

OVERVIEW

The management of our business and affairs is supervised by our Board of Directors, which consists of 12 members. The functions and authorities of the Board include, among other things:

- (a) convening shareholders' meetings and reporting its work to shareholders' at such meeting;
- (b) implementing shareholders' resolutions;
- (c) making decisions on our business plans and investment proposals;
- (d) reviewing and approving annual financial budgets and final accounts;
- (e) formulating profit distribution plans;
- (f) formulating proposals relating to the increase or reduction of our Company's registered capital, the issuance of bonds or other securities and listing plans;
- (g) formulating proposals for material acquisitions, share repurchases by our Company, or mergers, divisions, dissolutions or transformations;
- (h) making decisions on internal and external investment, assets disposal and acquisition, asset mortgage, external guarantee, entrusted financing, and connected transactions within the scope authorised in the shareholders' general meetings of our Company;
- (i) deciding on internal management structure;
- (j) proposing the appointment or dismissal of our Reporting Accountants at shareholders' general meetings of our Company; and
- (k) exercising other powers authorised at the shareholders' general meeting of our Company or by the Articles of Association.

DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS AND SENIOR MANAGEMENT

The following table sets forth information regarding our Directors and senior management.

Name	Age	Position
Directors		
Thomas H. QUINN	62	Executive Director and Chairman of the Board
Kee-Kwan Allen CHAN	57	Executive Director
Kwong Ming Pierre TSUI	45	Executive Director
Yinghui WANG	53	Executive Director
Youming YE	50	Executive Director
Rubo LI	52	Non-executive Director
John W. JORDAN II	62	Non-executive Director
Lisa M. ONDRULA	40	Non-executive Director
Yiming HU	46	Independent Non-executive Director
Xuezheng WANG	60	Independent Non-executive Director
Zhenduo YUAN	67	Independent Non-executive Director
Fung Man, Norman WAI	61	Independent Non-executive Director
Senior Management		
Kee-Kwan Allen CHAN	57	Chief Executive Officer
Kwong Ming Pierre TSUI	45	Chief Financial Officer
Yinghui WANG	53	President
Zhongfeng LI	43	Vice President of Strategic Development and Human Resources
Zishan LI	57	Vice President of Sales
Xu GUO	52	Vice President of Marketing
Chunzhao ZHANG	61	Chief Executive Officer of Jiamusi Machinery
Wenbin WANG	57	President of Jiamusi Machinery
Hengjun QI	46	President of Jixi Machinery

The business address of each Director and senior management member is 3rd floor, Tower A, Aimer Plaza, Wangjing Development Zone, Chaoyang District Beijing 100102, the People's Republic of China.

A description of the business experience and present position of each of our Directors and senior management members is provided below.

Directors

Executive directors

Mr. Thomas H. QUINN, 62, is our executive Director and the Chairman of the Board of our Company. He has also been a director of Jiamusi Machinery and Jixi Machinery since May 2006 and a director of Huainan Longwall since June 2007. Mr. Quinn has served as our Director since April 2006. Mr. Quinn has also been a managing principal of The Jordan Company, L.P. (a New York based private investment firm) since September 2001. Mr. Quinn has over 30 years of experience in operations management in the machinery manufacturing industry. He established the Operations Management Group for The Jordan Company, L.P. in 1988 and continues to lead the U.S. and China Operation Management Group teams as well as leading The Jordan Company, L.P.'s investments in various companies. Mr. Quinn has served as director of several portfolio companies

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of The Jordan Company, L.P., including Healthcare Product Holdings Inc. since September 1998, Sensus Metering Systems, Inc. since December 2003, Jordan Specialty Plastics Inc. since February 1998, Service Logic LLC since September 2007, WCT Holdings, Ltd. since October 2007, Harrington Holdings, Inc. since January 2006 and Wound Care Solutions, LLC since October 2006. Since June 1988, he has been the president of Jordan Industries, Inc., whose diverse group of subsidiaries are engaged in numerous businesses such as the manufacture of heavy-duty transmissions for industrial equipment and the manufacture of transmissions and torque converters for the automotive aftermarket industry. Mr. Quinn was also the group vice president for Baxter International, Inc. from November 1985 to May 1987. Since December 2006, he has also been the chairman of ETX Inc., which manufactures parts for the U.S. auto and heavy-duty truck equipment businesses. Mr. Quinn obtained a Bachelor of Arts degree in Economics from the University of Notre Dame, U.S. in 1969, and attended the Graduate School of Economics of Cornell University, U.S. from 1969-1970. Mr. Quinn was appointed as our Director on 12 April 2006.

