You should carefully consider all of the information in this prospectus including the risks and uncertainties described below before making an investment in our Shares. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks and uncertainties. The trading price of our Shares could decline due to any of these risks, and you may lose all or part of your investment.

Risks Relating to Our Business and Industry

We have derived significant portions of our revenue from business with a few major customers, including in particular the Foxconn Companies and the P & O Companies, two groups of affiliated companies each of which we consider, collectively, as a major customer.

During the Track Record Period, there was a growing concentration in our customer base. Aggregate sales revenue attributable to our five largest customers represented 49.9%, 74.6% and 77.9% of our total revenue for the years ended September 30, 2010, 2011 and 2012, respectively, and aggregate sales revenue attributable to the Foxconn Companies and the P & O Companies represented 37.3%, 67.5% and 71.5% of our total revenue for the same years, respectively. The trend of customer concentration became particularly prominent during the year ended September 30, 2011, when our shipments to the Foxconn Companies increased substantially. These major customers may continue to account for similar or even higher portions of our revenue in the future.

There may be risks associated with having a small number of major customers. We cannot assure you that we will be able to maintain or improve our relationship with our major customers, that we will be able to continue to supply products to them at current levels in similar terms, or at all, or that they will continue to purchase from us rather than from other suppliers. In addition, our business is affected by the overall business of our major customers and their affiliates, which, to a significant extent, is dependent upon their continuing ability to act as suppliers to their own customers and the sustained demand for the end-products they assemble or sell. Any deterioration in the businesses of our major customers could lead to a decline in their purchase orders placed with us or a change in our major customers' business relationships. Our use of resources and management attention to continue our relationship with our major customers and meet their purchase orders may also reduce resources devoted to our other customers and business activities. If any of our major customers substantially reduces orders from us or terminates its business relationship with us, we cannot assure you that we would be able to obtain orders from other customers to timely replace such lost sales on comparable terms, or at all, in which case our business, operating results and financial condition may be materially and adversely affected. See "—A significant portion of our recent revenue growth was attributable to new orders from the Foxconn Companies for aluminum parts for certain popular portable consumer electronic products by a major customer of the Foxconn Companies, and the Foxconn Companies are accounting for increasing shares of our Electronics Parts revenue and revenue in general" and "—Our current business model in Australia has a relatively short history and relies heavily on sales to the P & O Companies, our former subsidiaries" below for further descriptions of certain risks particular to our relationships with the Foxconn Companies and the P & O Companies, respectively.

In addition, some of our major customers may have in the past been, and may continue to be, the subject of negative publicity. We cannot assure you that such negative publicity will not be imputed to us or our association with our customers will not bring us unwarranted scrutiny. Any such imputation or scrutiny may harm our reputation and divert our management resources, thereby materially and adversely affecting our business, operating results and financial condition.

A significant portion of our recent revenue growth was attributable to new orders from the Foxconn Companies for aluminum parts for certain popular portable consumer electronic products by a major customer of the Foxconn Companies, and the Foxconn Companies are accounting for increasing shares of our Electronics Parts revenue and revenue in general.

Since 2009, we have supplied to the Foxconn Companies aluminum parts for the popular portable consumer electronic products that they assemble for a leading global electronic products designer, including its popular multimedia tablets and laptop computers. Our sales revenue from the Electronics Parts product category experienced significant growth since 2011, primarily driven by an increase in volumes of aluminum plates sold to certain Foxconn Companies which they further process into the unibody chassis for the multimedia tablets and the laptop computers and, since November 2011, the unibody chassis for the multimedia tablets themselves. Our Electronics Parts sales revenue amounted to HK$791.5 million and HK$1,143.5 million for the years ended September 30, 2011 and 2012, respectively, compared to HK$119.8 million for the year ended September 30, 2010. Such growth represented most of our overall revenue growth during the same periods. We have a relatively short history of supplying the Foxconn Companies on such a large scale, and we cannot assure you that such growth will continue at such pace, or at all.

In addition, largely due to such growth, the Foxconn Companies as a group became a significantly larger contributor to our revenue. For the years ended September 30, 2010, 2011 and 2012, the Foxconn Companies in the aggregate accounted for 7.9%, 37.6% and 45.7% of our total revenue, respectively. As such, our future prospects may, to an important extent, be affected by our ability to obtain new orders from the Foxconn Companies, particularly with respect to the relevant popular portable consumer electronic products by the leading global designer. We cannot assure you that we will be successful in our efforts, because the amount of orders in the future could be negatively affected by a number of factors. First, the demand for such popular consumer electronic products may be subject to fluctuations resulting from the timing of product launches, end-users' changing tastes and preferences, competition from rival products or other reasons. Second, the demand for our aluminum parts for such popular consumer electronic products may diminish if the leading global designer changes its product designs to require parts we are unable to produce or parts made of materials other than aluminum altogether. Third, any deterioration in the relationship between the Foxconn Companies and their major customer, the leading global designer, due to negative publicity, any decision by such major customer to reduce outsourced assembly operations in China or any other reason, or any deterioration of the Foxconn Companies' business for other reasons, could lead to a decline in the Foxconn Companies' own requirements from suppliers, including us. Fourth, any deterioration in our relationship with the Foxconn Companies or any change in the Foxconn Companies' outsourcing policies may lead to a decline in their orders placed with us. Furthermore, we cannot assure you that the profit margins we earn from sales to the Foxconn Companies, particularly those associated with the high-value-added CNC Products, which have historically been higher than those for our other sales, will not decline, due to competition from other suppliers, tightened pricing from the Foxconn Companies or other reasons. Any of the above factors, or a combination of them, could materially and adversely affect our business prospects, financial condition and results of operations.

We do not maintain long-term supply contracts with our customers, and any disruption or termination of our major customer relationships may have a material adverse effect on our results of operations.

We do not maintain long-term supply contracts with our customers obligating them to place orders with us which would secure future revenue for us. Instead, we sell our products based on individual orders. In particular, we had supplied our major customer, the Foxconn Companies, via sales orders without a long-term agreement prior to July 2011. Our five-year agreement with the Foxconn Companies entered into in July 2011 is legally binding, but does not specify the types or quantities of products to be transacted, nor does it include any pricing terms or exclusive or minimum transaction commitments. It merely establishes the mechanism through which we may consummate individual sales transactions with the Foxconn Companies and does not obligate the Foxconn Companies to order from us. See "Business—Our Products—Electronics Parts—Relationship with the Foxconn Companies." Should our major customers cease ordering our products, whether due to a deterioration of their business, their decision to change supplier or any other reason, our business, operating results and financial condition may be materially and adversely affected.

Foreign governments have instituted and may continue to institute various trade regulation measures, including anti-dumping and countervailing duties on imported goods. Such measures may be applicable to our products and materially and adversely affect our export sales, which constitute an important portion of our revenues.

During the Track Record Period, we exported significant volumes of products to overseas markets, including Australia, Canada, the United States, South Africa and Malaysia. For the years ended September 30, 2010, 2011 and 2012, export sales (our total sales excluding sales in the PRC and Hong Kong) accounted for 59.2%, 39.2% and 34.3% of our total revenue, respectively. We expect export sales to continue to contribute an important portion of our revenue in the near future. As such, our export sales and, in turn, results of operations and financial position, are subject to the economic, political, social and legal developments in these jurisdictions.

The following table sets out the composition of our revenue by geographic market for the periods indicated:

	Year ended September 30,					
	2010		2011		2012	
	(HK$ in millions, except percentages)					
Revenue						
PRC	501.5	36.7%	1,174.7	56.2%	1,530.1	62.8%
Australia	679.1	49.7%	732.7	35.0%	732.8	30.1%
North America	119.6	8.7%	53.4	2.6%	50.4	2.1%
Hong Kong	55.6	4.1%	96.6	4.6%	71.1	2.9%
Others	11.1	0.8%	33.2	1.6%	52.5	2.1%
Total	1,366.9	100.0%	2,090.6	100.0%	2,437.0	100.0%

The table below sets forth a profitability analysis of our sales to the P & O Companies and other customers in Australia by timing and by the various product types as indicated.

