You should carefully consider all of the information in this prospectus, including the risks and uncertainties described below, before making an investment in our H Shares. You should pay particular attention to the fact that we are a PRC company, that most of our business is conducted in the PRC and that we are governed by a legal and regulatory environment which in some respects may differ from those in other countries. There are risks associated with investing in our H Shares not typical of investment in the capital stock of companies incorporated and/or engaging business in Hong Kong or the United States. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks. The trading price of our H Shares could decline owing to any of these risks, and you may lose all or part of your investment. For more information concerning the PRC and certain related matters discussed below, please see "Regulations" and "Appendix V — Summary of Principal Legal and Regulatory Provisions" to this prospectus. Additional risks and uncertainties not presently known to us or which we currently deem immaterial may arise or become material in the future and may have a material adverse effect on us. You should also refer to other information contained in this prospectus, including the financial statements and the related notes.

This prospectus also contains forward-looking statements that identify certain risks and uncertainties. For further details, please refer to the section headed "Forward-looking Statements."

RISKS RELATING TO OUR BUSINESS AND OUR INDUSTRY

A significant decrease in domestic coal consumption within the PRC may have a material adverse effect on our business operations and financial position.

Coal is the main type of cargo we handle and accounted for 73.02%, 72.85%, 71.24% and 65.74% of our total throughput during 2010, 2011, 2012 and the six months ended June 30, 2013, respectively. Our principal port of operation, Qinhuangdao Port, is the world's largest coal port as measured by throughput in 2012, according to Drewry.

Any decrease in Chinese coal consumption may have a material adverse effect on our business. Such decrease could result from a number of factors, such as a general economic slowdown in China, any major fluctuations in domestic coal prices, the development of new technologies or the discovery or increasing adoption of alternative energy sources, such as natural gas, nuclear power, hydropower and solar power, a general decrease in domestic electricity consumption or any promulgation of laws or regulations in China that limit the usage of coal.

The growth of the domestic demand for coal has slowed down significantly in recent years. The coal industry has experienced a substantial decline in prices and an increase in coal inventories since 2012. According to the National Bureau of Statistics of China, the CAGR of China's coal production declined from 10.1% between 2003 and 2007 to 6.9% between 2008 and 2012. If the demand for coal were to decrease, it might adversely affect our business operations.

If domestic coal consumption in PRC decreases, our coal throughput would likely be affected and, unless we are able to effectively replace the lost throughput with alternative types of cargo, these losses could materially and adversely affect our business operations and financial positions.

If PRC domestic coal users start to use a large amount of imported coal in substitution for domestic coal in the long term, our business and operations may be adversely affected.

Our business operations are closely tied to the demand in south and east China for coal produced in Shanxi Province, west Inner Mongolia and Shaanxi Province. Currently, coal consumers in the coastal areas of south and east China also purchase coal imported from other countries such as Australia and Indonesia. In 2012, China imported 289 million tonnes of coal, a 58.8% increase from 2011. In 2012, imported coal was 8.2% of the total domestic coal consumption in China. If there is a significant increase in the volume of coal imported into China that results in a large decline in the market share of and demand for domestic coal, and in particular, coal produced in Shanxi Province, west Inner Mongolia and Shaanxi Province, our business and operations may be adversely affected.

Competition from nearby ports and other port operators may have an adverse impact on our business and operations.

We and our associate company, Caofeidian Shiye Port Company, operate Qinhuangdao Port and terminals in Caofeidian Port and Huanghua Port, which are located in the Bohai Rim. Other than Qinhuangdao Port, Caofeidian Port and Huanghua Port, the cluster of large- and medium-sized ports in the Bohai Rim also include Tianjin Port, Tangshan Port, Yingkou Port, Rizhao Port, Jinzhou Port and Dalian Port. We also face competition from other port operators in Caofeidian Port and Huanghua Port. As these ports share a fairly large area of overlapping hinterlands and attract similar types of customers, we face competition from neighboring ports and port operators.

As historically our focus has been on coal handling services, some of the port operators in the Bohai Rim may have more experience in processing and handling non-coal cargo than we currently do. Furthermore, if our competitors in the Bohai Rim develop advanced technologies, employ advanced equipment or management techniques in processing and handling various types of cargo, enjoy greater inland accessibility provided by newly developed transportation networks or reduce fee rates, we may not be able to compete successfully, which could have a material adverse effect on the development of our operations and business.

Our business is dependent on other means of transportation, especially the Daqin Line, and any significant disruptions to or changes in the operations of these transportation means could adversely affect our operations and financial position.

Our business and operation is largely affected by various means of transportation through which cargo arrives at and departs from our ports, including road, railway and water transportation, among other things, which may affect the timing and volume of our cargo flow. In particular, substantially all of the coal that transits through us is delivered along the Daqin Line to Qinhuangdao Port to be shipped to other parts of China. A disruption to or delay of operations of the Daqin Line or reduction of its carrying capacity due to scheduled maintenance or otherwise would directly affect the arrival or volume of coal cargo at Qinhuangdao Port, which would in turn affect our coal handling services and could have an adverse effect on our business operations. Furthermore, natural disasters, terrorist attacks, accidents, adjustments to train schedules or capacity, inclement weather, dramatic and unexpected changes in transportation costs or other circumstances affecting the Daqin Line could in turn affect the timing and volume of cargo arriving at and departing from ports, and have a material adverse impact on our business operations and our financial position.

Cargoes are also transported to and from our ports by trucks, railway lines other than Daqin Line or other branch lines connected to the Daqin Line, and other means of transportation. If circumstances or incidents, such as inclement weather, natural disasters, terrorist attacks, large and unexpected changes in transportation costs and accidents, affect any of these transportation methods, we may experience a reduction in business volume, which could adversely affect our business operations and our financial position.

Adverse changes in China's economic conditions and, in particular, the economic conditions of our hinterland could have a material adverse impact on our results of operations and financial condition.

As a result of the port industry's essential role in serving a number of pillar industries in the national economy, its development is closely related to macroeconomic conditions. Therefore, the health of the overall global economy, especially China's national economy, is a significant factor in our business performance. Each of the three ports that we and our associate company, Caofeidian Shiye

Port Company, have operations in plays an important role in energy and other cargo transportation in China and are therefore affected by macroeconomic fluctuations that affect the demand for coal, metal ores and other cargoes that we handle. Recently, China's economic growth has slowed down. The growth rate of China's real GDP during 2010, 2011 and 2012 were 10.4%, 9.3% and 7.8%, respectively, according to the National Bureau of Statistics of China. Should China's economic growth further slow down, either as a result of global or domestic factors, demand in China for goods such as coal and ore may further decline, as may the demand for the services we offer, which could materially and adversely affect our business operations.