Mr. Kee-Kwan Allen CHAN (陳其坤), 57, is our Chief Executive Officer and executive Director. He is responsible for the Group's overall business development, strategic planning and daily operation of our Company. He is also responsible for the overall corporate development and the internal management system of our Group. Mr. Chan joined The Jordan Company, L.P. as the President of Operation in January 2006 and our Company in May 2006, and has been with our Company ever since. Mr. Chan has also served as a director of Jiamusi Machinery and Jixi Machinery since May 2006, and Huainan Longwall since June 2007. Mr. Chan has over 27 years of experience in the machinery manufacturing industry. Prior to joining our Company, he has held management positions in various industrial companies: he was the president at GET Manufacturing, Inc. from October 1996 to March 1998; president of Asia Pacific of Ingersoll-Rand Company and chairman of Ingersoll-Rand (China) Investment Ltd. from March 1999 to September 2004; and president for SIRVA Asia Pacific Pty Ltd. from October 2004 to December 2005. Mr. Chan obtained a Bachelor of Science degree in Mechanical Engineering from University of Lowell, U.S. in 1977, and a Master of Science degree in Mechanical Engineering from the Massachusetts Institute of Technology, U.S. in 1979. Mr. Chan was appointed as our Director on 16 May 2006.

Mr. Kwong Ming Pierre TSUI (徐廣明), 45, is our Chief Financial Officer and executive Director. He is responsible for financial aspects of our Company including overseeing all finance and accounting issues for our Group, overall strategic financial planning and analysis for our Group and supervising the implementation of the annual, quarterly and monthly financial plans of our Group. Mr. Tsui has been with our Company since April 2006. He has also been the chief financial officer of Jixi Machinery and Jiamusi Machinery since May 2006. He is a member of the Hong Kong Institute of Certified Public Accountants since 1995 and the American Institute of Certified Public Accountants since 1995. Mr. Tsui obtained a Bachelor's degree in Accounting and Finance from University of Lancaster, United Kingdom in 1990, a Bachelor of Laws degree from University of Wolverhampton, United Kingdom in 1999, a Master's degree in Accounting and Finance from the London School of Economics & Political Science, United Kingdom in 1999 and a Master's degree in Business Administration from University of Southern California, U.S. in 2009. Mr. Tsui was appointed as our Director on 24 January 2010.

Mr. Yinghui WANG (王穎輝), 53, is our President and executive Director. He is responsible for our Group's overall business development. He is also responsible for devising the annual plan and

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financial budget and making recommendations on significant investments of our Group. Mr. Wang joined our Company in May 2006. He has also served as a director of Jiamusi Machinery and Jixi Machinery since May 2006. Mr. Wang was the Vice President of our Company from May 2006 to May 2008. Mr. Wang has over 30 years of experience in the mining equipment machinery manufacturing industry. Prior to joining our Company, Mr. Wang served as a senior engineer and manager of the cast steel workshop of the predecessor of Jixi Machinery from August 1980 to February 1995. He was the chief economist of the predecessor of Jixi Machinery from February 1995 to February 1998. Mr. Wang was the plant manager of the predecessor of Jiamusi Machinery from February 1998 to November 2000. Mr. Wang was the general manager of HCMMG from November 2000 to May 2006. Mr. Wang obtained a Bachelor's degree in Engineering from Heilongjiang Mining Institute (黑龍江礦業學院), PRC in April 1989. Mr. Wang is a senior engineer. Mr. Wang was appointed as our Director on 24 January 2010.

Mr. Youming YE (葉有明), 50, is our executive Director. Mr. Ye has served as our Director since May 2006. Mr. Ye has also been a director of Jiamusi Machinery and Jixi Machinery since May 2006 and a director of Huainan Longwall since June 2007. Mr. Ye began his career with one of the affiliates of The Jordan Company, L.P. in 1995. He is currently responsible for, among other things, all of The Jordan Company, L.P.'s business development and sourcing activities in China and the Far East. He also has a key role in leading negotiations, due diligence, corporate governance and post-investment integration efforts for all The Jordan Company, L.P.'s investments in China and Asia. Mr. Ye has over 14 years of experience in operation management in the machinery manufacturing industry. From January 1995 to March 2004, he was the vice president and a director of international business at Jordan Industries, Inc., whose diverse group of subsidiaries are engaged in numerous businesses such as the manufacture of heavy-duty transmissions for industrial equipment and the manufacture of transmissions and torque convertors for the automotive aftermarket industry. He has also been a director of Kinetek De Sheng (Foshan) Motor Co., Ltd. since April 2002. Mr. Ye obtained a Bachelor of Arts degree from Amoy University, PRC in 1984, a Master of Business Administration in Marketing from Arizona State University, U.S. in 1994, and a Master of International Management in International Finance degree from American Graduate School of International Management (Thunderbird), U.S. in 1994. Mr. Ye was appointed as our Director on 16 May 2006.

