This summary aims to give you an overview of the information contained in this prospectus. As it is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to invest in the Offer Shares.

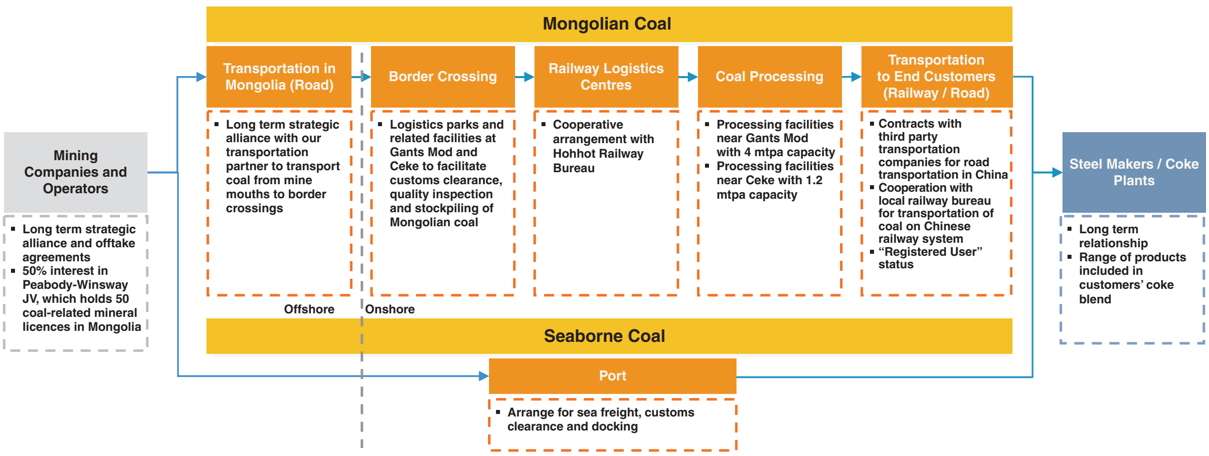
There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

We are an integrated supplier of imported coking coal into China, the world's largest and fastest-growing coking coal consuming market. In addition to supplying coking coal, we also provide services to our suppliers and customers through our integrated platform, comprising logistics parks, coal processing plants, and road and railway transportation capabilities. We believe we have established ourselves as one of the leading suppliers in China of imported coking coal. We also believe we were the largest offtaker of Mongolian coal in terms of volume purchased in 2009. Based on AME estimates, the total coal imported from Mongolia into China in 2009 amounted to approximately 6.00 mt. Based on our internal data, we procured approximately 3.77 mt of coal from Mongolia and approximately 3.36 mt of seaborne coal, and imported a total of approximately 6.69 mt of coal, comprising approximately 3.33 mt of coal from Mongolia and approximately 3.36 mt of seaborne coal in 2009. Accordingly, our coal imported from Mongolia accounted for approximately 55.5% of all Mongolian coal imported into China in 2009. Based on the AME Report, the total coking coal and thermal coal (including anthracite) imported into China in 2009 was approximately 34.4 mt and 75.4 mt, respectively.

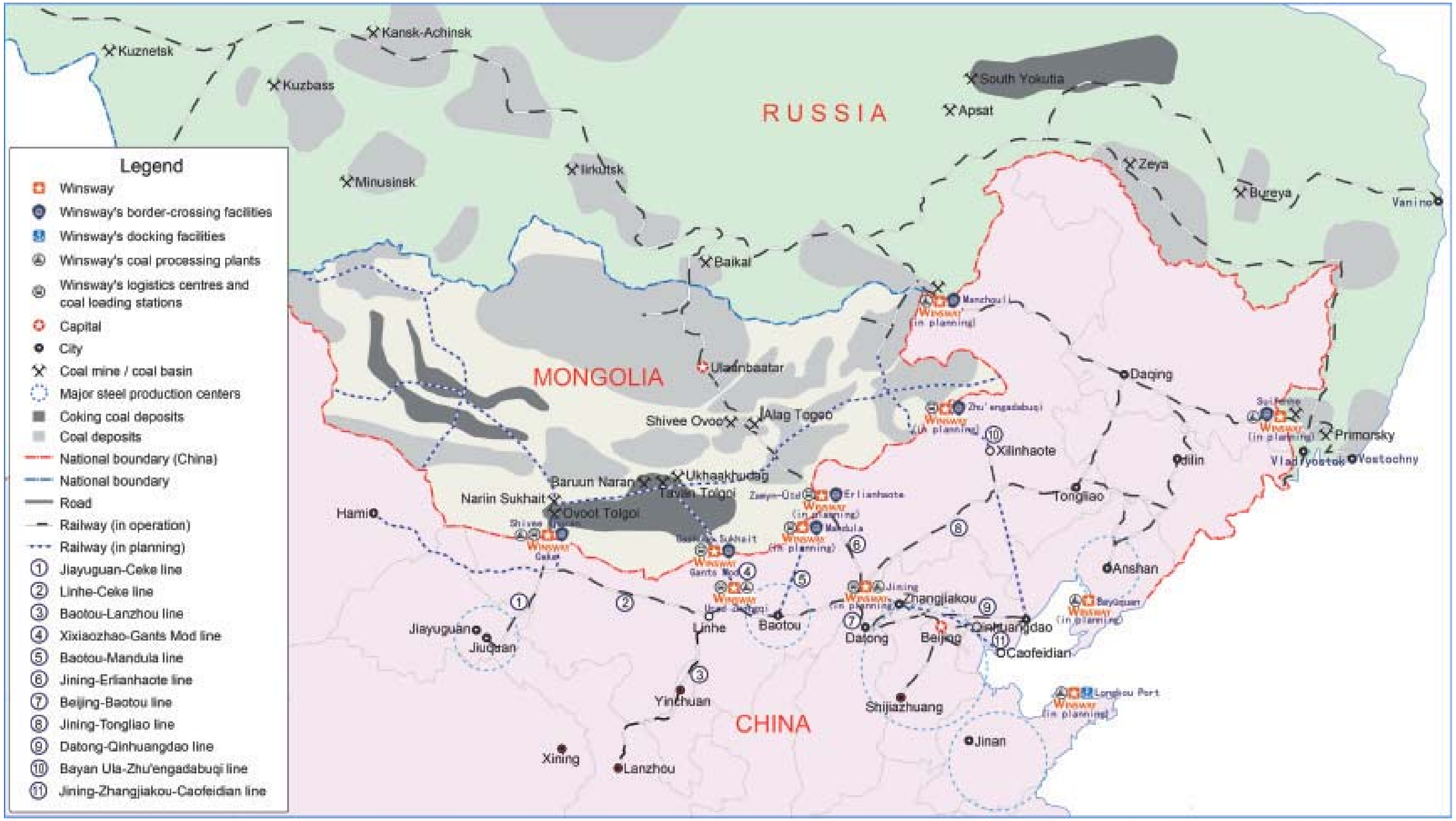
We believe we are one of the pioneers in the large-scale transportation of Mongolian coking coal into China, and also one of the few companies which have substantial investments in logistics and transportation infrastructure at two tier-one Sino-Mongolian border crossings and have access to a transportation network through arrangements with third parties on both sides of the border. We also believe we are one of the few companies which have built an integrated coking coal supply business model to supply Mongolian coking coal into China, which is distinguishable through the considerable scale and profitability we have achieved.