In addition, changes in economic conditions of our hinterland could have a material adverse impact on our results of operations and financial condition. Qinhuangdao Port, Caofeidian Port and Huanghua Port are located in east Hebei Province at the heart of the Bohai Rim, which is the intersection of China's northeastern and northern regions. The hinterland regions served by our ports include most of the provinces in north, northeast and northwest of China, including certain major production bases of China's coal, steel and petrochemical industries. Adverse changes to the economic conditions of these regions, or to the industries that significantly support the economies of these regions, could have a material and adverse effect on our business operations.

Our operations in the western zone of Qinhuangdao Port will be relocated as part of a city development project, which could have an adverse effect on our business operations.

As part of city planning, the governments of Hebei Province and Qinhuangdao City are in the process of adopting measures to upgrade the shoreline of Qinhuangdao City. According to the governments of Hebei Province and Qinhuangdao City, one of the structural changes to Qinhuangdao city under the city planning involves the relocation of our port operations in the western zone of Qinhuangdao Port and the subsequent construction of new berths in the eastern zone of Qinhuangdao. The relocation is not a standalone project, and is closely connected to the overall city planning and development timeline. Hence, the relocation, which is expected to involve the ceasing of operation of our coal berths in the western zone of Qinhuangdao Port, the removal or destruction of certain facilities and railways in the western zone of Qinhuangdao Port, the construction of various berths in the eastern zone of Qinhuangdao Port and the transfer of our port operations to the eastern zone of Qinhuangdao Port, is scheduled for completion by 2020. As of the Latest Practicable Date, three of our coal berths in the western zone have terminated ship loading operations. Besides the cessation of the three coal berths, the rest of the relocation plan is still at a preliminary planning stage, and thus we have yet to apply for the applicable construction and operation permits. In 2012, the western zone of Qinhuangdao Port had a throughput of 17.73 million, accounting for 5.28% of our total throughput for the year.

During the relocation process, cargo redirected to our eastern zone of Qinhuangdao Port might not fully compensate for the loss of cargo throughput in the western zone due to suspension and closure of our port terminals in the western zone. Furthermore, we cannot assure you that we will be able to obtain the applicable construction and operation permits in time for us to complete our construction and commence operation of the berths in the eastern zone as planned. Moreover, the relocation process presents a number of logistical and management challenges, such as making arrangements for our employees in the western zone, the movement and reassembly of heavy equipment and the redirection of cargo flow that, if not properly addressed, could have an adverse effect on our business operations. In addition, we may incur additional costs in connection with the relocation such as employee-related costs and costs for replacing and moving certain equipment, which could have an adverse effect on our financial position.

Competition from alternative sources of energy may have an adverse impact on our business and operations.

Total domestic demand for electricity and overall energy consumption in China continues to grow and coal remains the primary source of energy in China, accounting for approximately 70% of the total energy production in China during 2012, according to the National Bureau of Statistics of China. However, other sources of energies, such as natural gas, nuclear power, hydropower, solar power and wind power, are developing rapidly. In particular, the market shares of natural gas and hydropower have been steadily increasing in China, and during 2010, 2011 and 2012, the total market share as measured by energy consumption was 4.2%, 4.3% and 4.4% for natural gas, and 7.8%, 7.0% and 9.0% for hydropower, respectively, according to the National Bureau of Statistics of China. As these alternative energies continue to develop, China's domestic demand for coal may be adversely affected, which could have a material adverse impact on our business operations.

In addition, the national plan for west-to-east transfers of electricity (西電東送計劃) is expected to help to alleviate electricity shortages in south and east China, which could reduce the demand for coal in such regions. As a result, our coal cargo volume derived from some of our customers based in south and east China may decrease accordingly, which could have a material adverse impact on our business operations.

Natural, weather and climatic changes may adversely affect our business.

Port operation is highly reliant on natural conditions. Abnormal changes to the weather, hydrology, terrain, geology and other natural conditions such as earthquakes, storm tides, tsunami and silt accumulation, may limit the use of some maritime navigational routes towards our port terminals and make certain channels leading to our port terminals impassible, which could cause a decrease in the use of our port services. In addition, cold weathers could result in frozen coal, which may reduce our coal handling efficiency. As a result, adverse changes in natural, weather and climatic conditions could materially and adversely affect our business operations.

Our largest five customers accounted for a significant portion of our revenue during the Track Record Period, and if our relationship with these customers were to deteriorate or terminate, our business could be harmed.

Our customer base is mainly comprised of coal and power companies. For the year ended December 31, 2010, 2011 and 2012, our five largest customers were China Coal Energy Company Limited, China Shenhua Energy Company Limited, Zheneng Fuxing, China Electric Power Fuel Co., Ltd and Huaneng International Power Fuel Company Limited, and for the six months ended June 30, 2013, our five largest customers were China Shenhua Energy Company Limited, China Coal Energy Company Limited, Zheneng Fuxing, Huaneng International Power Fuel Company Limited and Datong Mine. During each of 2010, 2011 and 2012 and the six months ended June 30, 2013, our five largest customers in the aggregate contributed to more than 40% of our revenue. Should any of these customers significantly reduce the amount of business they provide us, or the terms of our contractual arrangements with them change in a manner that is unfavorable to us, or if they terminate their relationships with us, our business results and financial conditions may be materially and adversely affected.

Our future development will require substantial investment in the construction of port infrastructure, which may adversely affect our profitability.

In order to expand our operations and capture new growth opportunities, we intend to invest heavily in the construction of our port infrastructure. We currently have a total of five berths under construction in Caofeidian Port and are planning to develop two 200,000-tonne level ore berths in Huanghua Port. For further details, please refer to the sections under the heading ''Business — Our Facilities" and "Future Plans and Use of Proceeds." Upon completion of these construction projects, the new fixed assets will cause us to incur depreciation expenses which may in turn negatively affect our profitability. Moreover, our ability to complete construction of new berths or develop new projects on budget and on schedule depends on a number of factors, including but not limited to our ability to control construction costs, the ability of contractors to perform under their construction contracts, weather conditions, supply of labor or materials, our ability to obtain necessary governmental authorizations and other unforeseen problems and delays. As a result of these and other factors, we cannot assure you that we will not experience increased construction costs or that we will be able to construct our current or any future projects as originally planned. In addition, our current and any future major development projects could involve a significant commitment of capital with no revenues associated with such projects during construction and may not be able to generate the expected returns upon completion or the increased capacity from such construction projects may be underutilized, which could have a material adverse effect on our results of operations and financial conditions.

Any reduction in our operation capacity or interruption to our operations due to equipment replacement, remodeling or upgrade and any significant costs associated with replacing failed, aging or obsolete equipment could have a material adverse effect on our results of operations.

Our port services rely on the proper functioning of critical pieces of complex equipment such as rotary dumpers, stackers and reclaimers. Such equipment may require replacement, remodeling or upgrading as they age or experience unanticipated failures, any of which could result in reducing our cargo handling capacity or efficiency. In 2013, our cargo handling capability was temporarily affected by an overhaul of three rotary dumpers. We cannot assure that we will not experience any material shutdowns or periods of material reductions in our cargo handling capacity due to equipment failures. Any such reduction in our capacity or interruption to our operation could have a material adverse effect on our business and results of operations.