	Year ended September 30,					
	2010		2011		2012	
	(HK$ in millions, except percentages)					
Gross profit and gross profit margin of Australia sales						
Prior to imposition of duties						
All goods	121.7	30.8%	—	—	—	—
Post imposition of duties						
Ready-for-sale goods (not subject to duties)	9.2	48.9%	44.3	52.2%	38.6	44.8%
P & O Companies	—	—	—	—	—	—
Other customers	9.2	48.9%	44.3	52.2%	38.6	44.8%
Semi-finished goods (not subject to duties)	8.3	9.9%	47.2	17.6%	64.6	22.7%
P & O Companies	8.3	9.9%	41.7	16.2%	59.6	22.2%
Other customers	—(1)	23.8%	5.5	49.5%	5.0	30.5%
Goods subject to duties	62.9	34.5%	143.0	37.7%	103.9	28.7%
P & O Companies	54.6	37.0%	140.0	38.2%	103.6	28.7%
Other customers	8.3	24.1%	3.0	23.8%	0.3	27.3%
Total	202.1	29.8%	234.5	32.0%	207.1	28.3%

Note:
(1) Less than HK$50,000

As described in detail in the section entitled "Business—Customers, Sales, Marketing and Distribution—Export—Anti-dumping and Countervailing Duties" on page 133 of this prospectus, various trade regulation measures applicable to our products were instituted in some of the jurisdictions to which we sell our products during the Track Record Period, and culminated in the imposition of certain anti-dumping and countervailing duties on some of our exported products. Such duties, which are payable by the importers of our products in the respective countries when the affected products enter such countries, effectively increased the prices of our products and put us at a relative disadvantage compared to local producers, which adversely affected our sales to these markets. For example, in May 2011, the United States Department of Commerce, or USDOC, upon affirmative determinations by itself and the United States International Trade Commission, or USITC, issued orders to impose anti-dumping and countervailing duties on certain aluminum extrusion products imported into the United States from the PRC, including those manufactured and exported by us. The combined U.S. anti-dumping and countervailing duties applicable to our products were 406.94%, and are levied upon our customers who import our products into the United States until May 2016. As a result, our export sales to the United States as a percentage of our total revenue declined significantly from 3.4% in the year ended September 30, 2010 to 0.1% in the year ended September 30, 2011, and further to nil in the year ended September 30, 2012. We have withdrawn from the U.S. market.

On August 18, 2008, the Canada Border Services Agency initiated investigations with respect to the dumping and subsidizing of certain aluminum extrusions imported from the PRC, including those manufactured and exported by us. It published its preliminary determination on November 17, 2008 and its final determination on February 16, 2009 that certain such imports were dumped and/or subsidized. On March 17, 2009, the Canadian International Trade Tribunal found that the dumping and subsidizing of certain such imports caused injury to the domestic Canadian industry. Consequently, an anti-dumping duty of 31.4% of the export price and a countervailing duty of RMB3.51 per kilogram were imposed on our products. As a result, our export sales to Canada as a percentage of our total revenue declined substantially from 5.3% in the year ended September 30, 2010 to 2.5% in the year ended September 30, 2011. As of February 20, 2012, the anti-dumping duty on our products was eliminated, provided that the import price on our products sold in Canada is above a "normal price" set by the Canada Border Services Agency, and the countervailing duty fell to RMB1.75 per kilogram. Our export sales to Canada as a percentage of our total revenue was 2.1% in the year ended September 30, 2012.

Anti-dumping and countervailing duties applicable to our products have also been put in place in Australia, which has been our largest export market, with Australian sales revenue accounting for 49.7%, 35.0% and 30.1% of our total revenue for the years ended September 30, 2010, 2011 and 2012, respectively. From April 2010 to August 2011, interim anti-dumping and countervailing duties were imposed on certain aluminum extrusion products imported into Australia from certain PRC suppliers, including us. On August 27, 2011, the Attorney-General of Australia issued an order to confirm such duties. The combined rate of such duties as applicable to us is up to 13.6%. We are currently appealing the decision in the Federal Court of Australia. See "Business—Legal Proceedings—Trade Litigation in Australia" on page 145 of this prospectus.

As a result, our sales to Canada and the United States fell substantially during the Track Record Period. The anti-dumping and countervailing duties imposed in Australia, our largest export market during the Track Record Period, were substantially lower than those imposed in Canada or the United States, leaving a lesser impact on our exports to Australia. A strong Australian dollar during the relevant period also helped maintain our revenue growth from Australian sales. Nevertheless, in terms of sales volume, our sales to Australia decreased in the year ended September 30, 2011 as compared to the year before.

We cannot assure you that we will prevail in the current trade litigation in Australia and have the anti-dumping and countervailing duties applicable to our products revoked or reduced. The court may uphold the decision by the Attorney-General of Australia, and the litigation may be protracted and result in substantial costs and diversion of our management resources. In addition, we cannot guarantee that no new similar petitions will be filed in the future in Canada, Australia or other foreign jurisdictions to which we export and may in the future export our products. If any such petitions are filed, they may result in the imposition of new anti-dumping or countervailing duties or other forms of government trade protection measures on our products. Any continuing or new foreign government trade protection measures unfavorable to our products could significantly increase the cost of importing our products by our foreign customers. Our foreign customers may be unable or unwilling to pass on the extra cost to their customers due to domestic competition and choose instead to purchase products from our competitors who are not subject to such trade protection measures. In either event, we could substantially lose our competitive advantages in the overseas markets in question and lose export sales revenue, and our business and results of operations, in turn, could be materially and adversely affected.

Our current business model in Australia has a relatively short history and relies heavily on sales to the P & O Companies, our former subsidiaries.

Our exports of Construction and Industrial Products to Australia are an important component of our business. For the year ended September 30, 2010, sales to Australia accounted for 49.7% of our total revenue. With the shift in our business focus towards the Electronics Parts business in China, we disposed of the P & O Companies in the year ended September 30, 2010, and our reliance on revenue from sales to Australia decreased, to 35.0% and 30.1% of our total revenue for the years ended September 30, 2011 and 2012, respectively. Nevertheless, the absolute value of sales revenue derived from exports to Australia has remained stable and strong, amounting to HK$679.1 million, HK$732.7 million and HK$732.8 million for the years ended September 30, 2010, 2011 and 2012, respectively. We expect exports to Australia to remain an important part of our business.

Following the disposal of the P & O Companies, they became our major customer in Australia which distribute our products to end-customers, and we no longer directly sold our products to the many former customers in Australia. As such, we have had a sharp decrease in our total number of customers in the Australian market, which declined from approximately 700 for the year ended September 30, 2009 to five for the year ended September 30, 2011 and three for the year ended September 30, 2012. Accordingly, our sales to Australia have become more dependent on a small number of customers, including the P & O Companies. Our revenue derived from sales to the P & O Companies represented 29.4%, 29.8% and 25.8% of our total revenue for the years ended September 30, 2010, 2011 and 2012, respectively. As of September 30, 2010, 2011 and 2012, we had trade receivables due from the P & O Companies of HK$247.3 million, HK$284.8 million and HK$348.7 million, respectively. We cannot assure you that the P & O Companies will make payments for these trade receivables in a timely fashion, or at all. Since our current business model in Australia has a relatively short history, we cannot assure you that we will be successful in maintaining our competitive position in Australia.

In addition, we cannot assure you that we will be able to maintain or improve our relationship with the P & O Companies, that we will be able to continue to supply products to them at current levels, or at all, or that they will continue to purchase from us rather than from other suppliers. Furthermore, our exports to Australia may be affected by the overall business of the P & O Companies. Any deterioration in the businesses of the P & O Companies could lead to a decline in their purchase orders placed with us. We understand from the P & O Companies that their performance has been in line with the general aluminum extrusion industry in Australia, which has contracted during the Track Record Period. If the P & O Companies substantially reduce orders from us or terminate their business relationship with us, we cannot assure you that we will be able to obtain orders for similar products from other customers in Australia or elsewhere to timely replace such lost sales on comparable terms, or at all, in which case our business, operating results and financial condition may be materially and adversely affected.

If we fail to collect our trade receivables, our financial condition and results of operations, particularly cash flows, will be materially and adversely affected.