Non-executive directors

Mr. Rubo LI (李汝波), 52, is our non-executive Director. Mr. Li is also a director of Jiamusi Machinery, Jixi Machinery and Huainan Longwall. He has been our Director since May 2006. Mr. Li is one of our founders and our former Vice Chairman. He has been engaged as a consultant to our Company pursuant to a consulting agreement (as amended) since 16 May 2006. Mr. Li has over 12 years of experience in operation management in the mining equipment machinery manufacturing industry and over seven years of experience in the coal mining industry. He was a mining engineer in the infrastructure construction department of China National Coal Ministry (中國煤炭工業部) from 1982 to 1985. From June 1996 to June 2006, he was the chairman and chief executive officer of G.F. Transnational Inc. and invested in a number of concrete plank companies, concrete enterprises and a block machine manufacturer. Mr. Li also has served as chairman and chief executive officer of GFT Group Holding Limited since 1998. Mr. Li is a director of Mining Machinery Limited, a company incorporated in Mauritius, which controlled 100% equity interest in Zhengzhou Siwei through its wholly-owned subsidiary HK Siwei. Mr. Li is also a shareholder with

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59.7% equity interest of Jiaozuo Metech Mechanical Manufacturing Co., Ltd. (焦作美泰科機械製造有限公司). Mr. Li obtained a Bachelor's degree in Surface Mining from Fuxin Mining Institute, PRC (currently known as Liaoning Technical University) in 1981, and a Master's degree in Mining Engineering from South Dakota School of Mines, U.S. in 1998. Mr. Li was appointed as our Director on 16 May 2006.

Mr. John W. JORDAN II, 62, is our non-executive Director. He has served as our Director since May 2006. Mr. Jordan is the founder, chairman and one of the managing principals of The Jordan Company, L.P. which is the manager of The Resolute Fund, L.P. Mr. Jordan has over 20 years of experience in operations management in the machinery manufacturing industry. He has served as a director of several portfolio companies of The Jordan Company, L.P., including Sensus Metering Systems, Inc. since December 2003, TAL International Group, Inc. since November 2004, and Wound Care Solutions, LLC since October 2006. Since May 1988, he has been the chairman and chief executive Officer of Jordan Industries, Inc., whose subsidiaries have been engaged in numerous businesses such as the manufacture of heavy-duty transmissions for industrial equipment and the manufacture of transmissions and torque convertors for the automotive aftermarket industry. He has been a director of Kinetek, Industries Inc. since November 2006. He remains involved in the U.S. auto and heavy-duty truck equipment businesses through his directorship in ETX Inc. Mr. Jordan currently serves as a director of over 20 public, private and philanthropic organisations, including the Lyric Opera and the Art Institute of Chicago. Mr. Jordan is a Trustee of the University of Notre Dame serving as Chairman of the Investment Committee. Mr. Jordan obtained a Bachelor of Arts degree in Business Administration from University of Notre Dame, U.S. in 1969, and attended the Graduate School of Business of Columbia University, U.S. from 1971 to 1973. Mr. Jordan was appointed as our Director on 16 May 2006.

Ms. Lisa M. ONDRULA, 40, is our non-executive Director. She is the chief financial officer of Jordan Industries, Inc., an affiliate of The Jordan Company, L.P. as well as a member of the Operations Management Group of The Jordan Company, L.P. Ms. Ondrula has been with Jordan Industries, Inc. for over 15 years and has extensive experience in financial reporting and analysis, debt offerings, acquisition and divestitures, treasury functions and both public and private audit and reporting requirements. Ms. Ondrula oversees the U.S. based reporting for numerous portfolio companies of Jordan Industries, primarily in the manufacturing, industrial and commercial products sectors, and for The Jordan Company including the reporting for our Group. Prior to her employment at Jordan Industries, Ms. Ondrula worked for Ernst & Young LLP in their audit practice, focusing on manufacturing clients with additional experience in corporate reporting and Securities and Exchange Commission filings. Ms. Ondrula earned a Bachelor of Science degree in Accounting from Miami University in Oxford Ohio, U.S. in 1991, and is a Certified Public Accountant. Ms. Ondrula was appointed as our Director on 24 January 2010.

Independent non-executive directors

Dr. Yiming HU (胡奕明), 46, is our independent non-executive Director. Dr. Hu is currently a professor of accounting and finance of Antai College of Economics & Management and the director of the Company Financial Research Centre of Antai College of Economics & Management at the Shanghai Jiao Tong University, PRC since January 2005. Dr. Hu has more than 20 years of experience in accounting. Dr. Hu was a research assistant in the Computer Centre at Xiamen University, PRC from September 1988 to April 1991, lecturer of the Accounting Department at the

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School of Management of Xiamen University, PRC from April 1991 to September 1997, associate professor of the MBA Centre of the School of Management at Xiamen University, PRC from September 1997 to September 1999 and supervisor of Ph.D. students of the School of Accountancy from September 2001 to January 2005 at the Shanghai University of Finance and Economics, PRC. Dr. Hu has been an administrative officer of the China Society for Finance and Banking (中國金融學會) since May 2005, a member of the Accounting Committee of the Asia Pacific Management Association (亞太管理會計指導委員會) since April 2006, and a member of the Professional (Finance and Accounting) Committee of the Chinese Accounting Society (中國會計學會專業委員會(金融會計)) since February 2008. Dr. Hu obtained a Bachelor of Science degree in Chemistry from Xiamen University, PRC in 1985 and a Ph.D. degree in Management/Accounting from Xiamen University, PRC in 1998. Dr. Hu was appointed as our independent non-executive Director on 24 January 2010.

