, as well as Inner Mongolia, Ningxia and Xinjiang Autonomous Regions. Through our overseas sales agents, we have the ability to provide related aftermarket services to international customers. Leveraging on our sales and service network, research and development strengths and high quality products, we have been able to continue to expand our customer base and establish long-term relationships with leading coal mining and energy enterprises in the PRC such as Shenhua Group, Huainan Mining, Henan Coal and Chemical Industry Group ("Henan Coal and Chemical Industry"), Inner Mongolia Yitai Coal ("Yitai Coal") and Datong Coal Mine Group ("Datong Coal"). We have also established long-term relationships with overseas mining companies such as Russia Stark Corporation ("Russia Stark"), Russia Belon JSC ("Russia Belon"), Russia United Coal Company Yuzhkuzbassugol ("Yuzhkuzbassugol") and Turkish Coal Enterprise ("Turkish Coal").

We believe the favorable industry and regulatory environment in the PRC has contributed, and will continue to contribute, significantly to our growth. A majority of the coal reserves in the PRC can be economically extracted only through underground mining. Compared with room-and-pillar mining, longwall mining is fully mechanized and, as a result, is a more efficient and safer method of underground mining. As part of its measures to improve the mechanization rate, operating efficiency and safety of the PRC coal mining industry, the PRC government implements policies, such as the *Twelfth Five-Year Plan* published in 2011, to encourage the consolidation of the PRC coal mining industry. As hydraulic roof supports generally account for over 50% of the total value of an integrated coal mining and excavating system, and are typically considered to be the most important component of an integrated coal mining and excavating system, we believe these industry measures will enable us to increase the sales of our hydraulic roof supports in the future.

We have experienced significant growth in revenue and profit in recent years. For the years ended December 31, 2009, 2010 and 2011, our revenue was RMB4,994.4 million, RMB6,358.3 million and RMB8,060.1 million, respectively, representing a CAGR of 27.0% from 2009 to 2011. Our profit for the same periods was RMB646.8 million, RMB892.8 million and RMB1,213.3 million, respectively, representing a CAGR of 37.0% from 2009 to 2011. For the six months ended June 30, 2011 and June 30, 2012, our revenue was RMB3,586.3 million and RMB4,723.6 million, respectively, representing an increase of 31.7%. Our profit for the same periods was RMB598.2 million and RMB832.3 million, respectively, representing an increase of 39.1%. For the six months ended June 30, 2012, revenue generated from our sales of hydraulic roof supports and steel and other raw materials trading accounted for 69.3% and 23.7%, respectively, of our total revenue.

The following table sets forth our revenue, gross profit and gross profit margins, by product and business, for the periods indicated.

	Year Ended December 31,									Six Months Ended June 30,					
	2009			2010			2011			2011			2012		
	(RMB in millions, except for %)														
	Revenue	Gross Profit	Gross Profit Margin	Revenue	Gross Profit	Gross Profit Margin	Revenue	Gross Profit	Gross Profit Margin	Revenue	Gross Profit	Gross Profit Margin	Revenue	Gross Profit	Gross Profit Margin
										(unaudited)					
Hydraulic roof supports	4,062.7	1,088.2	26.8%	4,593.4	1,390.2	30.3%	5,642.0	1,675.1	29.7%	2,675.2	902.6	33.7%	3,272.2	1,217.3	37.2%
Steel and other raw materials trading	583.0	98.3	16.9%	1,247.9	150.6	12.1%	1,854.7	182.9	9.9%	613.8	52.9	8.6%	1,120.6	73.8	6.6%
Spare parts[(1)]	308.6	81.6	26.4%	450.1	110.4	24.5%	393.8	104.3	26.5%	213.7	53.2	24.9%	154.8	40.0	25.8%
Other coal mining equipment[(2)]	29.9	2.3	7.7%	52.5	10.0	19.0%	122.4	13.8	11.3%	55.8	7.5	13.4%	145.4	16.8	11.6%
Others[(3)]	10.2	4.3	42.2%	14.4	6.0	41.7%	47.2	14.6	30.9%	27.7	9.1	32.7%	30.6	10.1	33.0%
Sales tax	—	(25.9)	—	—	(32.7)	—	—	(38.6)	—	—	(20.7)	—	—	(23.1)	—
Total	4,994.4	1,248.8	25.0%	6,358.3	1,634.5	25.7%	8,060.1	1,952.1	24.2%	3,586.3	1,004.5	28.0%	4,723.6	1,334.9	28.3%