We generally require customers of our Branded OPLV Products in China to pay us the full purchase price before or upon delivery, typically in cash or by bank transfer. We currently grant only the Foxconn Companies and the P & O Companies a credit period of 90 days and generally grant other customers credit terms ranging from 45 to 90 days. We assess and provide such credit terms on a case-by-case basis, taking into consideration order size, creditworthiness and prior dealing history. During the Track Record Period, we recorded significant amounts of trade receivables, particularly from P & O Companies and the Foxconn Companies and are therefore subject to credit risk. We also made provisions for certain trade receivables relating to P & O Companies that we deemed uncollectable. As of September 30, 2010, 2011 and 2012, we had net trade receivables of HK$359.2 million, HK$522.8 million and HK$813.6 million after giving effect to provisions of HK$7.3 million, HK$0.1 million and nil, respectively. In addition, as of September 30, 2010, 2011 and 2012, HK$121.8 million, HK$155.9 million and HK$225.0 million, respectively, of our trade receivables from the P & O Companies were overdue, and HK$7.6 million, HK$44.7 million and HK$4.1 million of our trade receivables from the Foxconn Companies were overdue. For the years ended September 30, 2010, 2011 and 2012, the turnover days for trade receivables due from the Foxconn Companies were 92, 42 and 93, respectively, and the turnover days for trade receivables due from the P & O Companies were 112, 156 and 184, respectively. See the section entitled "Financial Information—Current Assets and Current Liabilities Analysis—Trade Receivables-Net" beginning on page 197 in this prospectus. We cannot assure you that we will be able to collect all trade receivables from all of our customers in full or in a timely manner, and our failure to do so may materially and adversely affect our financial conditions, results of operations and cash flows. In addition, we may incur expenses relating to the collection of our trade receivables, such as through legal proceedings.

Our production technology may not be able to keep pace with evolving industry standards, and changing customer requirements or preferences may adversely affect our business.

The aluminum products industry is characterized by evolving production technology, changing customer specifications and fluctuations in product supply and demand. Demand for the products we currently manufacture may decrease due to the emergence of new aluminum products with enhanced physical properties or appearance or due to competition from alternative materials, such as wood, plastic, carbon composites or other materials. In addition, demand for new aluminum products with higher profitability and better prospects may emerge, either replacing existing aluminum products or replacing products made of other materials. These factors require us to develop new products and enhancements to our existing products, which may require new facilities and technologies. For example, we invested HK$175.6 million in the year ended September 2012 to purchase CNC machining centers for our CNC plant so that we could produce high-value-added, high-precision products, such as the unibody chassis for a popular multimedia tablet. We currently plan to make further investments to acquire additional CNC processing capacity. We cannot assure you that we will anticipate trends and developments in our industry in an accurate and timely manner, if at all. If we do not anticipate changes in our industry's production technology and timely develop competitive technology or acquire or license it on commercially acceptable terms, we may not be able to produce products that meet our customers' demands. Responding and adapting to technological developments and changes in our industry, and the integration of new technologies or industry standards into our existing production, may require substantial investment. Even if we implement upgrades, we cannot assure you that such upgrades will be adequate in light of the technological and industry developments. Our investments, therefore, may not be as effective as we expect, and may divert our time and resources from our other business activities. In the event that we are unable to respond successfully to technological and industry developments, our business, results of operations and competitiveness may be materially and adversely affected.

We depend on independent third-party distributors to sell our Branded OPLV Products.

We sell our Branded OPLV Products primarily through external distributors in China. As of September 30, 2012, we had a network of 577 active OPLV Distributors. We do not have long-term contracts with our OPLV Distributors, and we typically negotiate and enter into distribution agreements with them for terms ranging from 12 to 58 months, renewable by mutual agreement and unilaterally terminable by us upon the occurrence of specified breaches by the OPLV Distributors. The ability of our OPLV Distributors to develop and gain local market share for our Branded OPLV Products is key to our Branded OPLV Product sales and the competitiveness of our OPLV brand. Some of our OPLV Distributors sell products made by our competitors. There is competition for skilled local marketers and retailers, not only from our competitors but also from other retail sectors as well. We cannot assure you that we will be able to retain high-performing OPLV Distributors on favorable terms, or at all, or attract new OPLV Distributors. Any disruption or difficulty in our relationships with our distributors could affect our ability to effectively sell our products and would materially and adversely affect our business, results of operations and financial position.

We only have contractual relationships with our OPLV Distributors and do not have ownership or management control over them. Because we cannot control the business activities of our OPLV Distributors, sales of our products to end-customers may not be as effectively managed as would be the case if we sold directly to end-customers. We contractually require our OPLV Distributors to adhere to certain policies, as described in detail in the section entitled "Business—Customers, Sales, Marketing and Distribution—Marketing and Distribution" on page 131 of this prospectus. We regularly monitor and review such OPLV Distributors' sales performance and compliance with the terms of our agreements to determine whether we need to terminate any OPLV Distributors that are underperforming or in breach of our agreements. However, our ability to monitor and control the activities of our OPLV Distributors is limited. Any misconduct by our OPLV Distributors could materially and adversely affect our reputation or the OPLV brand image. For example, our OPLV Distributors may fail to follow our product display and pricing policies or fail to carry out, or be less effective in carrying out, the promotional activities as agreed with us. If any of our OPLV Distributors deviates from our requirements under the distribution agreements, our reputation and consumers' perception of our brand and products could be adversely affected, which, in turn, could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to purchase aluminum ingots, our principal raw material, in sufficient quantities and at satisfactory prices, our business may be materially and adversely affected.

Aluminum ingots are the principal raw material for our production. We do not produce aluminum ingots and purchase them instead, primarily from metals brokers in China. For the years ended September 30, 2010, 2011 and 2012, we incurred HK$813.4 million, HK$1,205.5 million and HK$1,297.8 million, respectively, for the purchase of aluminum ingots, which represented 85.0%, 85.1% and 83.0%, respectively, of our cost of raw materials, and 75.7%, 76.0% and 71.2%, respectively, of our total cost of sales.

We typically source aluminum ingots from a few main suppliers at any one time. During the years ended September 30, 2010, 2011 and 2012, purchases from our five largest suppliers represented 83.0%, 81.2% and 78.6%, respectively, and purchases from our largest supplier represented 41.0%, 40.1% and 23.8%, respectively, of our total purchases of raw materials. If any one or several of our main suppliers for any reason fail to meet our purchase orders or terminate their business relationship with us, we may be unable to source aluminum ingots from alternative suppliers in sufficient quantities on a timely basis and on acceptable terms, or at all. We may therefore be unable to maintain our production schedule and meet commitments to our customers, or we may have to incur significant additional costs that we may be unable to pass on to our customers. In any such event, our business, financial condition and results of operations could be materially and adversely affected.

We purchase aluminum ingots on the spot market, primarily in China, where our brokers typically quote Chinese benchmarks such as the Nanhai Lingtong or the Shanghai Futures Exchange. These benchmark prices are primarily determined by supply and demand in the marketplace and have fluctuated significantly in the past. The spot market prices for aluminum ingots relevant to us may continue to be volatile in the future. We include the price of aluminum ingots, measured at prevailing benchmark rates, as an inherent component in the pricing of our products. We may not always be able to immediately pass on increases in the spot market price of aluminum ingots to our customers. Some of the agreements we enter into with our customers specify a purchase price at a time when the market price is lower than the market price when we satisfy orders, in which event our profitability may decline. On the other hand, decreases in the spot market price of aluminum ingots may depress the value of our inventory, which may adversely affect our profit, or depress the prices of our products, which may adversely affect our revenue. We have not entered into any hedging transactions to offset such adverse consequences of fluctuations in prices of raw materials, particularly aluminum ingots.

We are subject to significant foreign-exchange risk due to our exposure to overseas markets.

Our reporting currency is the H.K. dollar, but our business transactions are denominated in various other currencies, primarily the Renminbi, the Australian dollar and the U.S. dollar, which exposes us to foreign-exchange risk. Any significant changes in the exchange rates between these currencies may result in losses for us and could materially and adversely affect our profitability. In particular, a substantial part of our revenue is denominated in Australian dollars, and the value of the Australian dollar against the U.S. dollar (and the H.K. dollar, which is effectively pegged to the U.S. dollar) fluctuated significantly during the Track Record Period, resulting in significant fluctuations in our results of operations. We recorded net exchange gains of approximately HK$20.7 million and HK$27.6 million for the years ended September 30, 2010 and 2012, respectively, and net exchange losses of approximately HK$22.3 million for the year ended September 30, 2011. We cannot assure you that the Australian dollar will not depreciate significantly against the U.S. dollar and the H.K. dollar in the future, in which event our results of operations may be materially and adversely affected.

We recorded losses from risky foreign-exchange transactions in the past and any ongoing hedging transactions may not fully shield us from foreign-exchange fluctuations.