Moreover, if our equipment ages, fails or becomes obsolete, we may incur additional costs to maintain, repair or replace such equipment. The cost of replacing with new equipment could also increase due to any number of factors beyond our control. Any of these factors could cause our operating margins to decline.

If we are unable to accurately estimate or control our project costs, including those for which we intend to use the proceeds from the Global Offering, we may incur additional expenses, which could have an adverse impact on our business operations.

The proceeds from the Global Offering will be used for ore terminal construction in the bulk cargo area in Huanghua Port, among other things. See “Future Plans and Use of Proceeds.” We have carefully considered and calculated the expected economic benefits and expenses of these projects and believe that they will generate a sound return on investment. However, because the completion and eventual operation of these projects is subject to various factors, we may have to adjust our plans for investing the proceeds from the Global Offering for reasons that are beyond our control, such as changes to government regulations and policies, shortages or delays in the supply of labor, materials and equipment, cost overruns, natural disasters, accidents or other unforeseen circumstances. We therefore cannot guarantee you that these projects will be completed on schedule or within the current estimated budget. We also cannot assure you that the revenues we may generate from our new projects will be sufficient to cover the costs associated with their construction. See also “— Our future development will require substantial investment in the construction of port infrastructure, which may adversely affect our profitability.”

As new terminals and berths require large-scale investments and a long time to construct and develop after construction, a number of events could potentially prevent the projects for which we will use the proceeds of the Global Offering from reaching their full economic potential, including many of the factors addressed in this “Risk Factors” section of the prospectus.

Our leverage may affect our ability to expand, and any increase in interest rates may increase our financing costs, which may adversely impact our business and operations.

In order to implement our cross-port development strategy, we are making significant efforts to promote development of our berths in Huanghua Port and Caofeidian Port. As a result, these efforts required large capital expenditures in recent years. As at December 31, 2010, 2011, 2012, and June 30, 2013, our gearing ratio, calculated based on total borrowings divided by total equity of the respective period, was 116.66%, 113.89%, 95.11% and 96.07%, respectively, and our asset-liability ratio on a consolidated basis was 63.18%, 60.41%, 55.05% and 55.05%, respectively. Servicing the debt will require large principal repayments and interest payments over an extended period of time in the future, which may put a strain on our cash flow.

Although as of the Latest Practicable Date, interests on our outstanding bank loans were at, or 5% or 10% lower than, the applicable benchmark lending interest rate set by PBOC and none of our outstanding debts is secured or guaranteed, as our current bank loans expire, if the interest rates on our borrowings were to increase, or if we were unable to replace them with new financings on terms that are at least as favorable as our current bank loans, including but not limited to interest rates and any requirement for security and guarantee, our financial condition and business operations could be materially and adversely affected. Besides, we are subject to a number of restricted covenants under our loan agreements with commercial banks in China. For example, we shall obtain prior written consent from the banks before we dispose of any material assets or conduct any corporate restructurings, and any loan amount used in development projects shall be in proportion to our capital investment and the construction progress of the project.

In order to continue expanding our operation, we may require additional financing in the future. Some of our future debts may be at floating interest rates that are tied to various market indices, and changes in those indices may increase the amount of total interest we will have to pay on the debt, which could further strain our cash flow. Moreover, some of our future debts may be secured by certain of our fixed assets or be subject to other contractual restrictions. If we were unable to pay the interest and principal when due, our creditors may obtain certain rights over these assets, including the right to sell the assets to third parties in order to repay the outstanding debt. Were any of these events to take place, our financial condition and business operations could be materially and adversely affected.

We had net current liabilities as of December 31, 2010 and 2012, and June 30, 2013, and may be exposed to liquidity risks.

We have relied on a combination of funds generated from our operations and bank loans for our working capital requirements and other capital requirements. We had net current liabilities of RMB5,260.36 million as of December 31, 2010, net current assets of RMB129.14 million as of December 31, 2011, net current liabilities of RMB1,001.97 million as of December 31, 2012, and net current liabilities of RMB1,857.92 million as of June 30, 2013. Our quick ratio was 0.20, 0.99, 0.77 and 0.59 as of December 31, 2010, 2011 and 2012 and June 30, 2013, respectively. Our high level of indebtedness could materially and adversely affect our liquidity. For example, it could:

- require us to allocate a higher portion of our cash flow from operations to fund repayments of principal and interest on our borrowings, thus reducing the amount of our cash available to fund working capital, capital expenditures and other general corporate purposes;

- increase our vulnerability to adverse economic or industry conditions;

- limit our flexibility in planning for, or reacting to, changes in our business or in the industry in which we operate; and

- increase our exposure to interest rate fluctuations.

Net current liabilities also expose us to liquidity risks. Our future liquidity, the payment of trade and other payables and the repayment of our outstanding debt obligations as and when they become due will primarily depend on our ability to generate adequate cash from operating activities and obtain adequate external financing.

We intend to apply approximately 10% of the remaining net proceeds of the Global Offering as our working capital, after deducting approximately HK$51.24 million for the procurement of stackers for coal handling services in Qinhuangdao Port and approximately HK$11.39 million for the procurement of diesel locomotives. However, this amount of funding may not be sufficient for our future operations and we may still need to obtain loan financing from financial institutions or other parties and therefore, we may have net current liabilities and high gearing ratio in the future, which may limit the amount of our working capital available for operations or capital available for our development projects and could materially and adversely affect our business, financial condition and results of operations.

HPG, our Controlling Shareholder, will be able to exert significant influence over our Company and management after listing.

As of the date of this prospectus, HPG, our Controlling Shareholder, beneficially owned 73.94% of our outstanding shares. Upon the completion of the Global Offering, HPG will beneficially own approximately 61.72% of our outstanding shares, assuming the Over-allotment Option is not exercised, and 60.20% of our outstanding shares, assuming the Over-allotment Option is exercised in full, giving it significant power over our Company in terms of appointing directors, making operating decisions, investment decisions and deciding other important matters.

Our Controlling Shareholder's interests may, on occasions, differ from the interests of either our Company and other shareholders. In particular, our Controlling Shareholder may use its controlling position to force us to make decisions that may prejudice the interests of minority shareholders and may not necessarily be in the best interests of our Company and other shareholders.

Changes to port handling fees may have an adverse effect on our business and operations.

The main source of revenue for port operators is port handling fees charged to customers. Rates of port fees and charges for many types of cargoes are set or heavily regulated by the PRC government. However, the port handling fees for non-containerized cargoes of domestic trade from which we derive most of our revenues do not fall under the government-regulated categories. During the Track Record Period, we raised our handling fees based largely on increases in operating costs and the rates charged by neighboring ports. For example, we raised the lump sum handling fee for domestic trade coal by RMB3 per tonne and by RMB2 per tonne in October 2011 and June 2013, respectively. Such fee increases were one of the main factors contributing to our revenue and profit growth during the Track Record Period. If we fail to raise our fees and charges in response to any increase in costs, or if we increase our handling fees more than our competitors and as a result, our customers decide to use our competitors' services instead, our profit may reduce and we may lose customers and revenues, which could have a material adverse effect on our business operations.