Set forth below is the coking coal supply value chain which we participate in:



We plan to further strengthen our market position and foothold in the coking coal supply chain by adopting the following approaches. In respect of our supply, we plan to selectively acquire upstream resources and develop coal tenements in Mongolia together with affiliates of Peabody Energy. In respect of our infrastructure, we plan to cooperate with one of our Mongolia-based suppliers to construct a heavy duty road connecting Tavan Tolgoi with Gants Mod, expand infrastructure at our existing logistics parks and replicate our proven model to the Erlianhaote, Manzhouli and Suifenhe border crossings, invest in docking facilities in Longkou port, and cooperate with Hohhot Railway Bureau to construct railway logistics centres and railway-related infrastructure at border crossings and along major coal transportation railways, as well as ramp-up the capacity of our coal processing facilities by expanding the existing plant at Urad Zhongqi and constructing new plants at Bayuquan port, Longkou port, Jining, Manzhouli and Suifenhe. In respect of our sales, we plan to develop new clients and increase the penetration level of our products with existing customers. Other than the procurement of coal from Mongolia and Russia and the operation of the Peabody-Winsway JV, a jointly controlled entity owned by us and Peabody Energy, we currently do not have any business operations in Mongolia and Russia. Please refer to the section headed "Future Plans and Outlook" in this prospectus for more details.

The map below shows the approximate locations of certain identified coal deposits in Mongolia and Russia, certain existing and planned railways, and our current and planned logistics parks and coal processing plants.



We have established strong relationships with a number of Mongolia-based and other coal mining companies and operators globally. We started our cooperation with our Mongolia-based suppliers in 2006, being one of the first to do so on a large scale. Since our entry into the Mongolian market in 2006, the total Mongolian coal imported into China increased from approximately 2.4 mt in 2006 to approximately 6.0 mt in 2009. We also believe that we are one of the major customers of our Mongolia-based suppliers taking into account our market position in terms of Mongolian coal imported into China. We have also entered into strategic alliance agreements with two of our Mongolia-based suppliers. Please refer to the section headed “Business — Procurement and Suppliers — Suppliers in Mongolia” in this prospectus for more details. Our main Mongolia-based suppliers are all leading mining companies in Mongolia.

At the end of each year, we discuss with our suppliers their production and development plans for the following year. After taking into consideration production plans and requirements of our customers, expected transportation availability and our coal processing capacity, we reach an understanding with our customers on the price, volume and specifications of the coking coal to be supplied for the following year. In addition, our procurement decisions will also be made after taking into consideration various factors, including: (a) expected overall supply of Mongolian coal and the likely demand from our target market; (b) characteristics and specifications of the coal to be supplied; (c) prevailing market prices of comparable coking coal in the Chinese local market; and (d) prevailing transportation and other relevant costs. In the three years ended 31 December 2007, 2008 and 2009 and the six months ended 30 June 2010, we procured approximately 1.0 mt, 1.3 mt, 3.8 mt and 2.4 mt of Mongolian coal, respectively. A substantial portion of our Mongolian coal is processed and sold as cleaned coking coal, and a small portion is sold directly to our customers.

We have also procured seaborne coal from countries such as Australia, the US, Canada and Russia since 2009. Our overseas coal procurement department sources coal primarily through direct contact with coal mining companies and operators and formulates our procurement policy for seaborne coal based on orders and requests from customers and on the pricing of coal in the international markets, taking into consideration various factors including (a) current market demand and supply and the anticipated market trends in the Chinese market; and (b) characteristics and specifications of the coal to be supplied. Depending on our negotiations with our suppliers, prices may be fixed for the entire tonnage agreed for, or may be fixed for a specified number of shipments with prices for additional shipments to be further agreed. In the year ended 31 December 2009 and the six months ended 30 June 2010, we procured approximately 3.4 mt and 2.0 mt of seaborne coal, respectively. We have also entered into a non-binding strategic cooperation agreement with one of our seaborne coal suppliers. Please refer to the section headed “Business — Procurement and Suppliers — Suppliers of seaborne coal” in this prospectus.

We have built a stable and growing customer base including more than 60 steel makers and coke plants in China, including Baogang Group, Hebei Steel, Tangshan Jiahua Coal Chemical and Risun Coke. We usually enter into discussions with our customers prior to the end of each year to ascertain their production needs for the following year, and will make allocations of our products accordingly after taking into consideration the expected production capacity of our suppliers and our expected processing capacity. Consistent with Chinese coal market practices, we will then enter into formal sales contracts with our customers on a periodic basis with the term of the contract varying from a few months to one year and with specified quantities and timing of delivery during the term. Selling prices are set out in the sales contracts, and may be adjusted with reference to contracted coking coal prices between major coking coal producers in Shanxi Province and large steel makers in China and such adjustment are usually made on a quarterly basis. We have also entered into long-term strategic alliance agreements and memoranda of understanding with a number of our customers, where we have agreed with such customers to supply different types of coal possessing specific characteristics required by such customers. It is market practice that steel makers or coke producers enter into such type of strategic alliance agreements and memoranda with their key suppliers in order to agree upon the framework for future supplies and that subsequent formal sales contracts are executed pursuant to such agreements and memoranda.

For the three years ended 31 December 2007, 2008 and 2009 and the six months ended 30 June 2010, our total turnover was RMB198.6 million, RMB993.5 million, RMB4,655.6 million and RMB4,298.8 million, respectively, and our profit attributable to equity shareholders of our Company was RMB17.8 million, RMB244.6 million, RMB454.0 million and RMB528.9 million, respectively.

We have not entered into any hedging transactions to reduce our exposure to risks associated with price volatility of coal. There can be no assurance that global and domestic coal prices will remain steady or move in tandem, and any fluctuation may affect the profitability, and in extreme cases the feasibility, of our business.

Border crossings

The map below shows the approximate locations of our current and planned logistics parks at border crossings.

Recognising the strategic importance of border crossings for the supply of coking coal into China, the development and expansion of our infrastructure and capacity at border crossings has been one of our core focuses. In 2007 and 2008, we started building strategic infrastructure at two major Sino-Mongolian border crossings, Gants Mod (甘其毛都) and Ceke (策克), respectively, which are close to our Mongolia-based suppliers' resources, including Tavan Tolgoi, one of the world's largest undeveloped coking coal deposits. Our infrastructure on the China side of the Gants Mod and Ceke border crossings currently includes logistics parks with border-crossing facilities, stockpile areas, and additionally at Ceke, a coal processing plant.