In the year ended September 30, 2010, in light of our significant Australian dollar-denominated receivables from our Australian customers and to hedge against the risk of depreciation of the

Australian dollar against the U.S. dollar, we entered into certain "knock-out" foreign-exchange forward contracts to sell Australian dollars and buy U.S. dollars at specified exchange rates on specified future dates. Such contracts were leveraged derivative financial products that offered potentially higher returns to us than plain foreign-exchange forward contracts, which we also entered into throughout the Track Record Period, but carried higher risks as well. We held such derivative financial instruments at fair value, which was linked to the spot exchange rates in the international market. For the years ended September 30, 2010 and 2011, we recognized fair-value losses on such "knock-out" contracts of HK$20.3 million and HK$22.9 million, respectively, due to strong appreciation of the Australian dollar against the U.S. dollar. In the future we intend to continue to conduct foreign-exchange hedging transactions, using only lower-return, lower-risk hedging instruments, and do not plan to enter into higher-return, higher-risk transactions such as the "knock-out" contracts. We cannot assure you, however, that such transactions will be risk-free, and any loss resulting from such transactions may materially and adversely affect our results of operations and financial condition.

Changes in legislation in Macau or any non-compliance with the relevant Macau regulations may cause our effective tax rate to increase, and any finding of violation of PRC anti-tax avoidance rules may subject us to back tax and related liabilities.

OPAL Macao, our subsidiary in Macau, has been exempt from income tax in Macau as a commercial offshore company pursuant to Macau law. During the Track Record Period, we conducted some of our export sales as well as the PRC sales request by some Foxconn Companies to be conducted under bonded arrangements via OPAL Macao, which lowered our effective tax rate. Our effective tax rate for the years ended September 30, 2010, 2011 and 2012 was 8.7%, 5.1% and 5.9%, respectively. The initial decrease in our effective tax rate from the year ended September 30, 2010 was primarily attributable to the increased proportion of our sales conducted through OPAL Macao. We cannot assure you that the relevant legislation in Macau will not be amended or abolished in the future adversely affecting the tax-exempt status of OPAL Macao, in which event our effective tax rate may increase. In addition, the tax exemption enjoyed by OPAL Macao is granted under the Macau Offshore Law with various regulatory requirements. If OPAL Macao does not fully comply with the Macau Offshore Law, the rules of conduct and guidelines from time to time issued by the Macau Trade and Investment Promotion Institute, or the conditions contained in OPAL Macao's business plan approved by the Macau Trade and Investment Promotion Institute, such regulatory entity may consider imposing a fine of up to MOP500,000 and/or revoking OPAL Macao's commercial offshore license, causing OPAL Macao to cease operations altogether. Furthermore, in the event that the PRC authorities find any part of our bonded sales to the Foxconn Companies in violation of relevant PRC anti-tax avoidance rules contrary to the confirmation we have received from relevant PRC authorities and the view of our PRC legal advisers, we may be required by the relevant PRC authorities to make up the relevant taxes and/or interest in relation to the transactions based on the fair amount of the transactions the relevant PRC authorities may formulate and determine in accordance with the power and discretion conferred to them by PRC law unascertainable to us beforehand. See "Business—Customers, Sales, Marketing and Distribution—Export" beginning on page 131 in this prospectus for a detail description of our export practice involving OPAL Macao, including the views of our PRC and Macau legal advisers.

Our manufacturing facilities are located in Zengcheng, Guangzhou, Guangdong Province, and any disruption in the facilities could materially and adversely affect our business, financial condition and results of operations.

All of our manufacturing facilities are located in Zengcheng, Guangzhou, Guangdong Province, China. We do not maintain back-up manufacturing facilities and do not have a formal business continuity or disaster recovery plan. In the event of an earthquake, fire, drought, flood or other natural disaster, political instability, riot or civil unrest, extended outage of critical utilities or transportation systems, terrorist attack or other events that limit or disrupt our ability to operate our manufacturing facilities, we may experience substantial losses, including loss of revenue from disrupted production, exceeding our insurance coverage. We may also need to incur substantial additional expenses to repair or replace any damaged equipment or facility. In addition, our ability to manufacture and supply products and our ability to meet our delivery obligations to our customers would be significantly disrupted and our relationships with our customers could be damaged, which could have a material adverse effect on our business, financial condition and results of operations.

Our business depends substantially on the continuing efforts of the members of our senior management and our ability to retain them.

Our continued success depends, to a significant extent, on the ability and expertise of our senior management team members, including our executive Directors and other members of the management who have operational experience and technical expertise in the aluminum products business. In particular, we rely on Mr. Marcus Pan, our founder, chief executive officer and chairman, who has over 21 years of experience in the aluminum products business and is instrumental to our major customer relationships. If one or more of our senior management team members are unable or unwilling to continue in their present positions, we may not be able to identify and recruit suitable replacements in a timely manner, or at all, and the implementation of our business strategies may be affected, which could materially and adversely affect our operations.

We may face increased energy costs and/or insufficient energy supply.

We consume substantial amounts of electricity and fuel for our operations. As we expand our production capacity and output, our energy requirements will increase. We cannot assure you that we will not experience increases in energy costs, power shortages or disruptions in the future. A number of factors could materially and adversely affect our results of operations, including:

- significant increases in the cost of electricity or fuel;
- interruptions in energy supply due to equipment failure;
- insufficient power generating capacity to fully satisfy the increased demand for electricity driven by continual economic growth; and
- the inability to negotiate economical terms for electricity supply with the local PRC utilities providers.

We cannot assure you that power shortages will not affect us in the future. In addition, although we have back-up power generation systems at our manufacturing facilities, power generated from the back-up system may not be sufficient for our business operations in the event of power outages. We do not have any insurance to cover business interruption, including loss of profits from interruptions resulting from power outages. If energy demand and costs continue to rise, or if energy supplies or the local government's ability to supply and deliver electricity to our sites is disrupted, our financial condition and results of operations could be adversely affected.

Any failure to maintain an effective quality control system at our manufacturing facilities could have a material adverse effect on our business and operations.

The quality of our products is critical to the success of our business, and it depends significantly on the effectiveness of our quality control system, which in turn depends on a number of factors, including the design of our quality control procedures, our quality training programs and our ability to ensure that our employees adhere to the quality control policies and guidelines. We are subject to certain mandatory production standards set by the PRC government. See "Regulations—Overview of PRC Regulations—Production Standardization" beginning on page 87 of this prospectus. We cannot assure you that our quality control system will effectively maintain our product quality, and any failure to do so could have a material adverse effect on our business reputation, results of operations and financial condition.

We may be subject to liability in connection with industrial accidents at our processing and production sites.

As our production process is complex and involves the operation of tools, equipment and machinery which are potentially dangerous, industrial accidents resulting in personal injuries or even deaths may occur. Risks particular to our production process include explosions potentially caused by combustion of aluminum dust or injuries related to the high heat and toxic gases emitted by the smelting process. See "Business—Environmental and Safety Regulation Compliance—Safety" on page 142 of this prospectus. We cannot assure you that industrial accidents at our processing and production sites, whether due to malfunctions of such tools, equipment or machinery or other reasons, will not occur in the future. In such an event, we may be held liable for the personal injuries or deaths and subject to monetary losses, fines or penalties or other forms of legal liability as well as business interruptions caused by equipment shutdowns for government investigation or implementation or imposition of safety measures. For example, work safety laws imposed by the PRC government authorities could impose compliance costs or reduce the efficiency of our operations, thereby materially and adversely affecting our business, financial condition and results of operations.

Our operations in China are subject to various governmental approvals, registrations and reviews, and any failure to obtain necessary approvals, maintain necessary registrations or pass necessary reviews on a timely basis, or at all, could materially and adversely affect our business, results of operations and financial condition.

Business operations of our PRC subsidiaries require approval by, and registration with, various PRC governmental authorities including those in charge of land, buildings, urban planning, quality regulation, safety, business operations and commercial activities, customs, taxation, environmental protection and foreign exchange administration. As our operations continue to expand, we may, from time to time, be required to maintain or renew our existing registrations or obtain additional approvals. We cannot assure you that we will be able to do so on a timely basis, or at all. If we are unable to obtain necessary government approvals, our business, financial condition and results of operations could be materially and adversely affected.

Certain of our leased properties may be subject to title encumbrances.

With respect to a property we currently lease, the lessor has not yet produced to us title documents with respect to a portion of the property, with a gross floor area of approximately 11,715 square meters. As a result, the relevant lease may be invalid under PRC laws and regulations, in which event we may be required to vacate such property, which could interrupt our business operations if we are unable to obtain an alternative lease in a timely manner, or at all. We also cannot assure you that we would not be subject to any claims for compensation with respect to any actual or alleged illegal and/or unauthorized use of land or buildings owned by third parties.