Notes:

(1) Primarily include jacks, hydraulic valves and structural parts of hydraulic roof supports.

(2) Primarily include armored-face conveyors and belt conveyors.

(3) Primarily include provision of machining services for spare parts and overhaul services for hydraulic roof supports and leasing of equipment and rental properties.

For a breakdown of our revenue by geographic location during the Track Record Period, see "Business — Customers" and "Financial Information — Description of Selected Items of Our Statements of Comprehensive Income — Revenue."

Our profit and loss are primarily affected by the sales volumes of our products and gross profit margins.

Sales Volume

The sales volumes of our products are primarily determined by our production capacity and demand for our products.

- *Our production capacity.* Our annual production capacity for hydraulic roof supports increased from 10,200 units as of December 31, 2009 to 10,500 units as of December 31, 2010, and further to 20,800 units as of December 31, 2011. Our annual production capacity for hydraulic roof supports reached 23,400 units as of June 30, 2012. Our increased production capacity enables us to meet the increasing market demand for our products, resulting in our increased sales volume. See "Financial Information — Factors Affecting Our Results of Operations — Change in Our Production Capacity."

- *Demand for coal mining and excavating equipment.* The demand for our coal mining and excavating equipment is primarily driven by the demand in the global coal mining industry, in particular, the coal mining industry in the PRC, as substantially all of our sales are derived from the PRC. Any changes in demand for coal and coal mining and excavating equipment in the PRC and the global market could affect demand for our products and, consequently, the sales volumes and prices of our products.

Gross Profit Margin

Our gross profit margin is primarily determined by the following factors.

- *Our competitiveness.* Our ability to sell our products at prices acceptable to us depends primarily on our ability to compete in the market, which is affected by a number of factors, including our ability to provide high-quality and customized products and comprehensive solutions that meet customer demand, our operational efficiency, control of production costs and the efficiency and coverage of our sales and service network. In particular, our ability to develop new products to meet the evolving market demand, improve existing products and enhance our production processes has a material effect on our competitiveness.

- *Product mix.* Our products generally have different prices and gross profit margins. Our high-end hydraulic roof supports generally have higher gross profit margins than our medium-end hydraulic roof supports and other coal mining equipment. An increase in our sales from high-end hydraulic roof supports may result in increased gross profit margin. See "Financial Information — Description of Selected Items of Our Statements of Comprehensive Income — Gross Profit and Gross Profit Margin."

In particular, our gross profit margin slightly decreased to 26.8% for the nine months ended September 30, 2012 from 28.3% for the six months ended June 30, 2012. For more information on our gross profit margins for these periods, see "Financial Information — Results of Operations — Six Months Ended June 30, 2011 Compared to Six Months Ended June 30, 2012 — Gross Profit and Gross Profit Margin" and "Recent Developments — Results of Operations for the Nine Months Ended September 30, 2011 Compared to the Nine Months Ended September 30, 2012 — Gross Profit and Gross Profit Margin."

In addition, our operating cash flows have been and will continue to be affected by a variety of competitive, macroeconomic and other related factors that are beyond our control, which may have a material adverse effect on our business, results of operations, financial condition and prospects. For the six months ended June 30, 2012, our net cash used in operating activities was RMB107.9 million. See "Risk Factors — Risks Relating to Our Business and Operations — Our negative operating cash flows may expose us to liquidity risk" and "Financial Information — Liquidity and Capital Resources — Cash Flows — Net Cash From/(Used in) Operating Activities." However, our net cash from operating activities was RMB106.0 million for the nine months ended September 30, 2012. See "Appendix II — Unaudited Condensed Consolidated Financial Statements" to this prospectus.