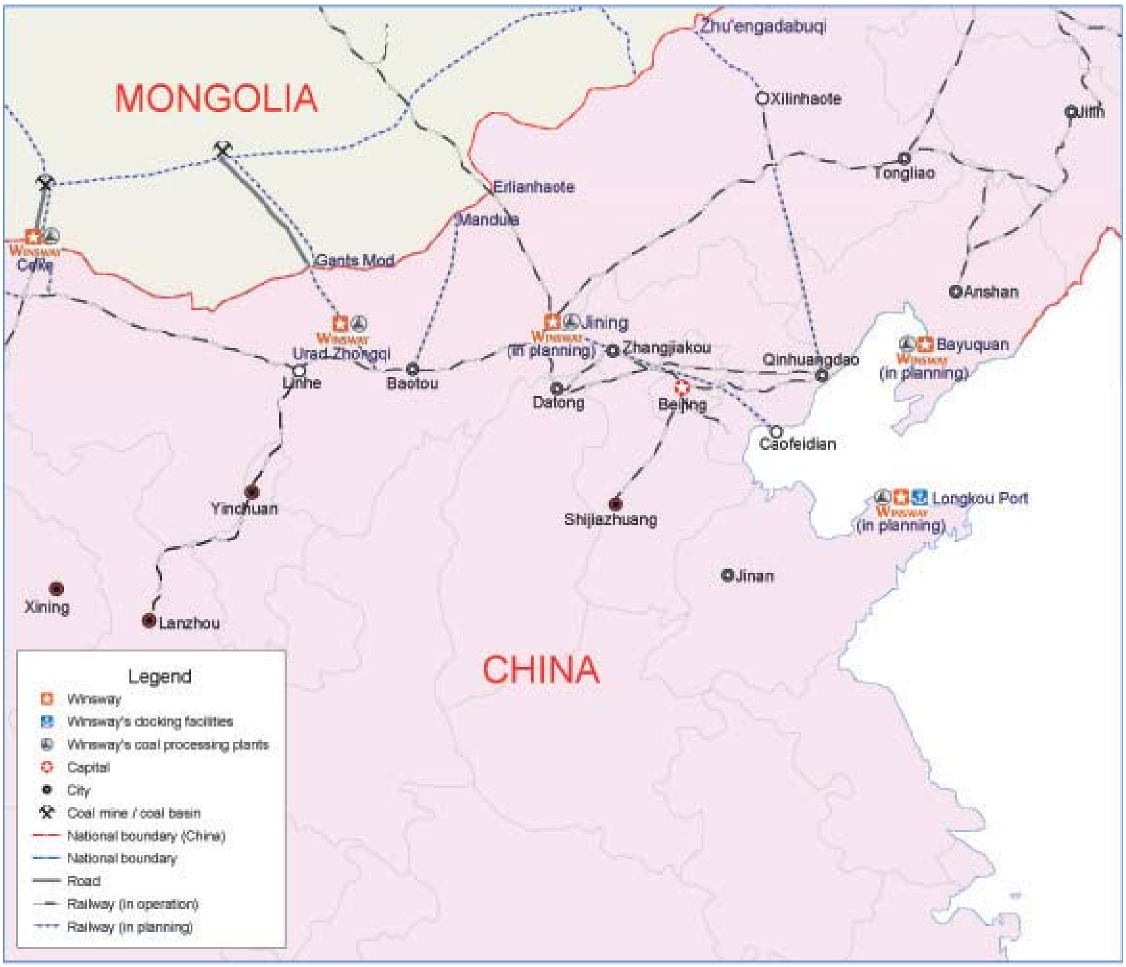
Railway logistics and transportation

The map below shows the approximate locations of existing and planned railways relevant to our infrastructure.

We believe railways are and will remain an integral part of the logistical solution for coal transportation. As part of our development strategy, we have invested and plan to invest in infrastructure to facilitate coal transportation to the eastern coastal area and other major coal-consuming regions in China, including railway, railway logistics centres and railway-related infrastructure. For example, we have entered into an agreement to subscribe for equity capital with a value of RMB75.0 million in Xixiaozhao Gants Mod Railway Co., Ltd., representing 5% of the equity interest in Xixiaozhao Gants Mod Railway Co., Ltd. which will undertake the construction of a railway line connecting Xixiaozhao to Gants Mod. As at the Latest Practicable Date, we have made a total capital contribution of RMB40.65 million in Xixiaozhao Gants Mod Railway Co., Ltd. We are also at the planning stage of our various planned railway logistics centres and related infrastructure, including the railway logistics centres at Gants Mod and Urad Zhongqi which will be located along the Xixiaozhao — Gants Mod railway line, and the railway logistics centre at Ceke. Please refer to the section headed "Future Plans and Outlook" in this prospectus for more details on our plans in respect of these railway logistics centres. We expect to make investments in respect of our various planned railway logistics centres in the aggregate amount of approximately RMB1,004.5 million by end of 2012.

Coal processing

The map below shows the approximate locations of our current and planned coal processing plants.



To enable us to provide a broad range of coking coal and more value-added services to our customers, we have built two coal processing plants located at Urad Zhongqi and Ceke. The plants had a processing capacity of 4.0 mtpa and 1.2 mtpa as at 30 June 2010, respectively.

Our integrated end-to-end service platform, comprising our logistics parks and coal processing plants and road and railway transportation capabilities through our arrangements with third-party transportation companies, enables us to secure stable and cost-effective supplies and maintain our position as a long-term supplier to steel makers and coke plants in various parts of China. At the same time, our service platform and sales network also provide international coking coal mining companies and operators with access to the China coking coal market. Furthermore, our logistical expertise enables us to extend our reach from Inner Mongolia to the eastern coastal area of China where demand and the average selling price for coking coal are generally higher and through our coal processing services, we are able to enhance our profitability. Given our first-mover advantage in establishing a land-borne coking coal route to China and the scale we have achieved thus far, we believe our business model is difficult to replicate and creates a high entry barrier for potential competitors.

In line with our business strategy, we plan to expand and enhance the various components of our service platform through our future development plans. Please refer to the section headed "Future Plans and Outlook" in this prospectus for more details of our plans.

We are expanding our infrastructure and facilities rapidly, and plan to undertake various further projects, including the expansion and construction of (i) logistics parks and railway logistics centres at Sino-Mongolian border crossings, Sino-Russian border crossings and in PRC inland, (ii) port docking facilities, and (iii) coal processing plants. Please refer to the section headed "Future Plans and Outlook" in this prospectus for more details. Our rapid growth over the past few years and our expansion plans have presented, and continue to present, significant challenges for our management and administrative systems and resources. For instance, our logistics parks at Gants Mod and Ceke and our coal processing plants at Urad Zhongqi and Ceke have only been in operation for less than three years. Our design capacity at our Urad Zhongqi coal processing plant increased from 1.0 mtpa to 2.0 mtpa in the third quarter of 2008, and to 4.0 mtpa in the fourth quarter of 2009. We also plan to undertake substantial development plans and expansion in the future. Please refer to the section headed "Future Plans and Outlook" in this prospectus for more details. There are various risks associated with the development and construction of these projects. For example, each of these projects are subject to the approvals of various governmental departments in the PRC, and there is no assurance that we will be able to obtain all necessary approvals expediently or be allowed to implement our projects in accordance with our plans. Further, our rapid development in the past few years has created a strong demand for new capital in order to finance our projects and we expect we will continue to require substantial initial capital outlay in order to implement the above projects in accordance to our plan. There can be no assurance that we will be able to secure sufficient financing to fund these projects, given that these projects may require a higher capital outlay than that expected by us and that, if sufficient financing is available, we are able to efficiently deploy our capital to meet the investment schedule or in accordance with the actual requirements of these projects. In addition, there can be no assurance that our management team possesses the required technical and operational expertise required for the development and operation of these projects, and there can be no assurance that we will be able to attract and retain sufficient experienced technical personnel to implement and manage these projects. Please also refer to the section headed "Risk Factors" in this prospectus for more details on the risks associated with our rapid development.

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths contribute to our success in the China coking coal industry and distinguish us from our competitors:

We are a major gateway for global coking coal into China and we believe we are one of the few companies which have built an integrated coking coal supply business model to supply Mongolian coking coal into China, with considerable scale and profitability

Based on AME estimates and our internal data, we are one of the largest imported coking coal suppliers in China by volume. In addition, we were the largest importer of Mongolian coal by volume, accounting for approximately 55.5% of all Mongolian coal imported into China in 2009.

Offtaking Mongolian coal on a large scale requires significant infrastructure and logistical capability, which creates considerable barriers to entry. Therefore, we do not expect the number of large-scale integrated coking coal suppliers to increase substantially in the near term. We believe that our capability to secure our coal supplies combined with our integrated end-to-end service platform will further enhance our position as a major gateway for global coking coal entering China.

Our integrated service platform provides us with a competitive advantage in providing a stable supply of high-quality coking coal to end customers in China

Our infrastructure investment at border crossings, our ability to supply Mongolian coal to our customers profitably and on a large scale and our significant coal processing capacity are the three cornerstones of our integrated service platform.