In addition, our port handling fees and charges for containers are regulated largely by the Port Charge Rules (Foreign Trade) of the Ministry of Transport of the People's Republic of China (《中華人民共和國交通部港口收費規則(外貿部分)》), the Port Charge Rules of the People's Republic of China (Domestic Trade) (《中華人民共和國港口收費規則(內貿部分)》) and the Measures for the Collection of Port Fees on Containers Carried by Inland Maritime Transport (《國內水路集裝箱港口收費辦法》). See "Regulations — Laws and regulations for port charges." If the PRC government adjusts fee standards in the future in ways that are adverse to our business interests or if there is any change to the current system regulating port fees and we are not able to effectively adapt to the new system, our business operations could be adversely affected.

If we are unable to collect a large amount of other receivables or accounts receivables, our business operations may be adversely impacted.

On August 27, 2010, we entered into an equity transfer agreement with Qinhuangdao Development Zone Company, pursuant to which we transferred our 60% equity interest in Shanhaiguan Terminal to the Qinhuangdao Development Zone Company for RMB120 million.

Shanhaiguan Terminal has already completed the registration regarding such transfer and, as a result, we no longer hold any equity interest in Shanhaiguan Terminal from September 16, 2010. As of June 30, 2013, RMB56 million of the equity transfer consideration had not been collected. We have already set aside RMB16.8 million as a provision for bad debt, which represented 30% of the uncollected amount of the above consideration as of June 30, 2013. If we were unable to collect the outstanding amount in the future, we will incur a loss recorded for bad debt. Any loss for bad debt under this arrangement or any future arrangement could adversely affect our financial position and business operations. Moreover, our accounts receivable balances are determined to be past due when the amount is overdue based on the contractual terms with the customer. We maintain an allowance for doubtful accounts to reflect the expected inability to collect accounts receivable based on past collection history and specific risks identified among uncollected accounts. Accounts receivables are written off against the allowance for doubtful accounts when we have determined that the receivable will not be collected. As of June 30, 2013, we maintained an allowance of RMB17.5 million in the aggregate. If accounts receivable from any major customers or a significant number of our customers is to increase or if we are unable to collect our accounts receivable on a timely basis, our financial position and business operations could be materially and adversely affected.

We lease a significant portion of the properties that are important to our business from the Controlling Shareholder.

As of the Latest Practicable Date, approximately 48.7% of our properties, as measured by total gross floor area (including owned and leased buildings), were leased from the Controlling Shareholder. If our Controlling Shareholder becomes unwilling to continue to lease these properties to us and if we are unable to lease other similar properties on similar commercial terms, our business operations may be adversely affected. See "Connected Transactions — Non-exempt Continuing Connected Transactions — Lease Agreement" and "Relationship with the Controlling Shareholder — Independence from the Controlling Shareholder."

In addition, as of the Latest Practicable Date, our Controlling Shareholder did not possess title certificates for approximately 48.3% of the total gross floor area of the properties that they lease to us, which accounted for approximately 23.5% of the total area of the properties we occupy. Such properties are mainly for port operations, warehousing and office space. These title defects may adversely affect our rights as lessees and we may be subject to disputes or other actions taken against us or lose the rights to continue to operate on these properties, which could materially and adversely affect our business operations.

Any changes to laws, regulations or government policies governing the port industry in the PRC may have a material adverse effect on our business and operations.

The PRC government attaches great importance to developing the port industry and has listed the industry as a priority for development. The government also works to establish a sound policy environment for those operating in the port industry. The Twelfth Five-Year Plan for National Economic and Social Development of China and the Twelfth Five-Year Plan for Transportation both require active promotion of the development of waterway transportation and improvement of the layout of sea ports and inland ports in the country.

Because of the importance that the PRC government places on the port industry, it has promulgated a number of industry regulations that affect our operations. Port operators are required to obtain licenses and to comply with stringent regulations regarding, among other things, operational management, supervision, inspection and the loading, unloading and storage of hazardous goods. If the Ministry of Transport or any other competent authority issues new regulations or implements policies that require us to adjust our operations, our business and operations could be adversely affected.

Furthermore, as a result of increased terrorist activities and security concerns, there is a global move towards stringent inspection procedures and tighter import and export controls and safety regulations. Although there are currently no specific regulations or compliance procedures that affect us in this regard, we cannot assure you that such regulations or procedures will not be introduced in the future. If any additional compliance costs we may incur in connection with any new regulations or procedures cannot be recovered through higher port fees and charges, our operating margins may be adversely affected.

Any changes to laws, regulations or government policies governing the energy industry in the PRC may have a material adverse effect on our business and operations.

We derive a majority of our revenues from transportation of coal. Coal is currently the primary source of energy in China, and therefore the coal industry is heavily regulated. As a result, any change in China's national energy polices may affect the coal industry, and hence our business.

China has been found to possess "abundant coal, insufficient oil and little gas," and thus, for the foreseeable future, coal will continue to dominate as the main energy source in China, according to Drewry. However, alternative energy sources, such as nuclear, water, solar and wind energy are developing rapidly, and the PRC government has made it a matter of national policy to conserve energy and reduce emissions. As a result, PRC's domestic demand for coal may decrease in the future. If demand for coal decreases and, as a result, our revenues derived from servicing the transportation of coal decrease, it may be difficult for us to replace these revenues with revenues derived from servicing other industries and products, and our financial position and business prospects could be materially and adversely affected.

Compliance with environmental laws and regulations may require additional capital expenditure associated with goods handled by us that could result in spills and other environmental damage.

The handling of our coal cargo may cause dust pollution, and any mishandling of oil, liquefied chemicals and other inflammables and explosives may also present certain environmental risks or damage, which could potentially subject us to administrative actions by environmental protection authorities or civil lawsuits. In addition, the construction of our port facilities may have an adverse environmental impact on the surrounding sea areas and thus subject us to more stringent governmental surveillance, inspections and regulations. For instance, we have entered into an agreement to pay a compensation of RMB11.44 million in total for potential adverse effects on fishery resources our planned construction of ore berths in the bulk cargo area in Huanghua Port might cause. Please refer to "Business — Environmental Protection" for further details.

Given the increasingly stringent environmental protection laws and regulations in the PRC and the rising environmental protection standards, we may have to make additional expenditures in order to further enhance our environmental pollution prevention, which may have an adverse effect on our financial position and business operations.

Certain types of cargo we handle in our facilities could expose us to safety and operating risks that could adversely affect our business operations and financial positions.