Dr. Xuezheng WANG (王學政), 60, is our independent non-executive Director. Dr. Wang took various positions in the Bureau of Administration of Industry and Commerce (國家工商管理管理局), including director of Administration and Research Division from February 1987 to October 1988, director of Regulation Department (政策法規司) from November 1988 to April 1990, and vice-chief of Laws and Regulation Department (條法司) from May 1990 to June 1994. He was the chief of Department of Law (法制司) and Department of Market Regulation (法規司) in State Administration of Industry and Commerce (國家工商管理總局) respectively from July 1994 to September 2009. Dr. Wang also held positions in various academic and research institutions, including the vice-president of Civil Law Department of China Law Society (中國法學會民法學會) from August 2004 to present, researcher of Public Law Centre in Beijing University, PRC (北京大學公法研究中心), researcher of Development Strategy and Regional Economy Department of the State Council Research Centre (國務院發展研究中心世界發展研究所), and the committee member of the Expert Consultants Committee of the State Council on the Reform of the Administrative Examination and Approval System (國務院行政審批制度改革專家諮詢組). Dr. Wang retired from his government position in September 2009. Dr. Wang obtained a Bachelor of Science degree in English from Xibei Normal University, PRC in 1982, a Master degree of Laws in Civil Law from Jilin University, PRC in 1984, a certificate of World Intellectual Property Organisation Academy in 1994, and a Ph.D. degree in Constitutional and Administrative Law from Beijing University, PRC in 2000. Dr. Wang was appointed as our independent non-executive Director on 24 January 2010.

Mr. Zhenduo YUAN (苑振鐸), 67, is our independent non-executive Director. Mr. Yuan has more than 30 years of experience in the coal mining industry. He served various positions in the Liaoning Province Nanpiao Mining Affairs Bureau (遼寧省南票礦務局) during the period from September 1961 to December 1983, starting from a technician, engineer, deputy head and concluding as the head of the Liaoning Province Nanpiao Mining Affairs Bureau from August 1980 to December 1983. Mr. Yuan was the deputy general manager of Northeast Inner Mongolia Coal Mining Industry Allied Company (東北內蒙古煤炭工業聯合公司) from March 1984 to March 1994, and the director-general of the Liaoning Province Coal Industry Administrative Bureau (遼寧煤炭工業管理局) and the Liaoning Administrative Bureau of Coal Mine Safety (遼寧省煤礦安全監察局) from April 1994 to February 2002. From March 2002 to April 2008, Mr. Yuan was the standing committee member of the Liaoning Province's Political Consultative Conference (中國人民政治協商會議遼寧省委員會). Mr. Yuan graduated from a mining course at the Liaoning Province Beipiao High Level Professional

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College (遼寧省北票高等職業學校) in 1961, and from the Beijing Coal Mining Administrators College (北京煤炭管理幹部學院) completing the course in Political Work Management in July 1986. Mr. Yuan is a senior engineer and enjoys special government allowance of the State Council. Mr. Yuan was appointed as our independent non-executive Director on 24 January 2010.

Dr. Fung Man, WAI (衛鳳文), 61, is our independent non-executive Director. Since November 2007, Dr. Norman Wai has been the managing director of New World Telecommunications Limited (NWT), a wholly-owned subsidiary of New World Development Company Limited (stock code: 17). Dr. Wai is also a director of CSL New World Mobility Limited, and a member of its remuneration committee as well as audit committee. Dr. Wai was an executive director and chief executive officer of New World Mobile Holdings Limited, a Hong Kong listed company (Stock Code: 862) from July 2004 to February 2007. He was also the president and chief executive officer of New World PCS Ltd. During July 2000 to June 2004 and the executive director of New World TMT from January 2003 to March 2006. He is also the managing director of a fast-growing biotechnology company in Asia Pacific. Dr. Wai is a veteran with over 40 years of solid experience in telecommunications. He held senior executive positions of various telecommunications companies in Europe, Canada and Hong Kong. Dr. Wai graduated and obtained a Master of Science and a Doctor of Philosophy degrees from the University of Manchester, United Kingdom in December 1976 and March 1979 respectively. He is a Chartered Engineer and a Fellow of The Institution of Engineering and Technology, United Kingdom. Mr. Wai was appointed as our independent non-executive Director on 24 January 2010.

Senior Management

Mr. Kee-Kwan Allen CHAN (陳其坤) was our Chief Executive Officer between 16 May 2006 and 17 October 2007 and was reappointed as our Chief Executive Officer on 6 May 2008. Please refer to his biography under the sub-section headed “Directors”.

Mr. Kwong Ming Pierre TSUI (徐廣明) is our Chief Financial Officer appointed on 12 April 2006. Please refer to his biography under the sub-section headed “Directors”.

Mr. Yinghui WANG (王穎輝) is our President appointed on 6 May 2008. Please refer to his biography under the sub-section headed “Directors”.