Our strategic infrastructure investment at border crossings

Our main Mongolia-based suppliers are operating at Tavan Tolgoi and Nariin Sukhait deposits, all located in the southern regions of Mongolia. The Sino-Mongolian border crossing closest to the Tavan Tolgoi deposit is the Gants Mod border crossing, which is approximately 270 km away and the Sino-Mongolian crossing closest to the Nariin Sukhait deposit is the Ceke border crossing, which is approximately 40 km away.

Our strength lies in the strategic location of our logistics parks at the Gants Mod and Ceke border crossings. As the respective mines of our main suppliers in Mongolia are only connected to both the Gants Mod border crossing and the Ceke border crossing by road, transportation of coal on a large scale can only be carried out by trucks. However, trucks from Mongolia and China cannot operate in each other's territory beyond the immediate border crossing areas, where our logistics parks are located. As such, Mongolian trucks carrying coal can travel directly from the loading points in Mongolia and unload the same at our logistics parks. This allows us to arrange for onward transportation of coal in China to our coal processing plants or to our customers expediently. An efficient logistics hub at the relevant Sino-Mongolian border crossing becomes critical in transporting Mongolian coking coal into China. In addition, as Erlianhaote is the only Sino-Mongolian border crossing serviced by railway and as China and Mongolia use different railway gauges, it is currently not possible to have through travel at Sino-Mongolian border crossings. We expect this to continue for the foreseeable future and accordingly believe that our competitive advantage of having strategically placed logistics infrastructure at border crossings will continue to be significant.

Our Gants Mod and Ceke logistics parks, respectively occupying an area of approximately 666,659 sqm and 679,100 sqm, are strategically located in close proximity to the two border crossings which will provide us with the potential to further expand and continue to build our infrastructure to facilitate large-scale transportation of imported Mongolian coal at the two border crossings. We believe our logistics parks, which were among the first ones developed in the area and at a relatively low land cost, have the potential to further expand and continue to be a critical part of the infrastructure in facilitating large-scale transportation at both the Gants Mod and Ceke border crossings.

Our ability to supply Mongolian coal to our customers profitably and on a large scale

We believe we stand out from our competitors as being one of a few suppliers with an ability to supply Mongolian coking coal on a large scale and profitably to major steel makers and coke plants as far as 2,000 km away from the border crossings from which we operate, and to do so in a cost-effective manner. We are able to do this by utilising our logistical expertise to procure large-scale and cost-effective transportation capacity through third parties to deliver goods to our customers.

Our significant coal processing capacity

We believe the strategic location of our coal processing plants and our large-scale coal processing capacity are our critical strengths. We have two coal processing plants, one in Urad

Zhongqi along the transportation route connecting Gants Mod border crossing and Baotou and another one in Ceke.

As at 30 June 2010, the Urad Zhongqi coal processing plant had an annual processing capacity of 4.0 mtpa and the Ceke coal processing plant had an annual processing capacity of 1.2 mtpa.

We believe our capability to process raw coking coal sourced from various mines has helped us stand out from other coal suppliers in China by offering our customers with a variety of coking coal products to suit their distinctive needs. Through expansion of our coal processing capacity strategically located across China, we believe we are able to provide value-added services to our customers located in a broader geographical coverage and to capitalise on the attractive growth opportunities in China's coking coal market.

We have established long-term and strategic relationships with a number of mining companies globally

We have secured coking coal supplies through long-term supply agreements with coal mining companies and operators in Mongolia for offtaking agreed amounts of coal produced by them. We started our cooperation with our Mongolia-based suppliers in 2006, being one of the first to do so on a large scale. We have established strong relationships with a number of Mongolia-based and global suppliers. Since our entry into the Mongolian market in 2006, the total Mongolian coal imported into China increased from approximately 2.4 mt in 2006 to approximately 6.0 mt in 2009. We also believe that we are one of the major customers of our Mongolia-based suppliers taking into account our market position in terms of Mongolian coal imported into China. Our main Mongolia-based suppliers are all leading mining companies in Mongolia. We also have in place strategic alliance agreements with two of our main Mongolia-based suppliers to ensure our stable supply of coking coal.

We secure our seaborne coal supply from a number of international coal mining companies and operators in Australia, the US, Canada and Russia, such as Peabody Energy, Anglo Coal, SUEK AG and Marubeni Corporation. We have also entered into a non-binding strategic cooperation agreement with Marubeni Corporation where we agree to develop our cooperation on coal business.

Our established relationships and our market position, particularly with respect to Mongolian coking coal, contribute to our ability to secure a stable supply of high-quality coking coal from around the world.

We have established strong relationships with some of the leading steel makers and coke producers in China

We are able to source a range of Mongolian coking coal, most of which can be substituted for domestically produced high-quality coking coal. Together with a steady supply of seaborne coal, we are able to supply our customers with a variety of coking coal products at competitive prices. We believe this ability gives us an advantage compared to other coal suppliers in China who focus principally either on seaborne coal or land-borne coal. Through this "one-stop shop" solution and our value-added coal processing services, we have been able to build a stable and growing customer base. Our customers include some of the largest steel makers and coke producers in China.

We have entered into long-term strategic alliance agreements and memoranda with a number of our customers where we have agreed with such customers to supply different types of coal possessing specific characteristics required by such customers in the future. We believe that the strategic alliance agreements and memoranda entered between us and our customers, as well as the recurrent business we have with our major customers since the establishment of our relationships with them, demonstrate our customers' confidence in us and our ability to supply coking coal products with consistent physical characteristics.

We have an experienced management team with a proven track record and outstanding execution capabilities

Our management team, which is built around our founder, Chairman and Chief Executive Officer, Mr. Wang, consists of seasoned managers with diverse skill sets, extensive international working experience and domestic know-how in natural resources and transportation industries. Mr. Wang himself has over 20 years of international commodities business experience, including importing oil and petrochemical products from Russia and Mongolia into China. The core members of our management team, comprising Mr. Wang, Ms. Zhu Hongchan, Mr. Yasuhisa Yamamoto, Mr. Apolonius Struijk and Mr. Cui Yong, have spent on average more than nine years with the Winsway Group.

In early 2010, HOPU, Minmetals, Silver Grant and ITOCHU became our investors and each of HOPU, Minmetals and Silver Grant has appointed a director representative to our Board. As a result, our Board has been able to benefit from the industry and financial expertise these investors can bring to us.

OUR BUSINESS STRATEGIES

Our vision is to become the leading gateway to the coking coal market of China by providing global premium coking coal products and solutions to China's steel industry through our integrated end-to-end service platform. We plan to accomplish our goal through the following strategies:

Strengthening our leading position in supplying Mongolian coking coal through further infrastructure investments and replicating our successful model at other Sino-Mongolian border crossings with further enhanced facilities

We intend to make further investments in infrastructure to facilitate increased volumes of imported coking coal from Mongolia to China. For example, we are in discussions to form a joint venture to build a heavy-duty road connecting Tavan Tolgoi to Gashuun Sukhait in Mongolia. We are also at the initial stage of planning the construction of conveyor belt systems which will connect our Gants Mod and Ceke logistics parks to the contiguous lands in Gashuun Sukhait and Shivee Khuren respectively in Mongolia to enhance our Sino-Mongolian border crossing efficiency and capacity. The construction and operation of these conveyor belt systems would be subject to the receipt of necessary governmental and regulatory approvals in both China and Mongolia.