We do not have any business liability, disruption or litigation insurance, and any business disruption or litigation we experience may result in our incurring substantial costs and the diversion of resources.

There are certain losses for which insurance is not available on commercially practicable terms, or at all, in China, such as business disruption losses suffered due to terrorism or war. In addition, there is no litigation insurance available in China. Any business disruption or litigation we experience may result in our incurring substantial costs and the diversion of resources. If we suffer any uninsured losses, damages or liabilities in the course of our operations, we may not have sufficient funds to cover any such losses, damages or liabilities or to replace any property that has been destroyed.

Moreover, any payment we make to cover any losses, damages or liabilities could have a material adverse effect on our business, operating results and financial condition.

In addition, the industrial activities conducted at our facilities present significant risk of serious injury or death to our employees, customers or other visitors to our facilities. We maintain work-related insurance for our employees as required by the PRC government. We do not maintain any insurance covering risks to third parties at our facilities or affected by our industrial activities. If our insurance coverage is inadequate or if third parties are injured or killed at our facilities or as a result of our industrial activities, we could incur material liabilities.

We may incur losses resulting from product liability claims.

We may face product liability claims from our customers, distributors or end-customers in the event that the use of our products or products that use our products as components results in bodily injury, property damage or other loss. We generally do not carry product liability insurance for our products, business interruption insurance or third-party liability insurance for personal injuries. We cannot assure you that we will not receive any complaints or claims against us or be subject to product recalls. We may have to spend significant resources and time to defend ourselves if legal proceedings for product liability are instituted against us. The successful assertion of product liability claims against us could require us to pay significant monetary damages and/or subject us to recall of our products. If any such claims are made, our reputation may also be adversely affected, which may lead to loss of future business, and our business, financial condition, results of operations and prospects could be materially adversely affected.

We may not grow at a rate comparable to our growth rate in the past.

We have experienced a period of rapid growth and expansion. For the years ended September 30, 2010, 2011 and 2012, we recorded revenue of HK$1,366.9 million, HK$2,090.6 million and HK$2,437.0 million, respectively, representing a CAGR of 33.5%, and profit for the year of HK$86.7 million, HK$260.3 million and HK$357.1 million, respectively, representing a CAGR of 102.9%. The sustainability of our growth depends on a number of factors, including our management systems, continuous expansion of our processing and production capacities, changes in market supply and demand as well as economic, political and legal developments in China, Hong Kong and our overseas markets. We cannot assure you that our growth rate can be maintained at any particular level. Should there be any changes which adversely affect our operations, our growth and profitability could be affected.

Any unrectified historical non-compliance with PRC environmental regulations may result in adverse publicity and potentially fines or even suspension of our business operations.

We are required to comply with all PRC national and local regulations regarding the protection of the environment. See "Regulations—Overview of PRC Regulations—Environmental Protection." For each of our plants, we are required to conduct an environmental impact assessment, obtain approval of the assessment before commencing construction and complete an examination and obtain an environmental acceptance approval before commencing production. We commenced operations of our then new CNC plant in October 2011 without having followed the environmental procedures, and are currently cooperating with the relevant environmental protection authority to conduct them. We obtained the environmental assessment approval of our CNC plant from the Zengcheng Environmental Protection Authority in August 2012, and expect to complete all the required environmental procedures and obtain the environmental acceptance approval in the first half of 2013. As advised by Jingtian & Gongcheng, our PRC legal advisers, failure to complete the foregoing environmental procedures before commencement of operations may lead to fines of not more than RMB300,000, an obligation to complete the procedures within a time limit or even suspension of the relevant operations. If we cannot complete all the required environmental procedures as we currently expect, we could be subject to administrative penalties, which could in turn materially and adversely affect our reputation and business operations.

We may not be able to adequately protect our intellectual property rights.

Our patents, trademarks, know-how, trade secrets and other intellectual property rights are important to our business. To protect our intellectual property rights, we have registered and applied for PRC patents, registered trademarks and included confidentiality provisions in our employees' employment contracts. We cannot assure you that these measures will be sufficient to prevent any misappropriation of our intellectual property. Furthermore, existing laws in the PRC are still developing and may not protect intellectual property rights to the same extent as do similar laws of other countries. Any significant leakage of our confidential information or infringement of the proprietary technologies and processes used in our business could weaken our competitive position and have a material adverse effect on our operations.

In addition, claims may be brought against us by, or we may assert claims against, other parties involving disputes in relation to intellectual property rights. We have in the past asserted claims against other parties in relation to intellectual property rights. See "Business—Intellectual Property" on page 140 of this prospectus. If we are unable to resolve such claims through negotiations, we may face costly legal proceedings, which may divert the resources and efforts of our management and technical personnel away from our daily business operations and thereby materially and adversely affect our business, financial condition and results of operations. Furthermore, if we are not successful in these proceedings, we could lose our proprietary rights and may be subject to substantial liabilities or even disruption to our business operations.

Any labor shortages, increased labor cost or other factors affecting our labor force may adversely affect our business, profitability and reputation.

To support the growth of our business, we will need to increase our workforce of experienced management, skilled labor and other employees to implement our expansion plans and enhance the operating efficiency of our existing facilities. In the event of labor shortages, we may have difficulties recruiting or retaining employees or may face increasing labor costs. We require skilled labor of varying levels and experience. We have historically used third-party staffing companies to dispatch workers to our manufacturing operations. Currently, most of the workers in our manufacturing operations are employees of Guangzhou Anye Human Resources Co., Ltd., or Guangzhou Anye, a third-party staffing company, dispatched to us by agreement. See "Business—Employees and Staff." We cannot guarantee that this or any other staffing company will meet our staffing needs on time or provide contract workers of satisfactory qualification and ability. The Labor Contract Law provides that a staffing company must perform an employer's obligations toward contract workers, including paying their remuneration, and the entity receiving workers may be jointly and severally liable for any harm done to the workers as a result of the staffing company's violation of the law. Under the labor dispatch agreement between us and Guangzhou Anye, we, as the entity receiving workers, at the request of Guangzhou Anye, will disburse salaries to the contract workers directly on behalf of Guangzhou Anye, their employer. In addition, we make a monthly lump-sum payment to Guangzhou Anye which amount reflects the workers' social insurance contributions and our service fees to Guangzhou Anye. We cannot assure you that Guangzhou Anye has fully performed or will consistently fulfill its obligations toward the contract workers dispatched to us, including any social insurance or housing fund contributions. If we are held liable for any shortage in the social insurance or housing fund contributions for the contract workers dispatched to us, our results of operations and financial condition may be adversely affected.

Given the recent economic growth in China, competition for qualified personnel is substantial and labor costs have been increasing generally, and we cannot assure you that we can retain and attract sufficient qualified employees and contract workers on commercially reasonable terms, or at all. As a result of economic development in other regions of China, there may be fewer workers willing to relocate to Guangdong Province, which would reduce the pool of qualified and skilled labor available to employ at reasonable cost. Any failure to attract qualified personnel at reasonable cost and in a timely manner could reduce our competitive advantages relative to our competitors, undermining our ability to expand and our growth in revenues and profits. In addition, certain companies operating in the PRC, including Guangdong Province, have experienced labor unrest and strikes in recent years. We cannot assure you that labor disputes, work stoppages or strikes will not arise in the future. Increases in our labor costs and future disputes with our workers could adversely affect our business, financial condition or results of operations. Our labor practices may also be subject to scrutiny from the media or other interested parties due to our position as a supplier to the Foxconn Companies, and any negative publicity arising from such scrutiny could adversely affect our reputation or damage our relationships with major customers or cause us to lose major customers, which would adversely affect our business, financial condition and results of operations.

We may be adversely affected by fluctuations in the global economy and financial markets.

The global economic slowdown and turmoil in the global financial markets that began in the second half of 2008 have had a negative impact on the global economy, which in turn has affected many industries, including ours. Continued weakness in the United States economy, coupled with the sovereign debt crisis in Europe and economic distress in other parts of the world, could lead to another global economic downturn and financial market crisis, which could reduce demand for our products, particularly by way of reduced demand for consumer electronic products containing parts we manufacture. Any such negative macroeconomic developments could adversely affect the performance of our business, financial condition, results of operations and prospects.

Any future natural disasters, acts of God, outbreak of any communicable disease in China or any other epidemic may adversely affect our operational results.