As some of the cargo that we handle contains dangerous chemical products, any mismanagement or improper handling of these chemicals in the course of loading, unloading, transporting and storing them could result in leaks, fires, explosions or a number of other potential safety incidents. In addition, coal, which accounted for 71.2% of the cargo we handled in 2012 by throughput, is also susceptible to spontaneous combustion and collapse risks due to differences in quality, stockpiling time, ambient temperature and extremely harsh weather, among other factors. We cannot assure you that future incidents of spontaneous combustion, or other safety-related incidents, will not cause severe damage to our operations or financial conditions. Furthermore, any improper operating procedure, machinery breakdown or other incident in the course of terminal operations may result in accidents, which may involve serious injuries, or even death, to our employees and/or the employees of our service providers. If we fail to exercise sufficient caution on safety matters, it could have a material and adverse effect upon our business operations. On August 22, 2012, one death resulted from an accident due to the improper operation by an employee of our associate company, Honggang Services, of which we hold 35% equity interest. Qinhuangdao Safety Production Supervision and Management Bureau (秦皇島市安全生產監督管理局) investigated the case and determined that the primary cause of the accident was failure to follow operational procedures by the employee of Honggang Services who caused the accident. Honggang Services and our Company were each determined to bear secondary or indirect responsibilities in the case, and each was fined RMB150,000, which have been paid in full as of the Latest Practicable Date. On December 1, 2012, an employee of a third party service provider to one of our subsidiaries, Xin'gangwan Container Co., was killed in the process of ship loading and unloading operations. Xin'gangwan Container Co. was determined to bear secondary or indirect responsibilities in the case and fined RMB150,000, which has been paid in full as of the Latest Practicable Date.

Our operations are also subject to a number of operational risks, some of which may be beyond our control. These operating risks include unscheduled machinery maintenance and critical equipment failures, which may occur from time to time to machinery and equipment that is essential to our operations such as loading and unloading equipment, mobile machineries, conveyor systems and lifting gears, as well as damages to our storage facilities caused by natural disasters and inclement weather conditions such as rain storms. Should we experience machinery and equipment damage or failure and if we are unable to make the necessary repairs or replacements in a timely manner, our operations may be temporarily disrupted or suspended, which would lead to an increase in our labor costs or result in property damage or personal injuries and harm our reputation.

Seasonal fluctuations of the coal industry may adversely affect our business.

Our results of operations are affected by the seasonal fluctuations of the coal industry. In particular, as coal consumed by our major customers is commonly used for power generation in south and east China, where electricity usage is usually highest in summer, demand for coal is normally greater during the summer months. However, as some of our operating costs are fixed in nature, our profit margins may fluctuate significantly due to seasonality and comparisons of operating results between different periods within a single financial year, or between different periods in different financial years, are not necessarily meaningful and may not be relied upon as indications of our overall performance.

We may not have sufficient insurance coverage against potential operational risks.

Our business operations involve operational risks and risks of occupational hazards that may lead to damage to or destruction of our properties or facilities, environmental damage, personal injuries and fatalities and legal expenses. As of the Latest Practicable Date, we have insurance coverage with respect to certain properties and fixed assets, third-party liabilities, vehicles, transportation and electricity supply. However, our business and results of operations may be materially and adversely affected by any potential claims that are not sufficiently covered by insurance.

We cannot guarantee that the occurrence of and the consequence resulting from any aforementioned risk or hazard can be covered adequately, or at all, by our insurance policies. If our insurance coverage does not cover adequately any loss or compensation payments we are forced to make, our financial condition may be adversely affected. Moreover, no assurance can be given that insurance to cover the risks to which our activities will be subject will continue to be available at all or at acceptable terms to us.

We may face labor shortages, increases in labor costs and labor disputes, which may materially and adversely affect our growth and results of operations

Certain aspects of our port operations are labor-intensive and our success depends in part upon our ability to attract, motivate and retain a sufficient number of qualified employees. If we face labor shortages or significant increases in labor costs as a result of changes to labor laws and regulations, increasing competition for employees, higher employee turnover rates, increases in wages or other employee benefit costs, our operating costs could increase and our results of operations may be materially and adversely affected.

In addition, in recent years there have been incidents of labor disruptions in the PRC. We cannot assure you that future labor disputes or incidents will not occur between us and our employees. If such disputes or incidents do occur, the relevant governmental authorities may assess fines against us or we may incur settlement costs in order to resolve labor disputes and become subject to higher labor costs in the future when recruiting new employees due to the reputational damage caused by labor disputes. Should this occur, it could disrupt our operations, harm our reputation and divert our management's attention, which may have a materially adverse effect on our business operations and financial condition.

Part of our net profit is derived from our associate companies or joint ventures, which are not under our control and may not take all actions that would benefit us in the future.

During the years ended December 31, 2010, 2011 and 2012, and six months ended June 30, 2013, we derived 15.65%, 15.88%, 11.11% and 5.27% of our net profit from our associate companies and joint ventures, respectively. We do not have operational control over these associate companies or joint ventures and we may not be able to control or influence their respective management and business development plans. These associate companies and joint ventures may from time to time take actions that are not consistent with our best interest or they may be operated in an ineffective or unproductive manner or managed poorly, any of which could adversely and materially affect our financial condition and business operations.

We rely on security procedures at other port facilities and by shipping companies, which may expose us to third party liabilities that are beyond our control.

We rely upon the security procedures implemented by other shipping companies and the gateway container ports to supplement our own inspection to varying degrees regarding the cargo to be transhipped. However, there can be no assurance that the cargo that passes through our port will not be affected by breaches in security or acts of terrorism, either directly or indirectly, in other areas of the supply chain. Any security breach or act of terrorism that occurs at one or more of the facilities, or at a shipping line or other port facility that has handled cargo prior to the cargo arriving at our port facilities, could subject us to significant liability, including the risk of litigation and loss of goodwill.

In addition, any major security breach or act of terrorism that occurs at our facilities or at the facilities of other port operators may result in a temporary shutdown of the port terminals and/or the introduction of additional or more stringent security measures and other regulations affecting the port industry. The costs associated with any such outcome could have a material adverse effect on our business, financial condition, results of operations and prospects.

We are currently subject to customs standards, which may be modified, and any failure by us to meet applicable requirements could harm our business.

We are required to comply with the relevant customs standards at our facilities. When any transport vehicle, including vessels, transports imported or exported cargo for international trade, such cargo needs to clear customs, and the person in charge of the vehicle must make an accurate declaration to the customs office, submit the required paperwork for examination and accept control and examination by the customs office. The vehicle for transporting imported or exported cargo for international trade may not be released from the custody of the customs office without the office's permit. Both importers and exporters must make an accurate declaration and submit the import or export licensing documents and the relevant paperwork to the customs officials for examination. In the absence of import or export licensing documents, goods subject to import or export restrictions by the PRC government will not be released. If we were to release one of these vessels or cargo before fulfilling these requirements, a penalty may be imposed upon us, and we may be subject to the confiscation of income, if any, from these illegal actions. Were we to incur such a penalty, our business, financial condition and results of operations may be harmed. Any failure by us in managing the costs involved in complying with these requirements could also have a material adverse effect on our financial condition and business operations.