In addition to the border crossings at Gants Mod and Ceke, we plan to replicate our operational model at other Sino-Mongolian border crossings, starting with Erlianhaote, and we are further exploring the possibility of expanding to Mandula and Zhu'engadabuqi in the future. The proposed railway logistics centres at Mandula and Zhu'engadabuqi are dependent on the development of the railways connecting Mandula and Zhu'engadabuqi respectively to the PRC railway network by the relevant PRC governmental departments and authorities. As far as we are aware, the connecting railways are currently in the planning stage, and their actual completion dates are uncertain. We also plan to invest in key infrastructure including railway logistics centres at these border crossings to capitalise on expected increased imports of natural resources from Mongolia into China.

Capitalising on expected future flows of Russian coking coal into China by replicating our successful Mongolian business model at the Chinese side of key Sino-Russian border crossings with further enhanced facilities

To facilitate the future transportation of Russian coal to China, we plan to construct infrastructure including logistics parks, railway logistics centres and coal processing plants, each of which is expected to have an initial coal processing capacity of 5.0 mtpa at the Chinese side of two key Sino-Russian border crossings, Manzhouli and Suifenhe. We also plan to leverage our management's extensive experience acquired through importing oil and petrochemical products from Russia in order to secure stable coal supplies. For example, we plan to form long-term strategic cooperation relationships with key Russian coal producers like SUEK AG and Mechel, who are already our suppliers. We also intend to further develop our relationship with Chinese railway authorities in order to facilitate transportation of Russian coal into China and, through our existing sales network in China, to promote Russian coking coal to Chinese steel makers and coke plants.

Further securing Chinese domestic railway capacity by becoming a strategic partner with Chinese railway authorities and a key stakeholder in the supply chain

We believe that our leading position in supplying Mongolian coking coal and potential expansion into Russian coal can be strengthened by further securing transportation capacity within China's national railway system. To that end, we have subscribed for a 5% equity interest in Xixiaozhao Gants Mod Railway Co., Ltd., a joint venture company with Hohhot Railway Bureau and other third parties which will construct a railway connecting Xixiaozhao to Gants Mod, expected to be completed in 2011. Further, we also plan to undertake the following:

- developing and operating, jointly with Hohhot Railway Bureau, the primary regulator and operator of a number of China's most important coal transportation railways in northern China, railway logistics centres at five Sino-Mongolian border crossings, Gants Mod, Ceke, Erlianhaote, Mandula and Zhu'engadabuqi;
- developing jointly with Hohhot Railway Bureau two inland railway logistics centres in Inner Mongolia, at Urad Zhongqi and Jining;
- developing jointly with another railway bureau logistics parks and railway logistics centres at the Chinese side of two Sino-Russian border crossings, Manzhouli and Suifenhe; and
- investing jointly with Hohhot Railway Bureau in railway rolling stock and maintenance facilities.

As at the Latest Practicable Date, Hohhot Railway Bureau and we invested in five joint venture companies, Bayannao'er Winsway, Ejinaqi Winsway, Erlianhaote Haotong, Urad Zhongqi Haotong and Inner Mongolia Hutie Winsway Logistics, for the purpose of developing and operating railway logistics centres at Gants Mod, Ceke, Erlianhaote, Urad Zhongqi and Jining respectively. We own a 51% equity interest and have majority board representation in each of these joint venture companies. We believe that our cooperative arrangements with the Hohhot Railway Bureau will improve our logistics capability.

Further expanding our coal processing capacity

To enable us to provide a broader range of coking coal and more value-added services to our customers, we plan to expand our coal processing capability by way of capacity expansion at our existing coal processing plants and development of new coal processing plants at various strategic locations.

Further securing our supply by entering into long-term offtake contracts and selectively pursuing opportunities to acquire upstream resources

We are in discussion with Mongolia-based coal producers to secure further long-term supply agreements to offtake additional coal in line with our business expansion and expected increase in their production volume. Meanwhile, we are exploring joint venture and acquisition opportunities in upstream resources to secure cost-effective, long-term coking coal supply. This includes our recent acquisition of Polo Resources Coóperatief's 50% interest in the Peabody-Winsway JV, the 100% holder of Peabody-Winsway Mongolia, a Mongolian legal entity engaging in coal exploration and mining in Mongolia. In total, Peabody-Winsway Mongolia holds 50 coal-related mineral licences as at the Latest Practicable Date.

We aim to develop a Russian coal procurement business by replicating our Mongolian model and exploiting Mr. Wang's extensive experience in importing oil and chemical and other commodity products from Russia to China. We will also explore acquisition opportunities to secure upstream coal resources in Russia.

In order to complement our supply of Mongolian coking coal, we have established a presence in Singapore, Brisbane and Hong Kong, to exploit seaborne market opportunities. We plan to establish a long-term supply relationship with our seaborne coal suppliers to offtake their coal products to secure our seaborne supplies and we will also pursue upstream investment opportunities relating to seaborne supplies.

Expanding our presence in China sea ports

We plan to further strengthen our ability to provide a variety of products to satisfy different quality specifications required by our customers. To that end, we plan to construct coal processing facilities at Bayuquan port and Longkou port and explore possibility of constructing a coal processing plant at Yangkou port. We also plan to invest in docking facilities dedicated to coal transportation and shipment in Longkou port. We expect Bayuquan and Longkou ports primarily to serve as receiving ports for coal from Russia and to also service the Northeast China and Shangdong province markets.

The coal processing facilities at Bayuquan and Longkou ports are each expected to have an initial coal processing capacity of 4.0 mtpa. We expect the coal processing plant at Bayuquan and Longkou ports, when completed, to also serve as important contributors to our value chain due to their strategic location and proximity to our key markets in Hebei province and other coastal regions in China.

Exploring new markets

To increase penetration of our products, we plan to continue to expand our sales network to cover the major steel makers and coke plants in China. We conducted a one-off export sales to Japan in 2008 and are currently exploring further opportunities in Japan through our internal feasibility studies with a view to undertaking more export sales to Japan in future. At the same time, we are also conducting preliminary assessment on potential opportunities in India although no feasibility study has been performed on the Indian market as at the Latest Practicable Date. As we are still at a preliminary stage of our business expansion to these new markets we have not engaged any external party to conduct any evaluation/feasibility study. We believe our "one-stop shop" coking coal supply solution to our customers is critical to our success. As a result, we will cater to our customers' needs by continuing to develop a broader range of standardised coking coal products.

RISK FACTORS

There are certain risks involved in our operations. These risks can be categorised into (i) risks relating to our business and our industry; (ii) risks relating to doing business in the PRC; and (iii) risks relating to the Global Offering and our Shares. A detailed discussion of the risk factors are set forth in the section headed "Risk Factors" in this prospectus. The following is a list of the risk factors:

Risks Related to Our Business and Our Industry

- We are experiencing a period of rapid growth and may not be able to manage our growth effectively
- The supply of coal from Mongolia to China may be limited by the availability and stability of transportation services and border-crossing handling capacity at Sino-Mongolian border crossings. Our future growth may accordingly be adversely affected
- We may not be able to recover all or part of our loan to Moveday
- Shortage or suspension of coking coal supply from our Mongolia-based suppliers could result in an adverse impact on our business operation, profitability and our return on investment in the infrastructure at border crossings, railway network and coal processing plants
- We utilise the PRC national railway to transport our coal products to our coal processing plants and customers, any major disruption of which may adversely affect our business and results of operations. We may have limited ability to secure sufficient freight capacity on national railway to transport our coal products to target markets
- We rely on a number of third-party transportation companies to transport coal to our coal processing plants and customers in China. Any major disruption of their business may adversely affect our business and results of operations
- There are a number of risks associated with our dependence on a limited number of customers
- Our results of operations are vulnerable to any significant downturn in the PRC steel industry
- Our results of operations may be affected by a number of factors beyond our control, including the average selling prices, fluctuations in raw material prices and sales volumes of our processed and raw coking coal products
- We generate a part of our turnover from seaborne coking coal trade. Fluctuation in international coking coal price or freight cost may potentially cause our seaborne coking coal business to be unprofitable
- We need to maintain a number of licenses and permits required by relevant laws and regulations, and if we are not able to remain in compliance with all such laws and regulations, such licenses and permits may be revoked
- Our investments in Mongolia, our operations at Sino-Mongolian border crossings and procurement of coal from Mongolia are subject to uncertainty associated with the legal system in Mongolia, which could limit the legal protection available to us and potential investors