Furthermore, we are subject to commodity price risk that arises from price fluctuations of raw materials. In particular, steel constitutes a substantial majority of the raw material used in the manufacture of coal mining and excavating equipment, especially the products that we currently manufacture or expect to manufacture in the future, including hydraulic roof supports, armored-face conveyors, roadheaders, coal washing equipment and other coal mining equipment. Steel prices in the PRC have fluctuated and remained volatile during the past three years. The first half of 2012 saw a slight recovery in steel prices followed by a sharp decline due to the continued pressure on the global economy, the slowdown of the Chinese fixed assets investment growth, as well as oversupply in the PRC steel industry. For a summary sensitivity analysis of steel prices on our operations, in terms of product manufacturing, during the Track Record Period if steel prices increased or decreased by 5% and all other variables remained constant, the average gross profit margin for our hydraulic roof supports would have decreased by approximately 80 basis points or increased by approximately 80 basis points. In terms of steel and other raw materials trading business, during the Track Record Period if steel prices increased or decreased by 5% and all other variables remained constant, the average gross profit margin for our steel and other raw materials trading business would have decreased by approximately 20 basis points or increased by approximately 20 basis points. See "Industry Overview — Coal Mining and Excavating Equipment Industry Overview — Recent Steel Price Trends" and "Financial Information — Quantitative and Qualitative Disclosures about Market Risk — Commodity Price Risk."

Recently, some companies in the steel industry have experienced liquidity constraints, which may have a material impact on the general coal mining and excavating equipment industry, as steel is the primary raw material for production. However, we have not been and do not expect to be materially affected as we: (i) procure steel from major domestic suppliers that are creditworthy and in good financial condition; and (ii) have long-term relationships with our key steel suppliers which supply steel to us on a priority basis. As a result, the payment terms of our supply agreements generally remain unchanged and we have not experienced any delivery delays or steel supply shortages.

For more information on these and other factors and developments that may affect our results of operations and financial condition, see "Risk Factors" and "Financial Information — Factors Affecting Our Results of Operations."

Our Competitive Strengths

According to the CMIA, we are a leading comprehensive coal mining and excavating equipment manufacturer in the PRC in terms of total sales of coal mining and excavating equipment in 2011, with strong research and development, manufacturing, sales and aftermarket services capabilities. We believe that the following competitive strengths contribute to our historical success and potential for future growth:

- We are a leader in manufacturing hydraulic roof supports in the PRC.
- We have advanced technology and strong research and development capabilities.
- Our advanced and efficient production facilities and manufacturing process allow us to efficiently produce high quality coal mining and excavating equipment.
- We are able to efficiently control our production costs throughout our manufacturing process.
- We have a professional, efficient and extensive sales and service network and have successfully entered the international markets.
- We are able to provide our customers with customized and comprehensive solutions in their coal mining operations.
- We have experienced senior management and operations teams and have established a modern and scientific management system.

Our Business Strategies

Our long-term objective is to become a leading manufacturer of comprehensive coal mining and excavating equipment in the world. To this end, we intend to implement a business strategy with the following key aspects:

- Strategically increase our global presence and market share.
- Expand our product and service offerings to become a provider of comprehensive coal mining and excavating equipment and related services.
- Expand the coverage and customer base of our aftermarket services based on the “4S centers” service model and through the establishment of joint ventures with our major customers.
- Continue to establish strategic cooperation relationships with our customers.
- Grow our operations through acquisitions and joint ventures.

Risk Factors

Our Directors believe that there are certain risks involved in our operations. Many of these risks are beyond our control and can be categorized into: (i) risks relating to our business and operations; (ii) risks relating to our industry; (iii) risks relating to the PRC; and (iv) risks relating to our Shares and the Global Offering.

We believe that the following are some of the major risks that may have a material adverse effect on us:

- We may not be able to successfully execute our international expansion plans.