If we are unable to obtain or renew our port operating permits or if any of our permits are revoked, it may adversely affect us.

In the PRC, conducting port operations requires approvals from the PRC government. Our operations are pursuant to the port operation permits issued by the relevant port authorities which will expire between 2014 and 2016. The Port Law of the PRC and other relevant regulations authorize the port authorities to impose penalties or even revoke the port operation permits if the port operator fails to fulfill certain specified requirements. We are subject to the risk that our port operating permits may be revoked or rejected for renewal by the PRC government due to various reasons. Moreover, certain of our terminals in Huanghua Port are still undergoing trial operations and we also have certain berths under construction or to be constructed. There can be no assurance that we will be able to obtain the requisite permits to operate those terminals upon completion. If we fail to obtain or renew permits required to operate these terminals, our results of operations and financial conditions may be adversely affected.

Our success significantly relies on key management members and their ability to attract and retain additional qualified management members.

The effective operation of our business depends largely upon the experience and continual efforts of our key management members. If we lose any of our key management personnel and are not able to replace them on a timely basis, or if we fail to attract and/or retain additional key personnel, our business may be disrupted and the efficiency of our operation may be adversely affected.

We are subject to litigation risk.

As of the Latest Practicable Date, we had not been involved in any litigations, arbitrations or claims of material importance save for the claim filed against our Controlling Shareholder and our Company, by the Port Construction Command of Shanxi Province in Qinhuangdao ("Shanxi Port Construction Command") (山西省駐秦皇島建港指揮部) in April 2011. In respect of this claim, our Controlling Shareholder issued an undertaking to us on April 16, 2012 confirming that it will indemnify us against any liabilities arising from the matter. See "Business — Regulatory Compliance and Legal Proceedings." However, should our Controlling Shareholder fail or be unable to perform its undertaking, we may need to bear the full claim amount of RMB144,884,000 and other relevant expenses. In such an event, our reputation and financial condition could be adversely affected.

Power shortages in the PRC could adversely affect our business operations.

Our terminals consume substantial amounts of electricity. Certain parts of the PRC have been subject to power shortages. As of the Latest Practicable Date, our terminals have not experienced any serious power shortages. Nevertheless, there is no assurance that our terminals will not experience any power shortages in the future. Any power shortage, brownout or blackout for a significant period of time may have an adverse impact on our business operations.

RISKS RELATING TO DOING BUSINESS IN THE PRC

Currently, substantially all of our assets are located in the PRC and substantially all of our revenue is derived from the PRC. Hence, our business operations and prospects are to a large extent affected by the economic, political, social and legal conditions and developments in the PRC.

Changes in the economic, political or social conditions in the PRC and policies adopted by the PRC government could materially and adversely affect our business.

Substantially all of our assets are located in and substantially all of our revenue is derived from the PRC. As a result, our financial condition and results of operations are to a large extent influenced by the economic, political and social conditions and development and the government policies of the PRC. Although the PRC economy has been transitioning from a planned economy to a more market-oriented economy for more than three decades, certain portion of assets are still owned or controlled by state-owned enterprises or the PRC government. The PRC government also exercises significant control over the economic growth of the PRC through allocating resources, controlling foreign exchange, setting monetary policy and providing preferential treatments to particular industries or companies. In recent years, the PRC government has implemented economic reform measures emphasizing the use of market forces to drive economic development. These economic reform measures may be adjusted, modified or applied inconsistently from industry to industry, or across different regions of the country. As a result, some of these measures may benefit the overall PRC economy, but some of them may have negative effect on the industries in which we and our clients operate and subsequently our business. The PRC economy has been one of the world's fastest growing, as measured by GDP growth in recent years. However, there can be no assurance that the PRC economy will be able to sustain such growth rate, and the PRC GDP growth has experienced a slowdown in recent years. In 2008, the PRC economy experienced a slowdown in growth primarily as a result of the global financial crisis and economic downturn. To stimulate the growth of the PRC economy, the PRC government implemented various monetary and other economic measures to expand investment in infrastructure, increase liquidity in the credit markets and create more employment opportunities. However, there is no assurance that another financial crisis or economic downturn will not occur. Substantially all of our revenue during the Track Record Period was attributable to sales made within the PRC. As such, our future success is substantially dependent on economic, political and social conditions in the PRC. Any adverse changes in the PRC's political and social conditions and any slowdown or recession of the PRC economy could have a material and adverse effect on our business, financial condition, results of operations and prospects.

We face foreign exchange risk, and fluctuations in exchange rates could have a material and adverse effect on our business and investors' investment.

The value of the Renminbi against the U.S. dollar and other currencies fluctuates and is affected by, among other things, changes in PRC and international political and economic conditions and the PRC government's fiscal, monetary and currency policies. Since 1994, the conversion of Renminbi into foreign currencies, including Hong Kong and U.S. dollars, has been based on rates set by the PBOC, which are set daily based on the previous business day's inter-bank foreign exchange market rates and current exchange rates in the world financial markets. From 1994 to July 10, 2005, the official exchange rate for the conversion of Renminbi to U.S. dollars was generally stable. On July 21, 2005, the PRC government adopted a more flexibly managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band that is based on market supply and demand and reference to a basket of currencies. From July 21, 2005 to December 31, 2009, the value of the Renminbi appreciated by approximately 21.2% against the U.S. dollar. In August 2008, the PRC revised the PRC Foreign Exchange Administration Regulations to promote the reform of its exchange rate regime. On June 19, 2010, the PBOC announced that the PRC government would reform the Renminbi exchange rate regime and increase the flexibility of the exchange rate.

The recent change in the PRC currency policy has resulted in the appreciation of the Renminbi against the U.S. dollar from approximately RMB6.83 to US$1 on December 31, 2008 to approximately

RMB6.29 to US$1 on December 31, 2012. We cannot assure you that such exchange rate will remain stable against the U.S. dollar or other foreign currencies.

The fluctuations in the Renminbi exchange rate against other currencies could have a material impact on our results of operations. A depreciation of Renminbi could increase our costs of purchasing imported equipment and components, as such depreciation would require us to convert more Renminbi to obtain the equivalent foreign currency necessary to tender payment. On the other hand, an appreciation of Renminbi may cause the prices of our services denominated in other currencies to increase and may affect our strategy to market our services overseas.

Moreover, we will need to convert part of the proceeds denominated in foreign currencies from the Global Offering into Renminbi. The appreciation of the Renminbi against the Hong Kong dollar could reduce the amount of Renminbi that would be available for our use upon conversion of such proceeds to Renminbi. We cannot predict how the Renminbi will fluctuate in the future. As a result, the fluctuation in the exchange rate between the Renminbi and other currencies could have a material and adverse effect on our business, financial condition and results of operations.

The PRC government's control of foreign currency conversion may limit our foreign exchange transactions, including dividend payments on our H Shares.