- The global financial markets have experienced significant deterioration and volatility recently, which may adversely affect our financial condition and results of operations. We may have limited ability to obtain financing to invest in new capacity and face capacity restraints

- Our business may be adversely affected if we are unable to extend or refinance our short-term borrowings

- We are dependent on future cash flows generated from our business and obtaining additional financing to support our business operations

- We are exposed to certain risks in respect of the development and construction of new logistics parks, railway logistics centres and coal processing plants and expansion of our seaborne coal operations to certain seaports

- We face competition from a number of PRC and international competitors

- Our current and planned strategic cooperations and investments (coal mining, construction of paved road and railways) may not be successful

- Prolonged periods of severe weather conditions could materially and adversely affect our business and results of operations

- Our business may be adversely affected by shortages in electricity, water and gasoline supply or increases in electricity, water and gasoline prices

- Failure in our information and technology systems could result in delays to our business operations

- We have not obtained the relevant regulatory permit for the operation of certain facilities and processing plants and are applying for the land use rights and construction permits for some of our new projects in China

- Some of the properties that we lease or occupy have defective or unclaimed title

- Our operations are exposed to risks in relation to environmental protection

- We may not maintain sufficient insurance coverage for the risks associated with the operation of our business and insurance coverage could prove inadequate to satisfy potential claims

- The interests of our principal shareholder, Mr. Wang, may differ from those of our other Shareholders

- Foreign currency fluctuations could affect expenses and future earnings

- Our organisation and operating structure may subject us to unintended tax liability

- We may be unable to retain or secure key qualified personnel, key senior management or other personnel for our operations

- Our future plans at the Sino-Russian border crossings and procurement of coal from Russia are subject to uncertainty associated with the legal framework in Russia

Risks Related to Doing Business in the PRC

- Our results of operations are subject, to a significant extent, to economic, political and legal developments in the PRC
- Our turnover is primarily denominated in Renminbi, which is not freely convertible for capital account transactions and may be subject to exchange rate volatility
- Our operations are subject to uncertainty associated with the legal system in the PRC, which could limit the legal protection available to us and potential investors
- There may be difficulties in seeking recognition and enforcement of foreign judgments
- We rely on dividends paid by our subsidiaries for our cash needs
- We may be deemed a PRC resident enterprise under the PRC EIT Law and may be subject to PRC taxation on our worldwide income, and dividends payable by us to our foreign investors and gains on the sale of Shares may become subject to withholding taxes under the current PRC tax laws
- The PRC regulation of direct investment and loans by offshore holding companies to the PRC entities may delay or limit us from using the proceeds of the Global Offering to make additional capital contributions or loans to our PRC subsidiaries

Risks Related to the Global Offering and Our Shares

- You may face difficulties in protecting your interests because we are incorporated under the laws of the BVI, and the laws of the BVI relating to the protection of the interests of minority shareholders may be different from those under the laws of Hong Kong and other jurisdictions
- Volatility in the global financial markets could cause significant fluctuations in the price of our Shares
- There has been no public market for our Shares prior to the Global Offering, and the liquidity and market price of our Shares may be volatile
- We cannot assure you that we will declare dividends in the future
- Purchasers of our Shares in the Global Offering will experience immediate dilution in the pro forma net tangible assets value because the Offer Price is higher than the net tangible assets per Share and may experience further dilution if we issue additional equity interest in the future
- Future sales or perceived sales of substantial amounts of our Shares in the public market could cause the prevailing market price of our Shares to decline
- The market price of our Shares could be lower than the Offer Price
- Certain facts and statistics contained in this prospectus have come from official government sources or other industry publications, the reliability of which cannot be assumed or assured
- You should read the entire prospectus carefully and are strongly cautioned against placing any reliance on the information in any press articles or other media coverage which contains information not being disclosed or which is inconsistent with the information included in this prospectus

SUMMARY OF HISTORICAL COMBINED FINANCIAL INFORMATION

The following tables set forth a summary of our selected line items from our combined financial information for the periods and as of the dates indicated. This summary has been extracted from and should be read in conjunction with, our combined financial information included in the accountants' report in Appendix I to this prospectus. The basis of preparation is set out in section A of the accountants' report in Appendix I to this prospectus.

Selected Combined Income Statements Information

	Year ended 31 December			Six months ended 30 June	
	2007	2008	2009	2009	2010
	RMB '000	RMB '000	RMB '000	RMB '000 (unaudited)	RMB '000
Continuing operations					
Turnover	198,641	993,540	4,655,636	817,984	4,298,827
Cost of sales	(159,553)	(552,837)	(3,808,740)	(666,248)	(3,353,009)
Gross profit	39,088	440,703	846,896	151,736	945,818
Other revenue	444	6,166	7,844	2,366	12,792
Distribution costs	(2,869)	(109,558)	(236,998)	(74,734)	(126,411)
Administrative expenses	(13,774)	(62,275)	(91,623)	(28,555)	(114,561)
Other operating expenses, net	(729)	(10,012)	(643)	(1,077)	(9,698)
Profit from operating activities	22,160	265,024	525,476	49,736	707,940
Finance income	3,790	4,480	6,205	1,264	7,773
Finance costs	(3,690)	(3,331)	(37,041)	(11,020)	(74,895)
Net finance income/(costs)	100	1,149	(30,836)	(9,756)	(67,122)
Profit before taxation	22,260	266,173	494,640	39,980	640,818
Income tax	150	10,639	(62,008)	4,146	(111,910)
Profit from continuing operations	22,410	276,812	432,632	44,126	528,908
Profit attributable to:					
Equity shareholders of our Company	17,811	244,606	454,049	64,983	528,925
Non-controlling interests	(2,164)	(935)	-	-	(17)
	15,647	243,671	454,049	64,983	528,908

Selected Combined Balance Sheets Information

	As at 31 December			As at 30 June
	2007	2008	2009	2010
	RMB '000	RMB '000	RMB '000	RMB '000
ASSETS				
Current assets	499,087	1,035,252	3,478,485	5,532,437
Non-current assets	151,488	374,115	482,344	839,743
Total assets	650,575	1,409,367	3,960,829	6,372,180
LIABILITIES				
Current liabilities	339,248	872,643	2,953,423	3,970,430
Non-current liabilities	2,589	1,894	-	757,754
Total liabilities	341,837	874,537	2,953,423	4,728,184
Total equity	308,738	534,830	1,007,406	1,643,996
Total liabilities and equity	650,575	1,409,367	3,960,829	6,372,180

The following table sets forth our turnover from our continuing operations by source for each of 2007, 2008 and 2009 and for the six months ended 30 June 2009 and 2010, respectively.

	Years ended 31 December			Six Months ended 30 June	
	2007	2008	2009	2009	2010
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Turnover					
Mongolian coal					
Cleaned coking coal	-	821,996	1,574,844	570,510	1,644,082
Raw coking coal(1)	191,427	160,931	183,038	3,685	312,941
Seaborne coal					
Hard coal(2)	-	-	2,833,871	242,985	2,329,380
Others	7,214	10,613	63,883	804	12,424
Total	198,641	993,540	4,655,636	817,984	4,298,827

Notes:

(1) Sold directly to customers without processing on our part.