Mr. Zhongfeng LI (李中鋒), 43, is our Vice President (Strategic Development and Human Resources) since 12 December 2007. His primary responsibility is to assist our Chief Executive Officer and our President in formulating strategy for mid and long-term development of our Company, coordinate daily management, carry out market development and public relation work, and manage the operation, in particular, human resources aspect of our Group. Mr. Li has over 20 years of experience in the coal mining industry. Prior to joining our Company in December 2007, Mr. Li served in various positions in a number of coal mining organisations and coal mining authorities, including as a principal staff member and deputy director of the general office of China National Coal Corporation (中國統配煤礦總公司) from July 1989 to March 1993, director-general of the general office of the China National Coal Ministry (中國煤炭工業部) from March 1993 to March 1998, director of general administration department of the supervision bureau of State Administration of Coal Mine Safety from August 1998 to August 2000, deputy director-general and member of the communist party committee of Shanxi Administration Bureau Coal Mine Safety (山西煤礦安全監察局) from August 2000 to July 2003, and deputy director-general of the general office of the State

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Administration of Work Safety from July 2003 to December 2007. Mr. Li was appointed as deputy director — general of China National Coal Machinery Industry Association in June 2008. Through his working experience with various coal mining authorities, Mr. Li has gained extensive knowledge in the development, plans and policies on the coal industry in China. Mr. Li graduated from the Jiaozuo Mining Institute (焦作礦業學院), PRC, with a Bachelor of Engineering degree in coal mine survey in July 1989 and obtained a Master's degree in Mining Engineering Management from Liaoning Technical University, PRC in July 1997. Mr. Li attended the training class for young and middle aged cadres in the Central Communist Party School, PRC and graduated in July 2005. Mr. Li is an engineer.

Mr. Zishan LI (李子山), 57, has been our Vice President (Sales) since 20 June 2006. Mr. Li has been with our Company since June 2006, and is currently responsible for supervising the sales and international business aspect of our Company. Mr. Li has more than 37 years of experience in the mining equipment machinery manufacturing industry. He served various positions at the predecessor of Jiamusi Machinery for about 37 years, in particular, he was director of the sales department from June 1999 to February 2000, assistant to plant manager from February 2000 to February 2001, deputy plant manager from February 2001 to October 2001, acting executive deputy plant manager from October 2001 to April 2002. Mr. Li was also the vice chairman, the deputy general secretary of the communist party committee and general manager of Jiamusi Machinery from April 2002 to June 2006.

Mr. Xu GUO (郭旭), 52, has been our Vice President (Marketing) since 8 January 2007. He is responsible for supervising the promotional and marketing aspects of our Company. Prior to joining our Company, Mr. Guo was a deputy director general of the general office of Northeast Inner Mongolia Coal Industry Allied Company (東北內蒙古煤炭工業聯合公司) from July 1992 to March 1994, the general manager (vice bureau level) of Multi Operation Company of the Coal Industry Administrative Bureau of Liaoning Province (遼寧煤炭工業管理局多種經營公司) from April 1994 to June 2002. From August 2003 to November 2004, Mr. Guo was the assistant counsel of Liaoning Administration Bureau of Coal Mine Safety (遼寧煤礦安全監察局), his principal responsibility was to supervise the safety of coal mines. He also served as the vice president of GFT Group Holding Limited from November 2004 to December 2006 and the president of Beijing Siwei Coal Mining Machinery Technology Co., Ltd. from November 2004 to December 2006. Mr. Guo has 30 years working experiences in the coal industry, he is familiar with every stage of the front line of coal production. Mr. Guo graduated from Fuxin Mining Institute (阜新礦業學院), PRC in February 1982 with a Bachelor of Engineering degree in machinery manufacturing and obtained a Master of Business Administration from Roosevelt University, U.S. in May 2002. Mr. Guo attended national coal safety supervision training in March 2003. Mr. Guo is a senior engineer.

Mr. Chunzhao ZHANG (張春照), 61, has been the chief executive officer of Jiamusi Machinery since 5 June 2009. He is responsible for the overall business development and daily management of Jiamusi Machinery. Mr. Zhang served as the chairman and secretary of the communist party committee of the predecessor of Jiamusi Machinery from May 2002 to June 2006. Mr. Zhang joined Jiamusi Machinery in June 2006 and served as the president of Jiamusi Machinery from June 2006 to June 2009. Mr. Zhang has more than 42 years of experience in the mining equipment machinery manufacturing industry. He started his career at Jiamusi Coal Mining Machinery Factory (佳木斯煤機廠) (the predecessor of Jiamusi Machinery) since August 1967 and has worked there for almost 40 years. During his time at Jiamusi Coal Mining Machinery Factory, he served in various

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positions. Mr. Zhang was assistant to factory manager, deputy factory manager and factory manager from December 1994 to May 2002. Mr. Zhang studied at Jiamusi Coal Mining Machinery Technology College (佳木斯煤機技術學校), PRC from August 1965 to August 1967 and graduated from Jiamusi City Technology College (佳木斯市職工大學), PRC completing the course in Business Management in December 1988.

Mr. Wenbin WANG (王文斌), 57, has been the president of Jiamusi Machinery since 5 June 2009. He is responsible for the business development and corporate management of Jiamusi Machinery. Mr. Wang has served in various positions at Jiamusi Machinery since June 2006, including vice president of production from June 2006 to March 2007, vice president of sales from March 2007 to July 2008, and vice president of the operation from July 2008 to June 2009. Mr. Wang has more than 26 years of experience in the mining equipment machinery manufacturing industry. Mr. Wang joined the predecessor of Jiamuxi Machinery in October 1983, where he served in various management positions. Mr. Wang graduated from the Liaoyuan Employees University, PRC in Jilin Province (吉林省遼源職工大學), PRC with a Bachelor's degree in Mechanical Engineering in 1975, and graduated from the Fuxin Mining Institute (阜新礦業學院), PRC completing the course in Mechanical Engineering in December 1993.