- We may experience fluctuations in steel and other raw materials prices.

- Our negative operating cash flows may expose us to liquidity risk.

- We may not be able to maintain our domestic market share.

- We may be unable to maintain effective quality control or raw materials procurement systems which may affect the supply and quality of our raw materials.

- We are affected by general PRC and global economic and market conditions.

The risks mentioned above are not the only significant risks that may affect our business and results of operations. As different investors may have different interpretations and standards for determining materiality of a risk, you are cautioned that you should carefully read the entire section entitled "Risk Factors" of this prospectus before you decide to invest in the Offer Shares.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

Selected Audited Financial Information

The following tables present selected historical financial information during the Track Record Period. The financial information as of and for the years ended December 31, 2009, 2010 and 2011 and the six months ended June 30, 2012 is derived from and should be read in conjunction with our consolidated audited financial statements, including the accompanying notes, set forth in the accountants' report included as Appendix I to this prospectus. Our financial statements for each of these periods are prepared and presented in accordance with International Financial Reporting Standards, or IFRS. For purposes of comparison to the selected audited financial information for the six months ended June 30, 2012, unaudited financial information for the comparative six months ended June 30, 2011 has also been presented.

	Year Ended December 31,			Six Months Ended June 30,	
	2009	2010	2011	2011	2012
	(RMB in millions, except earnings per share)				
				(unaudited)	
Key Income Statement Information					
Revenue	4,994.4	6,358.3	8,060.1	3,586.3	4,723.6
Cost of sales	(3,745.7)	(4,723.8)	(6,108.0)	(2,581.7)	(3,388.7)
Gross profit	1,248.8	1,634.5	1,952.1	1,004.5	1,334.9
Profit before tax	773.2	1,064.4	1,421.0	783.1	989.6
Income tax expenses	(126.5)	(171.6)	(207.8)	(185.0)	(157.3)
Profit and total comprehensive income for the year/period	646.8	892.8	1,213.3	598.2	832.3
Attributable to:					
Owners of the Company	630.4	882.6	1,194.1	590.3	811.9
Non-controlling interests	16.3	10.2	19.2	7.9	20.4
Earnings per share(1)					
Basic and diluted (RMB)	0.56	0.71	0.85	0.42	0.58

Note:

(1) The weighted average number of shares for the purpose of calculating basic earnings per share has been adjusted to reflect the effect of our capital increase in March 2012. During the Track Record Period, we did not issue any convertible securities of the Company which were convertible into Shares.

	As of December 31,			As of June 30,
	2009	2010	2011	2012
	(RMB in millions)			
Key Financial Position Information				
Non-current assets	630.3	1,374.4	1,926.8	2,262.3
Current assets	4,134.7	7,678.7	8,508.7	9,100.4
Current liabilities	2,910.5	3,778.1	4,202.9	4,387.3
Net current assets	1,224.3	3,900.6	4,305.8	4,713.1
Total assets less current liabilities	1,854.6	5,275.0	6,232.6	6,975.4
Non-current liabilities	295.0	135.0	84.0	78.5
Total equity	1,559.6	5,140.1	6,148.6	6,896.9

	Year Ended December 31,			Six Months Ended June 30,	
	2009	2010	2011	2011	2012
	(RMB in millions)				
				(unaudited)	
Key Cash Flow Information					
Net cash from/(used in) operating activities	576.8	850.9	537.1	371.0	(107.9)
Net cash from/(used in) investing activities	(248.1)	(2,628.2)	(223.2)	(188.2)	54.2
Net cash from/(used in) financing activities	(41.1)	2,456.4	(191.3)	(61.6)	(87.2)

Selected Unaudited Financial Information

As required by the Shanghai Listing Rules, we published our quarterly financial report on October 16, 2012 containing our unaudited condensed consolidated financial statements as of and for the nine months ended September 30, 2012 prepared under PRC GAAP. Our unaudited condensed consolidated financial statements have been reviewed by our reporting accountants in accordance with Hong Kong Standards on Review Engagements 2410. The following selected unaudited financial information is derived from and should be read in conjunction with the information set forth in Appendix II to this prospectus, including the accompanying notes, and the information set forth in "Recent Developments" in this prospectus. For purposes of comparison, the key unaudited condensed consolidated income statement information for the nine months ended September 30, 2011 and the key condensed consolidated financial position information as of December 31, 2011 have also been presented.