Currently, Renminbi still cannot be freely converted into any foreign currency, and conversion and remittance of foreign currencies are subject to PRC foreign exchange laws and regulations which would affect exchange rates and our foreign exchange transactions. We cannot guarantee that under a certain exchange rate, we will have sufficient foreign exchange to meet our foreign exchange requirements. Under the current PRC foreign exchange control system, foreign exchange transactions under the current account conducted by us, including the payment of dividends, do not require prior approval from the SAFE, but we are required to present documentary evidence of such transactions and conduct such transactions at designated foreign exchange onshore banks that have the licenses to carry out foreign exchange business. As a result, following the completion of the Global Offering, we will be able to pay dividends in foreign currencies without prior approval from the SAFE by complying with certain procedural requirements. Our foreign exchange transactions under the capital account, however, must be approved in advance by the SAFE.

There can be no assurance that the policies regarding foreign exchange transactions under the current account and the capital account will continue in the future. In addition, these foreign exchange policies may restrict our ability to obtain sufficient foreign exchange, which could have an effect on our foreign exchange transactions and the fulfillment of our other foreign exchange requirements. If there are changes in the policies regarding the payment of dividends in foreign currencies to shareholders or other changes in foreign exchange policies resulting in insufficient foreign exchange, our payment of dividends in foreign currencies may be affected. If we fail to obtain approval from the SAFE to convert Renminbi into any foreign exchange for foreign exchange transactions, our capital expenditure plans, and even our business, financial condition and results of operations, may be adversely affected.

Payment of dividends is subject to restrictions under PRC laws.

Under PRC laws, dividends may be paid only out of distributable profits. Distributable profits are our net profit as determined under PRC GAAP or IFRS, whichever is lower, less any recovery of accumulated losses and appropriations to statutory and other reserves that we are required to make. As a result, we may not have sufficient or any distributable profits to enable us to make dividend distributions to our shareholders in the future, including periods for which our financial statements indicate that our operations have been unprofitable. Any distributable profits that are not distributed in a given year may be used in other operational purposes or retained and available for distribution in subsequent years. Under the current PRC tax laws, regulations and applicable tax treaties, the payment of dividends to a non-PRC resident shareholder is subject to withholding tax.

The PRC legal system is still evolving and there are inherent uncertainties as to interpretation and implementation of laws, which could limit legal protections available to us and to our Shareholders.

Our Company and all of our operating subsidiaries are incorporated in the PRC, and substantially all of our business is operated in the PRC. These entities and operations must therefore comply with the applicable PRC laws. The PRC legal system is based on written statutes and various administrative regulations and policy decrees. Prior court decisions or rulings may be cited for reference in courts and administrative proceedings but have limited precedential value. Since the 1970s, the PRC government has been committed to developing and refining its legal system and has achieved significant progress in its laws and regulations governing economic matters such as shareholders' rights, foreign investment, company organization and management, business, taxation and trade. However, PRC laws and regulations are still evolving, and because of the limited number and non-binding nature of published cases, there exist uncertainties about the interpretation and implementation of PRC laws and regulations. Depending on the government authority or how an application or case is presented to such authority, we may receive less favorable interpretations of laws and regulations than our competitors, or we may receive interpretations that are inconsistent with our interpretations. These uncertainties may impede our ability to enforce the contracts we have entered into with our clients, suppliers and other business partners. We cannot predict the effect of future developments in the PRC legal system, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, the conflicts of local regulations and national laws. These uncertainties may limit legal protections available to us. In addition, any litigation in the PRC may be protracted, thus resulting in substantial costs and diversion of resources and management attention and having a material adverse effect on our business, prospects, financial condition and results of operations.

It may be difficult to effect service of process upon, or to enforce any judgments obtained outside the PRC against us, our Directors, or our senior management members who reside in the PRC.

Except for one non-executive independent Director, all of our existing Directors and senior management members reside in the PRC and substantially all of our assets and the assets of such persons are located in the PRC. Accordingly, it may be difficult for investors to effect service of process from other countries or territories upon us or those persons in the PRC. In addition, the enforcement of foreign judgments in the PRC involves uncertainty. If there exists a treaty providing for the reciprocal enforcement of judgment of courts between an overseas jurisdiction and the PRC, or a similar judgment made by a foreign court has been recognized in the PRC before, the judgment made in the foreign jurisdiction might be recognized and enforced in the PRC. However, recognition and enforcement in the PRC of judgments of certain overseas courts in relation to any matter not subject to a binding jurisdiction provision may be difficult or impossible.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior public market for our H Shares. The trading volume and market price of the H Shares following the Global Offering may be volatile.

Prior to the Global Offering, there was no public market for our H Shares. The initial offer price range to the public for our H Shares was the result of negotiations between us (for ourselves and on behalf of the Selling Shareholders) and the Joint Global Coordinators (for themselves and on behalf of the Underwriters), and the market price for our H Shares following the Global Offering may differ significantly from the Offer Price. We have applied to list and deal in our H Shares on the Hong Kong Stock Exchange. However, the Global Offering does not guarantee that an active liquid public trading market for our H Shares will develop. In addition, the price and trading volumes of the H Shares may be volatile. Factors such as variations in our revenue, earnings and cash flows or any other developments of our Company may affect the volume and price at which the H Shares will be traded.

Future sales or perceived sales of substantial amounts of our securities in the public market could have a material adverse effect on the prevailing market price of our H Shares and our ability to raise capital in the future.

The market price of our H Shares could decline as a result of future sales of substantial amounts of our H Shares or other securities relating to our H Shares in the public market. Future sales, or perceived sales, of substantial amounts of our securities could also materially and adversely affect our ability to raise capital in the future at a time and at a price which we deem appropriate.

A certain amount of our Shares currently outstanding will be subject to contractual and/or legal restrictions on resale for a period of time after completion of the Global Offering. See "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Undertakings to the Hong Kong Stock Exchange pursuant to the Hong Kong Listing Rules." After these restrictions lapse or if they are waived or breached, future sales, or perceived sales, of substantial amounts of our Shares, or the possibility of such sales could negatively impact the market price of our H Shares and our ability to raise equity capital in the future.

Our Domestic Shares immediately after the Global Offering will amount to 4,199,559,000 Shares, representing approximately 83.50% of our total issued share capital assuming the Over-allotment Option is not exercised (or approximately 4,188,243,000 Shares, representing approximately 81.44% of our total issued share capital assuming the Over-allotment Option is exercised in full). The H Shares issued and sold under the Global Offering will amount to 829,853,000 H Shares, representing approximately 16.5% of our total issued share capital assuming the Over-allotment Option is not exercised (or 954,330,000 H Shares, representing approximately 18.56% of our total issued share capital assuming the Over-allotment Option is exercised in full). The H Shares to be converted from Domestic Shares and sold by the Selling Shareholders under the Global Offering will amount to 75,441,000 H Shares, representing approximately 1.50% of our total issued share capital assuming the Over-allotment Option is not exercised (or approximately 86,757,000 H Shares, representing approximately 1.69% of our total issued share capital assuming the Over-allotment Option is exercised in full).