Mr. Hengjun QI (祁恒軍), 46, has been the president of Jixi Machinery since 5 June 2009. He is responsible for the business development and corporate management of Jixi Machinery. Mr. Qi joined Jixi Machinery and served as vice president of production from September 2006 to June 2007, as vice president of sales from June 2007 to August 2008 and vice president of operation from August 2008 to June 2009. Mr. Qi has more than 24 years of experience in the mining equipment machinery manufacturing industry. He had been with the predecessor of Jixi Machinery since August 1985 where he served in various positions: he started with the research department as a technician from August 1985 to August 1986, assistant to engineer from August 1986 to December 1995, senior engineer from December 1995 to January 1997, project principal engineer from January 1997 to November 2000, engineer supervisor from November 2000 to November 2003, deputy chief engineer and head of the research department from November 2003 to January 2005 and chief engineer from January 2005 to September 2006. Mr. Qi obtained a Bachelor's degree in Engineering from the China Institute of Mining and Technology (中國礦業學院), PRC in July 1985.

JOINT COMPANY SECRETARIES

Mr. Wai Fung NGAI (魏偉峰), *FCIS, FCS(PE), CPA, ACCA*, 48, is our joint company secretary. Mr. Ngai is a director and head of listing services of KCS Hong Kong Limited, a corporate secretarial and accounting services provider in Hong Kong. Mr. Ngai is currently the vice president of the Hong Kong Institute of Chartered Secretaries and the chairman of its Membership Committee. Mr. Ngai is a fellow member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom, a member of the Hong Kong Institute of Certified Public Accountants and a member of the Association of Chartered Certified Accountants in the United Kingdom. Mr. Ngai holds a Master of Corporate Finance Degree from the Hong Kong Polytechnic University, Hong Kong, Master of Business Administration Degree from Andrews University, U.S. and a Bachelor of Laws (with Honours) Degree from the University of Wolverhampton, United Kingdom. He is also undertaking a Ph.D. course (thesis stage) in Finance at the Shanghai University of Finance and Economics, PRC. Mr. Ngai was appointed as our joint company secretary on 30 November 2009.

Mr. Ngai currently acts in the capacity of independent non-executive director of six Hong Kong listed companies, company secretary for five other Hong Kong listed companies and joint company secretary for eight Hong Kong listed companies. As a director and head of listing services of KCS Hong Kong Limited, Mr. Ngai is leading a team of professional staff, which offers on-going professional company secretarial and compliance services to listed companies and thus provides day-to-day support to Mr. Ngai in his role as joint company secretary of our Company.

Mr. Dong WANG (王東), 39, is our joint company secretary. Mr. Wang joined the Operations Management Group of The Jordan Company, L.P. in July 2007, and is responsible for The Jordan Company, L.P.'s business development in China and East Asia. Mr. Wang has 10 years experience in investment banking and 5 years of experience in private equity investment management. Mr. Wang worked in the investment banking department of Guotai Junan Securities between 1993 and 2002 initially as an associate and was subsequently appointed as a director. Mr. Wang worked as an investment vice-president in Haitong-Fortis Private Equity Fund Management Co., Ltd from February 2005 to December 2005 and an investment officer in International Finance Corporation from December 2005 to June 2007. Mr. Wang obtained a Bachelor's degree in Economics from Shanghai University of Finance and Economics, PRC in 1993 and a Master's degree in Business Administration from Rice University, U.S. in 2004. Mr. Wang was appointed as our joint company secretary on 24 January 2010.

RULE 8.12 OF THE LISTING RULES

According to Rule 8.12 of the Listing Rules, we must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. At present, substantially all of our executive Directors ordinarily reside in China, since our main operations are in China. We do not and will not, in the foreseeable future, have any management presence in Hong Kong.

Accordingly, our Hong Kong legal advisers, have applied on our behalf to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules subject to the following conditions:

- (a) our Company has appointed two authorised representatives pursuant to Rule 3.05 of the Listing Rules who will act as our Group's principal channel of communication with the Hong Kong Stock Exchange. The two authorised representatives are Mr. Thomas H. Quinn and Mr. Kee-Kwan Allen Chan. Each has confirmed that he will be able to meet with the Hong Kong Stock Exchange within a reasonable time frame upon request of the Hong Kong Stock Exchange, if required. They will be readily contactable by telephone, facsimile and email, and are authorised to communicate on behalf of our Group with the Hong Kong Stock Exchange;
- (b) the authorised representatives have means of contacting our Directors promptly at all times as and when the Hong Kong Stock Exchange wishes to contact our Directors on any matters. To enhance communication between the Hong Kong Stock Exchange, the authorised representatives, our Directors, and our Company has implemented a policy whereby (a) each Director will have to provide his/her office phone numbers, mobile phone numbers, residential phone numbers, facsimile numbers and email addresses to our authorised representatives; (b) in the event that our executive Director expect to travel and be out of office, he/she will have to provide the phone number of the place of his/her accommodation to our authorised