(2) Sold directly to customers without processing on our part, save for a minimal amount of less than 50,000 tonnes processed by third-party coal processing plant in 2009.

The table below sets forth the breakdown of gross profit by cleaned coking coal, raw coking coal, hard coal and others for each period during the Track Record Period and for the six months ended 30 June 2009 and 2010.

	Year ended 31 December						Six months ended 30 June			
	2007		2008		2009		2009		2010	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000)	(%)	(RMB'000) (unaudited)	(%)	(RMB'000)	(%)
Mongolian coal										
Cleaned coking coal	-	-	417,802	*50.8*	442,141	*28.1*	146,811	*25.7*	629,364	*38.3*
Raw coking coal	37,958	*19.8*	18,300	*11.4*	44,681	*24.4*	825	*22.4*	85,163	*27.2*
Seaborne coal										
Hard coal	-	-	-	-	351,769	*12.4*	3,696	*1.5*	226,864	*9.7*
Others	1,130	*15.7*	4,601	*43.4*	8,305	*13.0*	404	*50.2*	4,427	*35.6*
Total gross profit	39,088	*19.7*	440,703	*44.4*	846,896	*18.2*	151,736	*18.5*	945,818	*22.0*

PROFIT FORECAST FOR THE YEAR ENDING 31 DECEMBER 2010

Our Directors forecast that, on the bases and assumptions set out in Appendix III to this prospectus and in the absence of unforeseen circumstances, the forecast combined profit attributable to our equity shareholders for the year ending 31 December 2010 will be not less than RMB764 million. In deriving the forecast combined profit attributable to equity shareholders of our Company for the year ending 31 December 2010, we have taken into account estimated accounting charges totalling RMB155.4 million, which comprise (i) share-based payment expenses of RMB62.4 million in respect of the share options granted pursuant to the Pre-IPO Option Scheme, (ii) interest on liability component of Convertible Bonds of RMB46.2 million, and (iii) interest on liability component of Preference Shares of RMB46.8 million, for the year ending 31 December 2010. It is also forecasted that listing expenses of approximately RMB33 million to be incurred will be chargeable to profit and loss in the year ending 31 December 2010.

The profit forecast for the year ending 31 December 2010 has been prepared by our Directors based on the audited combined results of our Group for the six months ended 30 June 2010, the unaudited combined results for one month ended 31 July 2010 and a forecast of the combined results of our Group for the remaining five months ending 31 December 2010. The profit forecast has been prepared on a basis consistent in all material respects with the accounting policies presently adopted by us and are based on the assumptions set out in Appendix III to this prospectus.

On a pro forma fully diluted basis using RMB764 million as our forecast profit and on the assumption that the Global Offering had been completed and assuming that the Convertible Bonds and the Preference Shares have been fully converted and all the Peabody Energy Consideration Shares have been issued based on the Offer Price of HK$3.875 per Share (being the mid-point of the indicative range of the Offer Price between HK$3.25 and HK$4.50 per Share), a total of 3,787,313,494 Shares will be in issue (taking no account of any Shares that may be allotted and issued upon the exercise of any options granted under the Pre-IPO Option Scheme), our forecast earnings per Share are HK$0.233, representing a price/earnings multiple of 16.6 times based on the Offer Price of HK$3.875 per Share.

If the Offer Price is fixed at HK$4.50 per Offer Share, being the highest end of the indicative range of the Offer Price, a total of 3,784,530,089 Shares will be in issue, and our forecast earnings per Share will be HK$0.233, representing a price/earnings multiple of 19.3 times. If the Offer Price is fixed at HK$3.25 per Offer Share, being the lowest end of the indicative range of the Offer Price, a total of 3,791,167,440 Shares will be in issue, and our forecast earnings per Share will be HK$0.233, representing a price/earnings multiple of 14.0 times.

Sensitivity analysis

The following table illustrates the sensitivity of the profit forecast of our Group for the year ending 31 December 2010 with reference to the potential movements in the average selling price and average purchase price of coal:

	For the year ending 31 December 2010
	(RMB'000)
	Increase/(decrease) in profit before taxation for the year
(A) Movement in the average selling price of coal	
Increase 5%	401,713
Decrease 5%	(401,713)
Increase 10%	803,426
Decrease 10%	(803,426)
Increase 15%	1,205,139
Decrease 15%	(1,205,139)
(B) Movement in the average purchase price of coal	
Increase 5%	(242,287)
Decrease 5%	242,287
Increase 10%	(484,574)
Decrease 10%	484,574
Increase 15%	(726,861)
Decrease 15%	726,861

The above sensitivity illustration is intended for reference only, and any variation could exceed the ranges given, and potential investors should note in particular that (i) this sensitivity illustration is not intended to be exhaustive, and (ii) the profit forecast is subject to further and additional uncertainties. While we have considered for the purpose of the profit forecast what our Directors believe is the best estimate of the average selling price and average purchase price of coal for the year ending 31 December 2010, such financial data may differ materially from our forecast, and is dependent on market conditions and other factors that are beyond our control and our profit forecast involves estimates and assumptions in this regard which may prove to be incorrect.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK$3,649.5 million (assuming an Offer Price of HK$3.875 per Share, being the mid-point of the indicative Offer Price range), after deducting the underwriting fees and commissions and estimated expenses payable by us in relation to the Global Offering and assuming that the options granted under the Pre-IPO Option Scheme are not exercised.

We intend to use the net proceeds we will receive from the Global Offering for the following purposes:

- approximately 72%, which represents approximately HK$2,627.6 million, will be used for future acquisition of, and investment in, new infrastructure, including logistics parks, railway logistics centres, docking facilities, railways and new coal processing facilities as more particularly set out in the section headed "Future Plans and Outlook" in this prospectus. As of the Latest Practicable Date, our Directors confirm that our Company has not entered into any agreement or negotiation, nor do we have any definite plans at present, in relation to any potential acquisition of new infrastructure other than as disclosed in this prospectus;

- approximately 14%, which represents approximately HK$510.9 million, will be used for future acquisition of upstream coal resources and related mining and exploration expenditure, including expenditure relating to the Peabody-Winsway JV. As of the Latest Practicable Date, our Directors confirm that our Company has not entered into any agreement or negotiation, nor do we have any definite plans at present, in relation to any potential acquisition of upstream coal resources;

- approximately 4.25%, which represents approximately HK$155.1 million, will be used to settle the US$20 million payable to Polo Resources for our acquisition of a 50% interest in the Peabody-Winsway JV; and

- approximately 9.75%, which represents approximately HK$355.8 million, will be used for working capital and general corporate purposes.

If the Offer Price is fixed at HK$4.50 per Offer Share, being the highest end of the stated Offer Price range, the net proceeds will be increased by approximately HK$597.1 million. If the Offer Price is fixed at HK$3.25 per Offer Share, being the lowest end of the stated Offer Price range, the net proceeds will be reduced by approximately HK$597.1 million. To the extent our net proceeds are either more or less than expected, we will adjust our allocation of the net proceeds for the above purposes on a pro rata basis (other than the payment to Polo Resources, which will not change).

To the extent that the net proceeds of the Global Offering are not immediately used for the purposes described above they will be placed in short term demand deposits and/or money market instruments.