	Nine Months Ended September 30, 2011	Nine Months Ended September 30, 2012
	(RMB in millions, except earnings per share) (unaudited)	
Key Unaudited Income Statement Information		
Revenue	5,787.7	7,306.6
Cost of sales	(4,307.6)	(5,348.6)
Gross profit	1,480.2	1,958.0
Profit and total comprehensive income for the period	863.6	1,230.4
Attributable to:		
Owners of the Company	850.6	1,207.0
Non-controlling interests	13.0	23.4
	863.6	1,230.4
Earnings per share		
— Basic and diluted (RMB)	0.61	0.86

	As of December 31, 2011	As of September 30, 2012
	(RMB in millions)	
		(unaudited)
Key Unaudited Financial Position Information		
Non-current assets	1,926.8	2,527.4
Current assets	8,508.7	8,838.7
Current liabilities	4,202.9	4,095.8
Net current assets	4,305.8	4,742.8
Total assets less current liabilities	6,232.6	7,270.2

See “Recent Developments” for a discussion of our results of operations for the nine months ended September 30, 2011 and 2012.

PROFIT FORECAST FOR THE YEAR ENDING DECEMBER 31, 2012

Forecasted consolidated profit attributable to owners of the Company(1)	Not less than RMB1,582 million (equivalent to HK$1,948 million)
Unaudited pro forma forecast earnings per Share(2)	Not less than RMB97 cents (equivalent to HK$1.20)

Notes:

(1) The bases and assumptions on which the forecasted consolidated profit attributable to owners of the Company for the year ending December 31, 2012 are presented in Appendix IV to this prospectus.

(2) The calculation of the unaudited pro forma forecast earnings per Share is based on the forecast consolidated profit attributable to owners of the Company for the year ending December 31, 2012 and assuming the Global Offering had been completed on January 1, 2012 and a total of 1,621,122,000 Shares had been in issue throughout the year ending December 31, 2012. The calculation assumes that the Over-allotment Option had not been exercised.

OFFERING STATISTICS

	Based on an Offer Price of HK$10.38	Based on an Offer Price of HK$12.28
Market capitalization of our H Shares(1) (in millions)	HK$2,524.77	HK$2,986.92
Pro forma historical price/earnings multiple(2)	11.41 times	13.49 times
Unaudited pro forma adjusted net tangible asset value per Share(3)	HK$6.34	HK$6.60

Notes:

(1) The calculation of market capitalization is based on a total of 243,234,200 H Shares (including 221,122,000 H Shares to be issued pursuant to the Global Offering and 22,112,200 H Shares to be converted from A Shares which are to be transferred by Henan SASAC to NSSF in accordance with the relevant PRC regulations on reduction of state-owned shares) expected to be in issue immediately following completion of the Global Offering, assuming that the Over-allotment Option is not exercised.

(2) The pro forma historical price/earnings multiple is calculated based on the pro forma historical earnings per share of HK$0.91 for the year ended December 31, 2011 (which has been computed after making appropriate adjustments to take into account completion of our capital increase in March 2012) at the respective Offer Prices of HK$10.38 and HK$12.28, assuming completion of the Global Offering with a capital structure of our Company comprising a total of 1,377,887,800 A Shares and a total of 243,234,200 H Shares in issue on January 1, 2011 and that the Over-allotment Option is not exercised.

(3) The unaudited pro forma adjusted net tangible asset value per Share is calculated after making the adjustments referred to in "Unaudited Pro Forma Financial Information" included in Appendix III to this prospectus, and on the basis of a total of 1,621,122,000 Shares expected to be in issue immediately following the completion of the Global Offering. This calculation assumes respective Offer Prices of HK$10.38 and HK$12.28 and that the Over-allotment Option is not exercised.