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representatives; and (c) all Directors will provide their mobile phone numbers, office phone numbers, facsimile numbers and email addresses to the Hong Kong Stock Exchange;

- (c) our Group will, in accordance with Rule 3A.19 of the Listing Rules, also appoint a compliance adviser, who will have access at all times to our authorised representatives, Directors and other officers and act as an additional channel of communication with the Hong Kong Stock Exchange. The compliance adviser will advise on on-going compliance requirements and other issues arising under the Listing Rules and other applicable laws and regulations in Hong Kong after listing;
- (d) meetings between the Hong Kong Stock Exchange and our Directors could be arranged through our authorised representatives or compliance adviser, or directly with our Directors within a reasonable time frame. Our Group will inform the Hong Kong Stock Exchange promptly in respect of any change in our authorised representatives and compliance adviser; and
- (e) all of our Directors have confirmed that they possess or can apply for a valid travel documents to visit Hong Kong and will be able to meet with the Hong Kong Stock Exchange in Hong Kong upon reasonable notice.

RULE 8.17 OF THE LISTING RULES

According to Rule 8.17 of the Listing Rules, our secretary must be a person who is ordinarily resident in Hong Kong and who has the requisite knowledge and experience to discharge the functions of a secretary in a listed company and who:

- (a) is an ordinary member of The Hong Kong Institute of Chartered Secretaries, a solicitor or barrister as defined in the Legal Practitioners Ordinance or a professional accountant; or
- (b) is an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Hong Kong Stock Exchange, capable of discharging the functions of a company secretary of an issuer.

Mr. Dong Wang is not ordinarily resident in Hong Kong and does not possess the specified qualifications required by Rule 8.17(2) of the Listing Rules. Given the important role of a company secretary in our corporate governance, particularly in assisting us as well as our Directors in complying with the Listing Rules and other relevant laws and regulations, we have the following arrangements:

- (a) Mr. Dong Wang will endeavour to attend the relevant training courses, including briefing on the latest changes to the applicable Hong Kong laws and regulations and the Listing Rules organised by our Hong Kong legal advisers on invitation basis, and seminars organised by the Hong Kong Stock Exchange for issuers from time to time.
- (b) We will appoint Mr. Wai Fung Ngai, who is ordinarily resident in Hong Kong and meets the requirements under Rule 8.17(2) of the Listing Rules, as our joint company secretary to assist Mr. Dong Wang, so as to enable him to acquire the relevant experience (required under Rule 8.17(3) of the Listing Rules) to discharge the duties and responsibilities as our company secretary.

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- (c) Mr. Dong Wang, who is familiar with our corporate affairs, will communicate regularly with Mr. Ngai on matters relating to corporate governance, the Listing Rules as well as other laws and regulations which are relevant to us, and our other affairs. Mr. Ngai will work closely with, and provide assistance to, Mr. Wang in the discharge of his duties as our joint company secretary, including organising our Board meetings and shareholders' meetings.
- (d) Mr. Dong Wang will be appointed for an initial period of three years from the Listing Date, provided that he will be assisted by Mr. Ngai for the same period. Upon expiry of the three-year period, a further evaluation of the qualifications and experience of Mr. Wang and the need for on-going assistance would be made.

Each of Mr. Wang and Mr. Ngai has provided valid phone numbers and email addresses to the Hong Kong Stock Exchange and will inform the Hong Kong Stock Exchange promptly in the event of any change of means of communications. Furthermore, in order to ensure effective communication between our joint company secretaries and the Hong Kong Stock Exchange, we will appoint Mr. Thomas H. Quinn and Mr. Kee-Kwan Allen Chan as our authorised representatives pursuant to Rule 3.05 of the Listing Rules, who will act as the our principal communication channel with the Hong Kong Stock Exchange. Each of the authorised representatives will be available to meet with the Hong Kong Stock Exchange within a reasonable time frame upon request by the Hong Kong Stock Exchange and will be readily contactable by telephone or facsimile or email. We will also appoint Guotai Junan Capital Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules, who will act as our principal communication channel with the Hong Kong Stock Exchange, in addition to our authorised representatives. The contact persons of our compliance adviser have provided their contact details to the Hong Kong Stock Exchange and will also be fully available to answer queries from the Hong Kong Stock Exchange.

We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 8.17 of the Listing Rules. Upon the expiry of the initial three years period, the qualifications of Mr. Wang will be re-evaluated to determine whether the requirements as stipulated in Rule 8.17 of the Listing Rules can be satisfied. In the event that Mr. Wang has obtained relevant experience under Rule 8.17(3) of the Listing Rules at the end of such initial three years period, the above joint company secretaries arrangement will no longer be required by our Company.