Our business is subject to general economic and social conditions in China. Natural disasters, epidemics and other acts of God, which are beyond our control, may adversely affect the economy, infrastructure and livelihood of people in China. Some regions of China, including the cities where we operate, are under the threat of flood, earthquake, sandstorm, snowstorm, fire, drought or epidemics such as Severe Acute Respiratory Syndrome, or SARS, or H5N1 avian flu. For instance, a serious earthquake and its successive aftershocks hit Sichuan Province in May 2008 and resulted in tremendous loss of lives and destruction of assets in the region. In April 2009, a human swine influenza also known as Influenza A (H1N1) broke out in Mexico and spread globally, resulting in the loss of lives and widespread fear. Past occurrences of epidemics, depending on their scale, have caused different degrees of damage to the national and local economies in China. If in the future any of our employees or our customers in our facilities are suspected of having SARS, H5N1 avian flu or H1N1 human swine flu, or any other epidemic or any of our facilities are identified as a possible source of spreading such epidemic, we may be required to quarantine the employees that have been suspected of becoming infected, as well as others that had come into contact with those employees. We may also be required to disinfect the affected properties and thereby suffer a temporary suspension of our operations. Any quarantine or suspension of our operations will affect our operational results. A recurrence of SARS or an outbreak of any other epidemics in China, such as the H5N1 avian flu or the H1N1 human swine flu, may result in material disruptions to our operations and delays in meeting our customers' demand, which in turn would materially and adversely affect our business, financial condition and results of operations.

We are a holding company and rely principally on dividends paid by our subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our subsidiaries to pay dividends to us could have a material adverse effect on our ability to conduct our business.

We are a holding company and rely principally on dividends paid by our subsidiaries for cash requirements. Under PRC law, dividends of PRC companies can be paid only out of net profit calculated according to PRC accounting principles, which differ in many respects from generally accepted accounting principles in other jurisdictions. PRC law also requires foreign-invested enterprises, such as our subsidiaries in China, to set aside part of their net profit as statutory reserves. Our PRC subsidiaries are required to set aside each year at least 10% of their after-tax profits for such year to a statutory surplus reserve. Such reserve may not be discontinued until the accumulated amount has reached 50% of the registered capital of the PRC subsidiary. These statutory reserves are not available for distribution to us, except in a liquidation. Limitations on the ability of our PRC subsidiaries to remit their entire after-tax profits to us in the form of dividends or other distributions could adversely affect our ability to grow, make investments that could be beneficial to our business, pay dividends and otherwise fund and conduct our business. Under Macau law, a Macau-based company may pay dividends to its shareholders only out of profit. If there are losses from the previous year, the profit of the current year cannot be distributed without first covering such losses, and then accumulating or replenishing any compulsory reserves that cannot be distributed to shareholders. We cannot assure you that our subsidiaries will generate sufficient earnings and cash flows to pay dividends or otherwise distribute sufficient funds to us to enable us to pay dividends to our Shareholders. In addition, restrictive covenants in bank credit facilities, indentures, joint venture agreements or other arrangements that we or our subsidiaries may enter into in the future may also restrict the ability of our subsidiaries to pay dividends or make distributions to us, which in turn would restrict our ability to pay dividends to our Shareholders.

We operate in a highly competitive industry; if we are unable to compete successfully, our financial condition and results of operations may be adversely affected.

The aluminum extrusion industry in China is highly fragmented and competitive. We also face competition from local aluminum products manufacturers in our overseas markets, including Australia, Canada, South Africa and Malaysia. Competition is primarily based on price and quality of the products, the level of service in terms of capacity, reliability and timely delivery and proximity to customers. Some of our competitors may have a cost structure that is characterized by lower capital expenditures or labor costs than we have, while other competitors may have greater financial and other resources than we do. Additionally, ICIS Consulting projects that China's aluminum industry may experience production overcapacity in the future, which may result in an oversupply of competing products. We cannot assure you that we will be able to continue to compete successfully in our existing markets. A number of factors, including an increase in operational efficiency, the adoption of competitive pricing strategies, the expansion of operations or the adoption of innovative marketing methods by our competitors, may adversely affect our business, financial condition and results of operations.

Risks Relating to Business Operations in the PRC

Changes in PRC economic, political and social conditions, as well as government policies, could affect our business and prospects.

Substantially all of our assets are located in China, and a considerable portion of our revenue is derived from our operations in China. Accordingly, our business, financial condition, results of operations and prospects are, to a large extent, subject to the economic, political, social conditions and government policies in the PRC. The economy of the PRC differs from the economies of most developed countries in many aspects, including but not limited to:

- the amount and degree of the PRC government's involvement;
- the growth rate and degree of development;
- the uniformity in implementation and enforcement of laws;
- the content of and control over capital investment;

- control of foreign exchange; and
- allocation of resources.

The PRC economy has been transitioning from a centrally planned economy to a more market-oriented economy. For approximately three decades, the PRC government has implemented economic reform measures to utilize market forces in the development of the PRC economy. The PRC economy has grown significantly in recent decades, though we cannot assure you that this growth will continue or continue at the same pace. In addition, the PRC government continues to play a significant role in regulating industries and the economy through policy measures. We cannot predict whether changes in PRC economic, political or social conditions and in PRC laws, regulations and policies will have any adverse effect on our current or future business, financial condition or results of operations.

In addition, many of the economic reforms carried out by the PRC government are unprecedented or experimental and we expect them to be changed over time. Other political, economic and social factors may also lead to further adjustments of the PRC government's reform measures. Changes in the PRC's economic reforms may not necessarily have a positive effect on our operations and business development. Our business, prospects and results of operations may be materially and adversely affected by the policies of the PRC government, such as measures to control inflation and to tighten its monetary policies, changes in the rates or methods of taxation and the imposition of additional restrictions on currency conversion. These actions, as well as future actions and policies of the PRC government, could cause a decrease in the overall level of economic activity, and in turn have a material and adverse effect on our business and financial condition.

Uncertainty in the PRC legal system may make it difficult for us to predict the outcome of any disputes in which we may be involved.

Our principal operating subsidiaries are located in China and are subject to PRC laws and regulations. The PRC legal system is a civil law system based on written statutes, and prior court decisions can only be used as reference. Additionally, such written statutes are often principle-oriented and require detailed interpretation by the enforcement bodies to further apply and enforce such laws. The PRC government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organization and governance, commerce, taxation and trade, including laws that are relevant to our business in the aluminum products industry. However, because the PRC government is still in the process of developing its legal system, and because of the limited volume of precedents on the interpretation, implementation and enforcement of PRC laws and regulations and the non-binding nature of prior court decisions, interpretation of PRC laws and regulations involves a degree of uncertainty.

Further, it may be difficult to obtain swift enforcement of PRC laws, or to obtain enforcement of a judgment by a court of another jurisdiction. In addition, any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention. The introduction of new PRC laws and regulations and the interpretation of existing ones may also be subject to policy changes reflecting domestic political or social changes. As the PRC legal system develops, the promulgation of new laws, changes to existing laws and the preemption of local regulations by national laws may have a material adverse effect on our business, financial condition, results of operations and prospects.

Changes in PRC government rules and regulations may have a significant impact on our business.

Currently, because we conduct a significant proportion of our business activities in China, we are required to procure permits, licenses and certificates from the relevant government authorities. From time to time, changes in the rules and regulations in the PRC or the implementation thereof may require us to obtain additional approvals and licenses from the PRC authorities for our operations in the PRC. In such event, we may need to incur additional expenses in order to comply with such requirements. This will in turn affect our financial performance, as our business cost will increase. Furthermore, we also cannot assure you that such approvals or licenses will be granted to us promptly, or at all. If we experience delays or are unable to obtain such required approvals or licenses, our operations and business in the PRC, and hence our overall financial performance will be adversely affected. Alternatively, these changes may also relax some requirements, which could benefit our competitors or lower market entry barriers and increase competition. In addition, the PRC government may amend or abolish laws and regulations of general application from which we have benefited, such as those establishing the export VAT refund regime, in which event our business, financial condition and results of operations could be materially and adversely affected. For details, please refer to the section entitled “Regulations” beginning on page 86 of this prospectus.

Our receipt and use of revenue is subject to PRC laws and regulations governing currency exchange.