USE OF PROCEEDS

We currently estimate that our Offer Price will not be more than HK$12.28 per Offer Share and not less than HK$10.38 per Offer Share. Assuming an Offer Price of HK$11.33 per Offer Share, which represents the mid-point of the indicative Offer Price range, we estimate that the proceeds from the Global Offering (after deducting underwriting commissions and other estimated offering expenses in the aggregate amount of approximately HK$150 million payable by us), will total approximately HK$2,355.31 million (equivalent to approximately US$303.86 million), assuming the Over-allotment Option is not exercised.

We intend to use the net proceeds for the following purposes:

Amount	Percentage of Net Proceeds	Purposes
HK$471.06 million (equivalent to approximately RMB382.50 million)	20%	Establish overseas manufacturing and related facilities in Russia and India to implement our international business expansion plans.
HK$282.64 million (equivalent to approximately RMB229.50 million)	12%	Establish overseas aftermarket service network and parts and components centers in Russia, the United States, India, Turkey and Australia.
HK$282.64 million (equivalent to approximately RMB229.50 million)	12%	Establish an international sales and marketing network.
HK$235.53 million (equivalent to approximately RMB191.25 million)	10%	Establish overseas coal mining transport equipment manufacturing facilities in Russia.
HK$235.53 million (equivalent to approximately RMB191.25 million)	10%	Establish international research and development platforms in Germany and the United States, and generally enhance our research and development capabilities to support sustainable, long-term growth.
HK$376.85 million (equivalent to approximately RMB306.00 million)	16%	Develop our coal washing equipment product segment and establish a related manufacturing facility.
HK$235.53 million (equivalent to approximately RMB191.25 million)	10%	Procure raw materials and equipment necessary for our operations, particularly for the import of special purpose parts and components from overseas countries specifically for use in producing our high-end hydraulic roof supports, including electronic hydraulic control systems.

Amount	Percentage of Net Proceeds	Purposes
HK$235.53 million (equivalent to approximately RMB191.25 million)	10%	Any remaining balance will be used to fund our working capital and other general corporate purposes.

To the extent that the net proceeds of the Global Offering are not immediately applied to the above purposes, we intend to deposit the proceeds in short-term interest-bearing and investment grade instruments with licensed commercial banks and/or authorized financial institutions in Hong Kong. We expect to utilize the proceeds from the Global Offering to finance the above purposes. However, to the extent that the proceeds from the Global Offering are unable to fully finance the above purposes, we will use our internal working capital.

In the event that the Over-allotment Option is exercised in full, we estimate that we will receive additional net proceeds of approximately HK$366.40 million, after deducting underwriting commissions and other estimated offering expenses payable by us and assuming the same Offer Price of HK$11.33 as stated above. We intend to allocate these additional net proceeds to the above purposes on a pro rata basis.

The table below sets forth additional information on the Offer Price range and the related adjustments to the intended use of proceeds:

Offer Price	Over-allotment Option	Total Net Proceeds	Adjustments to the Use of Net Proceeds
HK$12.28, being the high-end of the Offer Price range	Not exercised	HK$2,565.38 million	The additional net proceeds will be allocated to the above purposes on a pro rata basis.
HK$10.38, being the low-end of the Offer Price range	Not exercised	HK$2,145.25 million	The amount of net proceeds allocated to working capital and other general corporate purposes will be reduced to the extent of the decrease in the net proceeds raised.

No Material Adverse Change

Our Directors confirm that, as of the date of this prospectus, there has been no material adverse change to our financial or trading position or prospects since June 30, 2012, being the date to which our most recent audited consolidated financial statements were prepared, and since that date, there has been no event up to the date of this prospectus that would materially affect the information shown in our consolidated financial statements included in the accountants' report set out in Appendix I to this prospectus, in each case except as otherwise disclosed in this prospectus.