The gross proceeds from the sale of the Sale Shares by the Selling Shareholders as a result of the full exercise of the Over-allotment Option would be approximately HK$575.4 million (assuming an Offer Price of HK$3.875 per Share, being the mid-point of the indicative Offer Price range). The Selling Shareholders will not receive any proceeds if the Over-allotment Option is not exercised. We will not receive any of the net proceeds of the Global Offering from the sale of the Sale Shares by the Selling Shareholders.

DIVIDENDS AND DIVIDEND POLICY

Subject to the Companies Act, we may declare final dividends in any currency, but no dividend may be declared in excess of the amount recommended by our Board. Our Articles of Association provide that dividends may be declared and paid out if the Directors are satisfied, on reasonable grounds, that, immediately after the payment of the dividends, the value of our Company's assets will exceed its liabilities and our Company will be able to pay its debts as they fall due.

Future dividend payments will also depend upon the availability of dividends received from our subsidiaries in China. The PRC laws require that dividends be paid only out of net profits, calculated in accordance with the PRC accounting principles, which differ in many aspects from the generally accepted accounting principles in other jurisdictions, including IFRSs. The PRC laws also require foreign-invested enterprises to set aside part of their net profits as statutory reserves, which are not available for distribution as cash dividends. Furthermore, distributions from our subsidiaries may be restricted if they incur debt or losses or as a result of any restrictive covenants in bank facilities, convertible bond instruments or other agreements that we or our subsidiaries may enter into in the future.

Pursuant to written resolutions of our Directors on 16 September 2010, the Board resolved that an indicative dividend payout ratio of 25% of our Company's annual net profit generated be considered as a reference percentage for dividend declarations in future financial years. Our Directors are expected to declare dividends, if any, in Hong Kong dollars with respect to Shares on a per Share basis and we expect to pay such dividends in Hong Kong dollars. Such indicative dividend payout ratio is neither definitive nor binding on our Company and any declaration of dividends will depend upon a number of factors including our earnings and financial conditions, operation requirements, capital requirements and any other conditions that our Directors may deem relevant and will be subject to the approval of our Shareholders. There can be no assurance that dividends of any amount will be declared or distributed in any given year. There are no arrangements in existence under which future dividends are to be waived or agreed to be waived.

TAX LIABILITY ARISING FROM OUR ORGANISATION AND OPERATING STRUCTURE

We utilise our BVI-incorporated entities to procure our seaborne coal. The management team of our BVI-incorporated entities usually travel around Mongolia, Australia, Canada, the United States and other jurisdictions to undertake and negotiate for the procurement of coal from our overseas suppliers. Placing of the purchase orders and signing of procurement agreements are effected after our BVI trade agent affixes the relevant company chop on the agreements. Relevant shipping documents are being processed by our agent in Macau and will be endorsed by our management team at the locality of our overseas supplier. Our Directors consider that the tax exposure to the relevant BVI-incorporated entities in relevant jurisdictions, including BVI, PRC, Macau, Mongolia, Australia, Canada, the United States and the locality of the suppliers where the agreements are signed, to be remote. We have also been advised by our tax adviser that these BVI-incorporated entities should not be subject to any significant tax exposure in relevant jurisdictions. However, our tax adviser has also advised us that there may be certain risk that part of the profits derived by our BVI-incorporated entities from the purchase and sale of coal will be considered to be sourced in Australia, particularly because certain relevant contracts are negotiated, concluded and executed in Australia. Please see the sections headed "Financial Information — Description of Certain Income Statement Items — Income Tax" and "Risk Factors — Risks Related to Our Business and Our Industry — Our organisation and operating structure may subject us to unintended tax liability" in this prospectus for more information.

PRE-IPO INVESTORS

On 30 March 2010, our Company entered into a preferred share subscription agreement with HOPU under which HOPU subscribed for Preference Shares in an amount of US$60,000,000. On 30 March 2010, our Company entered into a convertible bond subscription agreement with China Minmetals Corporation and Silver Grant under which each of China Minmetals Corporation and Silver Grant subscribed for the Convertible Bonds in the respective amount of US$25,000,000. On 22 April 2010, our Company also entered into a convertible bond subscription agreement with ITOCHU under which ITOCHU subscribed for the Convertible Bonds in an amount of US$10,000,000. Each of HOPU, China Minmetals Corporation, Silver Grant and ITOCHU became our Pre-IPO Investors in April 2010 and all of them will exercise their respective conversion right under the Preference Shares or the Convertible Bonds and the conversion is expected to take effect from 24 September 2010.

Details of the pre-IPO investments are set forth in the paragraphs headed "Information on the Pre-IPO Investors" and "Rights and Obligations of the Pre-IPO Investors" in the section headed "History, Reorganisation and Group Structure" in this prospectus.

GLOBAL OFFERING STATISTICS(1)

	Based on an Offer Price of HK$3.25	Based on an Offer Price of HK$4.50
Market capitalisation of our Shares(2)	HK$12,321 million	HK$17,030 million
Prospective price/earnings multiple(3)	14.0 times	19.3 times
Unaudited pro forma adjusted net tangible asset value per Share(4)	HK$1.13 (RMB1.30)	HK$1.41 (RMB1.63)

Notes:

(1) All statistics in this table assume that the options granted under the Pre-IPO Option Scheme are not exercised.

(2) The calculation of market capitalisation is based on 3,791,167,440 and 3,784,530,089 Shares respectively expected to be in issue following completion of the Global Offering and assuming that the Convertible Bonds and the Preference Shares have been fully converted and all the Peabody Energy Consideration Shares have been issued at the respective Offer Prices of HK$3.25 and HK$4.50.

(3) On a pro forma basis using RMB764 million as our forecast profit and on the assumption that the Global Offering had been completed and assuming that the Convertible Bonds (as converted on 24 September 2010) and the automatic conversion of the Preference Shares and the Peabody Energy Consideration Shares have been issued based on indicative Offer Prices of HK$3.25 and HK$4.50 per Share and 3,791,167,440 Shares and 3,784,530,089 Shares respectively expected to be in issue, our forecast earnings per Share will be HK$0.233 and HK$0.233, representing a price/earnings multiple of 14.0 times and 19.3 times respectively.

(4) The unaudited pro forma adjusted net tangible assets per Share is arrived at after the adjustments referred to in the section headed "Unaudited Pro Forma Financial Information" in Appendix II to this prospectus, and on the assumption of a total of 3,791,167,440 Shares and 3,784,530,089 Shares based upon the indicative Offer Prices of HK$3.25 and HK$4.50 per Share respectively, being the number of Shares in issue upon completion of the Global Offering (including Shares in issue as at the date of this prospectus and those Shares to be issued pursuant to the Global Offering, the full conversion of Convertible Bonds (as converted on 24 September 2010), the automatic conversion of the Preference Shares and the Peabody Energy Consideration Shares for acquisition of jointly controlled entity), which takes no account of any Shares which may be issued upon the exercise of any options granted under the Pre-IPO Option Scheme, or which may be allotted and issued or repurchased by the Company.

On 16 September 2010, the Company declared and approved the payment of a dividend totalling RMB287,732,611 (including additional preferred dividend and interest of RMB74,248,513 payable to our Pre-IPO Investors under the terms of their respective subscription agreements payable), representing approximately 25% of retained earnings as at 30 June 2010 to the Company's existing equity shareholders as at 16 September 2010, holders of the Convertible Bonds and holders of the Preference Shares. The dividend will be paid upon Listing. Taken into account the dividend declared, the unaudited pro forma adjusted net tangible assets per Share should be reduced by RMB0.08 to RMB1.05 and RMB1.33 (equivalent to approximately HK$1.21 and HK$1.54) based on the indicative Offer Prices of HK$3.25 and HK$4.50 per Share, respectively.