Because a substantial portion of our revenue is denominated in Renminbi, the PRC government’s control over currency exchange may limit our ability to use revenue generated in Renminbi by our PRC subsidiaries to make dividend payments to our Shareholders in foreign currencies, including H.K. dollars. The principal regulation governing foreign currency exchange in China is the Regulation on Foreign Exchange Control (《中華人民共和國外匯管理條例》), as amended. Although PRC government regulations now allow greater convertibility of the Renminbi for current account transactions, significant restrictions remain when the Renminbi is converted into foreign currencies and remitted out of China for capital-account transactions, such as the repatriation of equity investments in China and the repayment of the principal of loans or other debt denominated in foreign currencies. These limitations could affect our ability to obtain foreign exchange for capital expenditures. We cannot assure you that the PRC regulatory authorities will not impose more stringent restrictions on the convertibility of the Renminbi, especially with respect to capital-account transactions.

The PRC government restrictions on foreign-exchange transactions under the capital account also affect our ability to finance our PRC subsidiaries. Subsequent to this Global Offering, we have the choice, as permitted by the PRC foreign-investment regulations, to invest our net proceeds from this Global Offering in our PRC subsidiaries to finance our operations in China in the form of an increase in registered capital or a shareholder loan. Our ability to do so is subject to approval by PRC government authorities, in the case of an increase in registered capital, or approval and registration with PRC government authorities, in the case of a shareholder loan, to the extent that the existing foreign investment approvals received by our PRC subsidiaries permit such shareholder loans. These limitations on the flow of funds between our PRC subsidiaries and us could restrict our ability to act promptly in response to changing market conditions.

Fluctuations in the value of the Renminbi may adversely affect our business and the value of distributions by our PRC subsidiaries.

The value of the Renminbi depends, to a large extent, on domestic and international economic, financial and political developments and China’s government policies, as well as supply and demand in local and international markets. From 1999 to 2005, the conversion of the Renminbi into foreign currencies, including the U.S. dollar and the H.K. dollar, was based on exchange rates set and published daily by the PBOC in light of the previous day’s inter-bank foreign exchange market rates in China and the then current exchange rates on the global financial markets. The official exchange rate for the conversion of the Renminbi into the U.S. dollar was largely stable until July 2005. On July 21, 2005, the PBOC revalued the Renminbi by reference to a basket of foreign currencies, including the U.S. dollar. As a result, the value of the Renminbi appreciated by more than 2% on that day. Since then, the PBOC has allowed the official Renminbi exchange rate to float against a basket of foreign currencies. Further, from May 18, 2007, the PBOC enlarged the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3% to 0.5%

around the central parity rate, effective on May 19, 2007. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5% above or below the central parity rate published by the PBOC. On June 19, 2010, the PBOC announced its intention to proceed with the reform of the Renminbi exchange rate regime to increase the Chinese currency's exchange rate flexibility. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 30.0% from July 21, 2005 to January 11, 2013. The Renminbi exchange rate could fluctuate widely against the U.S. dollar or any other foreign currency in the future. As some of our income and profits are denominated in Renminbi, any appreciation of the Renminbi will increase the value of dividends and other distributions payable by our PRC subsidiaries in foreign currency terms. Conversely, any depreciation of the Renminbi will decrease the value of dividends and other distributions payable by our PRC subsidiaries in foreign currency terms.

We may be deemed a PRC resident enterprise under the EIT Law and be subject to PRC taxation on our worldwide income, which could result in unfavorable tax consequences to us and our non-PRC Shareholders.

Under the EIT Law that took effect on January 1, 2008, enterprises established outside of China whose "de facto management bodies" are located in China are considered to be "tax resident enterprises" and are subject to the uniform 25% corporate income tax rate as to their aggregate worldwide income, unless otherwise provided by PRC laws and regulations. The Regulation on the Implementation of the Enterprise Income Tax Law (《中華人民共和國企業所得稅法實施條例》) further defines "de facto management bodies" as bodies that have substantial or overall management and control over operations, personnel, finances, property and other aspects of the enterprise. The SAT issued the Notice Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Tax Resident Enterprises on the Basis of De Facto Management Bodies (《國家稅務總局關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知》), or Circular 82, which sets out certain specific criteria for determining whether the "de facto management body" of a Chinese-controlled offshore incorporated enterprise is located in China.

As our management functions with respect to daily operations, financial decisions and personnel decisions of the Company are mainly located in Hong Kong, we believe that our Company is not a "tax resident enterprise" and does not meet the criteria under Circular 82 to be considered as having our "de facto management body" located in China. We cannot assure you, however, that the PRC tax authorities will share our position, or that the SAT will not implement Circular 82 or amend the EIT Law and its implementation rules in the future to the effect that such rules will apply to us or any of our overseas subsidiaries. If we were considered a "tax resident enterprise," we would be subject to a 25% enterprise income tax on our global income unless otherwise provided by PRC laws and regulations, which could significantly increase our tax burden and materially and adversely affect our financial condition and results of operations.

In addition, under the EIT Law and its implementation rules, to the extent dividends from earnings derived since January 1, 2008 are sourced within China and if we were considered a "resident enterprise" in China, PRC income tax at the rate of 10% (or a lower rate pursuant to an applicable tax treaty) would be withheld from dividends payable by us to investors that are "non-resident enterprises" so long as such "non-resident enterprise" investors do not have an establishment or place of business in China or, despite the existence of such establishment or place of business in China, the relevant income is not effectively connected with such establishment or place of business in China. Furthermore, any gains realized on the transfer of our Shares by such "non-resident enterprise" investors would be subject to a 10% PRC income tax if such gains are deemed income derived from sources within China and we are considered a "resident enterprise" in China. If we are required under the EIT Law to withhold PRC income tax on our dividends payable to foreign holders of our Shares who are "non-resident enterprises," or if you are required to pay PRC income tax on the transfer of our Shares under PRC tax laws, the value of your investment in our Shares may be materially and adversely affected. It is unclear whether, if we are considered a PRC "resident enterprise," holders of our Shares may be able to claim the benefit of income tax treaties or agreements entered into between China and other countries or areas.

PRC regulations on direct investment and loans by offshore holding companies to PRC subsidiaries may delay or prevent us from using the proceeds from the Global Offering to make additional capital contributions or loans to our PRC subsidiaries, which could harm our liquidity and our ability to fund and expand our business.

As an offshore holding company incorporated in the Cayman Islands, we may make additional capital contributions or loans to our PRC subsidiaries, including from the proceeds of the Global Offering. Any loans to our PRC subsidiaries are subject to PRC regulations. For example, loans from us to our wholly owned PRC subsidiaries, which are foreign-invested enterprises, to finance their activities cannot exceed statutory limits and must be registered with SAFE or its local counterparts.

We may also decide to finance our wholly owned PRC subsidiaries by means of capital contributions. These capital contributions must be approved by MOFCOM or its local counterparts. We cannot assure you that we will be able to obtain the necessary government registrations or approvals on a timely basis, if at all, with respect to future loans or capital contributions by us to our subsidiaries. If we fail to receive such registrations or approvals, our ability to use the proceeds of the Global Offering and to capitalize our PRC operations may be adversely affected, which in turn could adversely affect our liquidity and our ability to fund and expand our business.

In addition, on August 29, 2008, SAFE promulgated Circular 142 (《關於完善外商投資企業外匯資本金支付結匯管理有關業務操作問題的通知》), a notice regulating the conversion by a foreign-invested company of its capital contribution denominated in a foreign currency into Renminbi. The notice requires that the capital of a foreign-invested company converted from foreign currencies and settled in Renminbi may not be used for equity investments within the PRC but may only be used for purposes within the company's business scope, as approved by the authorities in charge of foreign investment or by other competent authorities, and as registered with the Administration for Industries and Commerce. In addition, SAFE strengthened its oversight of the flow and use of the capital of a foreign-invested company settled in Renminbi and converted from foreign currencies. The use of such Renminbi capital may not be changed without SAFE's approval and may not in any case be used to repay Renminbi denominated loans if the proceeds of such loans have not been used. Violations of Circular 142 will result in severe penalties, including heavy fines. As a result, Circular 142 may significantly limit our ability to transfer the net proceeds from the Global Offering to our PRC subsidiaries or to convert the net proceeds from this offering into Renminbi to invest in or acquire any other PRC companies, which may adversely affect our ability to expand our business.

It may be difficult to effect service of process upon our Directors or executive officers who reside in China or to enforce against us or them in China any judgments obtained from non-PRC courts.