In addition, subject to the approval of the State Council securities regulatory authority, our Domestic Shares may be converted into H Shares, and such converted Shares may be listed or traded on an overseas stock exchange. Any listing or trading of the converted Shares on an overseas stock exchange shall also comply with the regulatory procedures, rules and requirements of such stock exchange. No class shareholder voting is required for the listing and trading of the converted Shares on an overseas stock exchange. However, the PRC Company Law provides that in relation to the public offering of a company, the shares of that company which are issued prior to the public offering shall not be transferred within one year from the date of the listing. Therefore, upon obtaining the requisite approval, shares currently held on our Domestic Share register may be traded, after the conversion, in the form of H Shares on the Hong Kong Stock Exchange after one year of the Global Offering, which could further increase the supply of our H Shares in the market and could negatively impact the market price of our H Shares.

Future issuance of new H Shares or issuance of securities in other public markets 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.

Our Shareholders may experience dilution in their holdings to the extent we issue additional securities in future offerings. We submitted to the CSRC an application for the initial public offering of the Company's A shares in the PRC in September 2010 and submitted an application with the CSRC to suspend the review of our A share offering process in September 2013 in light of this Global Offering. We will comply with the Hong Kong Listing Rules and will not issue A shares or any other securities of the Company within the six months following the Global Offering. The market price of our H Shares could decline as a result of future issuance of additional H Shares or other securities, or the perception that such sales or issuances may occur. In addition, our shareholders may experience dilution in their holdings to the extent we issue additional securities in future offerings.

We may experience a decrease in our net return on equity as a result of the Global Offering.

Following the completion of the Global Offering, the amount of net assets that we carry on our balance sheet will increase dramatically. It may take a significant period of time before the projects for which we intend to use the proceeds from the Global Offering are completed, operational and begin generating revenues. Therefore, our net return on equity may decrease following the Global Offering.

There can be no assurance if and when we will pay dividends in the future.

Our ability to pay dividends will depend on whether we are able to generate sufficient earnings. Distribution of dividends shall be formulated by our Board at their discretion and will be subject to shareholders' approval. A decision to declare or to pay any dividends and the amount of any dividends will depend on various factors, including but not limited to our results of operations, cash flows and financial condition, operating and capital expenditure requirements, distributable profits as determined under PRC GAAP or IFRS (whichever is lower), our Articles of Association, the PRC Company Law and any other applicable PRC laws and regulations, market conditions, our strategic plans and prospects for business development, contractual limits and obligations, payments of dividends to us by our operating subsidiaries, taxation, regulatory restrictions and any other factors determined by our Board of Directors from time to time to be relevant to the declaration or suspension of dividend payments. As a result, although we have paid dividends in the past, there can be no assurance whether, when and in what form we will pay dividends in the future. Subject to any of the above constraints, we may not be able to pay dividends in accordance with our dividend policy. See "Financial Information — Dividend Policy" for more details of our dividend policy.

Because the Offer Price per H Share is higher than the net tangible book value per H Share, purchasers of our H Shares in the Global Offering will experience immediate dilution.

The Offer Price of our H Shares is higher than the net tangible book value per Share of our H Shares immediately prior to the Global Offering. Therefore, purchasers of our H Shares in the Global Offering will experience an immediate dilution in pro forma net tangible assets value of HK$2.80 per H Share (assuming an Offer Price of HK$5.98 per H Share, being the approximate mid-point of our Offer Price range of HK$5.25 to HK$6.70 per H Share, and no exercise of the Over-allotment Option) and existing Shareholders will receive an increase in the net tangible book value per share of their H Shares. If we issue additional H Shares in the future, purchasers of our H Shares may experience further dilution.

Our H Shares may be subject to cancellation or disciplinary proceedings if there is a breach by us of the Hong Kong Listing Rules or any undertakings which may have been given in favor of the Hong Kong Stock Exchange.

Upon the Listing, we will be required to comply with applicable laws and regulations in Hong Kong (including the Hong Kong Listing Rules) and any other undertakings which have been given in favor of the Hong Kong Stock Exchange from time to time. If the Listing Committee finds that there has been a breach by us of, or any circumstance which causes us to breach, the Hong Kong Listing Rules or such other undertakings which may have been given in favor of the Hong Kong Stock Exchange from time to time, the Listing Committee may instigate cancellation or disciplinary proceedings in accordance with the Hong Kong Listing Rules.

Investors should not rely on any information contained in press articles or other media regarding us and the Global Offering.

Prior to the publication of this prospectus, there may be press and media coverage regarding our Company and the Global Offering. Such press and media coverage may include references to certain events or information that do not appear in this prospectus, including certain operating and financial information and projections, valuations and other information. We will not authorize the disclosure of any such information in the press or media nor will we accept responsibility for any such press or media coverage or the accuracy or completeness of any such information. We will make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent such statements are inconsistent with, or conflict with, the information contained in this prospectus, we will disclaim responsibility for them.

Accordingly, prospective investors should not rely on any such information and should only rely on information included in this prospectus in making any decision as to whether to purchase our H Shares.

The industry statistics and forward-looking information contained in this prospectus may not be accurate, reliable or fair.

Statistical and other information relating to the PRC and our industry contained in the section headed "Industry Overview" in this prospectus have been compiled partly from various publicly available PRC official government publications as well as industry report we commissioned from independent industry advisor. We believe that the sources of such information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. However, we cannot guarantee the quality of such source materials. Moreover, statistics derived from multiple sources may not be prepared on a comparable basis. Neither the Underwriters nor any of their affiliates or advisers, nor we or any of our affiliates or advisers have verified the accuracy of the information contained in such sources. We make no representation as to the accuracy of the information contained in such sources, which may not be consistent with other information compiled within or outside the PRC. Accordingly, the industry information and statistics contained herein may not be accurate and should not be unduly relied upon for your investment in our Company or otherwise.

This prospectus contains certain forward-looking statements and information relating to us and the subsidiaries comprising our Group that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this prospectus, the words "anticipate," "believe," "could," "estimate," "expect," "going forward", "future", "prospective", "intend," "may," "ought to," "plan," "project," "seek," "should," "will," "would" and similar expressions, as they relate to our Company or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our Company's management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known or unknown risks and uncertainties. The risks and uncertainties facing our Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our business prospects;
- our future debt levels and capital needs;
- future developments, trends and conditions in the industries and markets in which we operate;
- our strategy, plans, objectives and goals;
- general economic conditions;
- changes to regulatory and operating conditions in the industries and markets in which we operate;

- our ability to reduce costs;
- our dividend policy;
- projects under construction or planning;
- our capital expenditure plans;
- the amount and nature of, and potential for, future development of our business;
- capital market developments;
- the actions and developments of our competitors; and
- certain statements in the section headed "Financial Information" in this prospectus with respect to trends in prices, volumes, operations, margins, overall market trends, risk management and exchange rates.

Subject to the requirements of the Hong Kong Listing Rules, we do not intend to publicly update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this prospectus are qualified by reference to this cautionary statement.