AUDIT COMMITTEE

Our Company has established an audit committee in compliance with Rule 3.21 and Appendix 14 of the Listing Rules. Our audit committee consists of three members, namely Dr. Yiming Hu, Ms. Lisa M. Ondrula, and Dr. Xuezheng Wang. Two of the committee members are our independent non-executive Directors. The chairwoman of the audit committee is Dr. Yiming Hu. The primary functions of the audit committee are to review and supervise the financial reporting process and internal control system of our Company, nominate and monitor external auditors and provide advice and comments to our Directors.

REMUNERATION COMMITTEE

Our Company has established a remuneration committee in compliance with Appendix 14 to the Listing Rules. The remuneration committee consists of 3 members, namely Mr. Thomas H. Quinn, Dr. Fung Man, Norman Wai and Mr. Zhenduo Yuan. A majority of the committee members are our independent non-executive Directors. The chairman of the remuneration committee is Mr. Thomas H. Quinn. The primary functions of the remuneration committee are to make recommendations on our Company's policy and structure of all remuneration of our Directors and senior management, determine the specific remuneration packages of our executive Director and senior management, and make recommendations on the remuneration of our non-executive Directors.

COMPLIANCE ADVISER

Pursuant to Rule 3A.19 of the Listing Rules, our Company will appoint Guotai Junan Capital Limited as our compliance adviser. The compliance adviser will advise us on the following matters pursuant to Rule 3A.23 of the Listing Rules:

- (i) the publication of any regulatory announcement, circular or financial report;
- (ii) where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues and share repurchases;
- (iii) where our Company proposes to use the proceeds of the Global Offering in a manner different from that detailed in this Prospectus or where its business activities, developments or results deviate from any estimate, or other information in this Prospectus; and
- (iv) where the Hong Kong Stock Exchange makes an inquiry of our Company regarding unusual movements in the price of trading volume of the Shares of our Company.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

Certain of our Directors and senior management receive compensation in the form of salaries, housing allowances, other allowances, benefits in kind (including our contribution to the pension scheme for our Directors) and/or discretionary bonuses relating to the performance of our Company. We also reimburse them for expenses which are necessarily and reasonably incurred for providing services to us or executing their functions in relation to our operations. Upon and after Listing, the remuneration package will be extended to include options granted or to be granted under the Share Option Scheme. We regularly review and determine the remuneration and compensation packages of our Directors and senior management.

The aggregate amount of remuneration paid to our Directors during each of the fiscal years 2006, 2007 and 2008 was approximately RMB18.0 million, RMB14.1 million and RMB9.3 million, respectively (equivalent to approximately HK\$20.5 million, HK\$16.0 million and HK\$10.6 million, respectively). In addition, each of Mr. Kee-Kwan Allen Chan and Mr. Youming Ye holds 40.0% equity interest in TJCC Services. During the Track Record Period, we paid TJCC Services a management fee of US\$2.5 million (equivalent to approximately HK\$19.4 million) per year for the services it provided, pursuant to a management consulting agreement. Under their respective employment agreement with TJCC Services, each of Mr. Kee-Kwan Allen Chan and Mr. Youming Ye was entitled to certain compensations per year. Upon completion of the Reorganisation and Global Offering, the management consulting agreement with TJCC Services will be terminated, and

DIRECTORS AND SENIOR MANAGEMENT

Mr. Kee-Kwan Allen Chan and Mr. Youming Ye, each as our executive Director, will receive compensation directly from our Company.

After Listing, our remuneration committee will review and determine the remuneration and compensation packages of our Directors and senior management with reference to salaries paid by comparable companies, time commitment and responsibilities of our Directors and performance of our Group.

During the Track Record Period, no remuneration was paid by us to, or receivable by, our Directors as an inducement to join or upon joining us. No compensation was paid by us to, or receivable by, our Directors or past Directors for each of the years ended 31 December 2006, 2007 and 2008 for the loss of any office in connection with the management of the affairs of any member of our Group.

In the 2006 Consolidated Period and 2007, four of our five highest paid employees were Directors; and in 2008 and the seven months ended 31 July 2009, three of our highest paid employees were Directors. The aggregate amount of salaries, housing allowances, other allowances, benefits in kind (including our contribution to the pension scheme) or any discretionary bonuses paid by our Group to the highest paid non-director employee for the three years ended 31 December 2008 and seven months period ended 31 July 2009 were approximately RMB0.8 million, RMB2.6 million, RMB3.5 million and RMB2.3 million, respectively (equivalent to approximately HK\$0.9 million, HK\$3.0 million, HK\$4.0 million and HK\$2.6 million, respectively).

Under the compensation arrangements currently in force, the aggregate remuneration (including benefit in kind) payable to our Directors for the year ended 2009 is estimated to be approximately RMB11.7 million (equivalent to approximately HK\$13.3 million).

SHARE OPTION SCHEME

Our Company has conditionally adopted the Share Option Scheme, the purpose of which is to motivate such selected classes of participants (as more particularly described in Appendix VII to this Prospectus) to optimise their future contributions to our Group and/or to reward them for their past contributions, to attract and to retain or otherwise maintain on-going relationships with such participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of our Group. The principal terms of the Share Option Scheme are summarised in the section headed “Share Option Scheme” in Appendix VII to this Prospectus.