Some of our senior management members reside in China, but substantially all of the assets of these persons and substantially all of our assets are located in China. It may be difficult for investors to effect service of process upon those persons residing in China or to enforce against us or them in China any judgments obtained from non-PRC courts. China does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with the Cayman Islands, the United States, the United Kingdom and many other developed countries. Therefore, recognition and enforcement in China of judgments of a court in any of these jurisdictions in relation to any matter not subject to a binding arbitration provision may be difficult or even impossible.

On July 14, 2006, the Supreme People's Court of the PRC and the Hong Kong Government signed an Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative

Region Pursuant to Choice of Court Arrangements between Parties Concerned (《關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排》). Under such arrangement, where any designated People's Court of the PRC or any designated Hong Kong court has made an enforceable final judgment requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing by the parties, any party concerned may apply to the relevant People's Court of the PRC or Hong Kong court for recognition and enforcement of the judgment after due compliance with relevant procedures. The arrangement has been promulgated by the Supreme People's Court of the PRC and came into effect on August 1, 2008, but the outcome and enforceability of any action brought under the arrangement is still uncertain.

Risks Relating to the Global Offering

An active trading market in our Shares may not develop, which could have a material and adverse effect on our Share price and on your ability to sell your Shares.

Prior to the completion of the Global Offering, no public market has existed for our Shares. The Offer Price for our Offer Shares will be determined by us and the Joint Bookrunners (on behalf of the Underwriters) and may differ significantly from the market price for our Shares following the completion of the Global Offering. We have applied to the Stock Exchange for the listing of, and permission to deal in, our Shares. However, we cannot assure you that the Global Offering will result in the development of an active and liquid public trading market for our Shares. If an active public market for our Shares does not develop, the Shares could trade at a price lower than their initial offering price and you may not be able to resell your Shares for an extended period of time, or at all.

The trading volume and market price of our Shares may be volatile, which could result in substantial losses for investors who purchase our Shares in the Global Offering.

The price and trading volume of our Shares may be highly volatile. Factors, some of which are beyond our control, such as variations in our revenue, earnings and cash flow, changes in our pricing policy as a result of competition, the emergence of new technologies, strategic alliances or acquisitions, industrial or environmental accidents we may suffer, addition or departure of key personnel, changes in ratings by financial analysts and credit rating agencies, litigation or fluctuations in the market prices and demand for our products or the raw materials we use could cause large and sudden changes in the volume and price at which our Shares will trade. In addition, the Stock Exchange and other securities markets have, from time to time, experienced significant price and volume fluctuations that are not related to the operating performance of any particular company. These fluctuations may also materially and adversely affect the market price of our Shares.

You may experience immediate dilution and may experience further dilution if we issue additional Shares in the future.

The Offer Price of our Shares is higher than the net tangible asset value per Share immediately prior to the Global Offering. Therefore, you and other purchasers of our Shares in the Global Offering will experience an immediate dilution in unaudited pro forma net tangible asset value of approximately HK$2.85 per Share, based on the maximum Offer Price of HK$4.50.

In order to expand our business, we may consider offering and issuing additional Shares or equity-linked securities in the future. You and other purchasers of our Shares may experience further dilution in the net tangible assets book value per Share if we issue additional Shares at a price lower than the net tangible assets book value per Share at the time of their issue.

Future offerings or sales of our Shares could adversely affect the prevailing market price of our Shares and result in dilution.

Future offerings or sales of our Shares by us or our Controlling Shareholders, or other shareholders in the public market, or the perception that such offerings or sales could occur, may cause the market price of our Shares to decline. Please refer to the section entitled "Underwriting—Underwriting Arrangements and Expenses—Hong Kong Public Offering" on page 218 of this prospectus for details of restrictions that may apply to future sales of our Shares. After these restrictions lapse, the market price of our Shares may decline as a result of future sales of substantial amounts of our Shares or other securities relating to our Shares in the public market, the issuance of new Shares or other securities relating to our Shares (including the issuance of new Shares pursuant to the exercise of share options granted by us) or the perception that such sales or issuances may occur. This could also have a material and adverse effect on our ability to raise capital in the future at a time and at a price deemed appropriate. In addition, if we issue additional Shares or share options in the future, you may experience further dilution.

Due to a gap of up to five business days between pricing and commencement of trading of the Offer Shares, the initial trading price could be lower than the Offer Price.

The Offer Price will be the result of negotiations between us and the Joint Bookrunners (on behalf of the Underwriters), determined on the Price Determination Day. Our Offer Shares, however, will not commence trading until the Listing Date, which is expected to be up to five business days after the Price Determination Date. The market price of our Offer Shares could fall during such period, due to market conditions or other reasons, and therefore the initial trade price of our Offer Shares may be lower than the Offer Price. Because you will be unable to sell or otherwise deal in our Offer Shares prior to the commencement of trading, you are subject to the risk of such price decline.

We may be unable to pay any dividend on our Shares.

Our Company is a holding company established in the Cayman Islands with production subsidiaries in China. Therefore, the availability of funds to us to pay dividends to our Shareholders and to service our indebtedness will depend heavily upon dividends received from our production subsidiaries in China. If these subsidiaries incur debt or losses, such indebtedness or losses may impair their ability to pay dividends or other distributions to us. As a result, our ability to pay dividends and to service our indebtedness will be restricted. For further information regarding our declaration and payment of dividends, please refer to the section entitled "Financial Information—Dividends and Dividend Policy" on page 213 of this prospectus.

Our ability to declare dividends in relation to our Shares will also depend on our future financial performance, which in turn depends on our success in implementing our business strategy and expansion plans and on financial, competitive, regulatory, and other factors, general economic conditions, demand for and prices of our services, costs of supplies and other factors specific to our industry, many of which are beyond our control. The receipt of dividends from our operating subsidiaries may also be affected by the passage of new laws, adoption of new regulations or changes to, or in the interpretation or implementation of, existing laws and regulations, and other events out of our control. PRC law requires that dividends be paid only out of net profit calculated according to PRC accounting principles, which differ in many aspects from generally accepted accounting principles in other jurisdictions. In addition, restrictive covenants in our credit facilities or other agreements that we may enter into in the future may also restrict the ability of our operating subsidiaries to make distributions to us. Therefore, these restrictions on the availability and usage of our major source of funding may affect our ability to pay dividends to our Shareholders.

We cannot guarantee the accuracy of facts, forecasts and other statistics derived from various official government publications and commissioned research reports with respect to China, the PRC economy and certain industries contained in this prospectus.

Facts, forecasts and other statistics in this prospectus relating to China, the PRC economy and certain industries have been derived from various official government publications and commissioned research reports. However, we cannot guarantee the quality or reliability of the source materials. They have not been prepared or independently verified by us, the Joint Global Coordinators and the

Underwriters or any of our or their respective affiliates or advisers and, therefore, we make no representation as to the accuracy of such facts, forecasts and statistics, which may not be consistent with other information compiled within or outside China. We have, however, exercised reasonable care in the reproduction and extraction of such facts, forecasts and statistics from the relevant official government publications and commissioned research reports for the purpose of inclusion in this prospectus. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the facts, forecasts and statistics in this prospectus may be inaccurate or may not be comparable to facts, forecasts and statistics produced with respect to other economies. Furthermore, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Our Directors have reviewed and considered these uncertainties to the facts, forecasts and other statistics contained in this prospectus. Accordingly, you should not unduly rely upon the facts, forecasts and statistics with respect to China, the PRC economy and the industries contained in this prospectus.

You should rely on this prospectus, and not place any reliance on any information contained in press articles or other media, in making your investment decision.

You should rely only on the information contained in this prospectus and the Application Forms to make your investment decision. We have not authorized anyone to provide you with information that is not contained in, or is different from what is contained in, this prospectus. Prior or subsequent to the publication of this prospectus, there has been or may be press and media coverage regarding us and the Global Offering, in addition to marketing materials published by us in compliance with the Listing Rules. We have not authorized any such press and media reports, and the financial information, financial projections, valuations and other information purportedly about us contained in such unauthorized press and media coverage may be untrue and may not reflect what is disclosed in this prospectus. We make no representation as to the appropriateness, accuracy, completeness, or reliability of any such information or publication, and accordingly do not accept any responsibility for any such press or media coverage or the inaccuracy or incompleteness of any such information. To the extent that any such information appearing in the press and media is inconsistent or conflicts with the information contained in this prospectus, we disclaim it, and accordingly you should not rely on any such information. In making your decision as to whether to purchase our Shares, you should rely only on the information included in this prospectus and the Application Forms.