This summary aims to give you an overview of the information contained in this Prospectus. As this is a summary, it does not contain all the information that may be important to you and is qualified in its entirety by, and should be read in conjunction with, the full text of this Prospectus. You should read the whole document including the appendices hereto, which constitute an integral part of this Prospectus, before you decide to invest in our Offer Shares.

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

OVERVIEW

We are among the world's leading steering and driveline suppliers. In 2012, in terms of revenue, we were the fifth-largest steering supplier globally with approximately 6% of total global market share, the largest steering supplier in the United States with approximately 31% of total U.S. market share and the third-largest halfshafts supplier globally with approximately 5% of total global market share, according to the IPSOS Report. Our deep understanding of system integration and technical expertise enables us to offer our customers a comprehensive product portfolio and integrated customer solutions in both steering and driveline systems. Our principal products are: (i) steering systems and components that include EPS, HPS and steering columns; and (ii) driveline systems and components that include halfshafts, intermediate drive shafts and propeller shaft joints. Our products are utilized on a broad range of vehicles from small passenger cars to full-size trucks.

The following table sets forth our revenue by product lines for the periods/years indicated:

	Our Predecessor		Our Group		Combined[1]		Our Group			
	For the period from January 1, 2010 to November 30, 2010		For the period from November 4, 2010 to December 31, 2010		Total 2010		For the year ended December 31, 2011		For the year ended December 31, 2012	
	(US$ thousands)	%	(US$ thousands)	%	(US$ thousands)	%	(US$ thousands)	%	(US$ thousands)	%
Steering										
EPS	553,811	29.2	46,782	29.9	600,593	29.3	762,967	33.9	764,937	35.3
HPS	485,992	25.7	40,585	25.9	526,577	25.7	540,396	24.0	447,314	20.6
Steering Column (CIS)	487,822	25.7	38,240	24.4	526,062	25.6	500,193	22.3	481,827	22.2
Driveline	367,570	19.4	31,081	19.8	398,651	19.4	444,196	19.8	473,724	21.9
Total	1,895,195	100.0	156,688	100.0	2,051,883	100.0	2,247,752	100.0	2,167,802	100.0

Note:

(1) Revenue for the period from January 1, 2010 to November 30, 2010 and November 4, 2010 to December 31, 2010 has been combined. See "Financial Information — Basis of Presentation."

We have an established global footprint. As of the Latest Practicable Date, we had 20 manufacturing plants, ten customer service centers and five regional application engineering centers located in North and South America, Europe and Asia in close proximity to many of the world's largest automotive vehicle markets.

The following table sets forth our revenue by geographic segment for the periods/years indicated:

	Our Predecessor		Our Group		Combined(1)		Our Group			
	For the period from January 1, 2010 to November 30, 2010		For the period from November 4, 2010 to December 31, 2010		Total 2010		For the year ended December 31, 2011		For the year ended December 31, 2012	
	(US$ thousands)	(%)	(US$ thousands)	(%)	(US$ thousands)	(%)	(US$ thousands)	(%)	(US$ thousands)	(%)
Geographic segment:										
North America	1,200,748	63.4	96,858	61.8	1,297,606	63.2	1,470,392	65.4	1,536,351	70.9
Europe	430,868	22.7	31,715	20.2	462,583	22.5	456,359	20.3	328,444	15.2
China	129,240	6.8	18,125	11.6	147,365	7.2	168,477	7.5	182,326	8.4
Rest of World(2)	134,339	7.1	9,990	6.4	144,329	7.1	152,524	6.8	120,681	5.5
Total	1,895,195	100.0	156,688	100.0	2,051,883	100.0	2,247,752	100.0	2,167,802	100.0

Notes:
(1) Revenue for the period from January 1, 2010 to November 30, 2010 and November 4, 2010 to December 31, 2010 has been combined. See "Financial Information — Basis of Presentation."
(2) Includes Brazil, India, Korea and Australia.

One of our key strategies for growth is to increase our market share in China and other emerging markets by expanding our product portfolio to offer products specifically tailored to these emerging markets. In addition, we plan to continue building upon our established relationships with global and local OEMs in these markets and may pursue selected strategic acquisitions and alliances. We also plan to further expand our manufacturing capability in these markets, consistent with the growth of our business.

The following table sets forth our production volume, production capacity and utilization rate for the specified products for the years indicated:

	For the year ended December 31, 2010(1)			For the year ended December 31, 2011			For the year ended December 31, 2012		
Products	Volume (units)(2)	Capacity (units)(3)	Utilization Rate (%)(4)	Volume (units)(2)	Capacity (units)(3)	Utilization Rate (%)(4)	Volume (units)(2)	Capacity (units)(3)	Utilization Rate (%)(4)
EPS	2,278,000	3,286,000	69%	2,682,000	3,428,000	78%	2,680,000	3,639,000	74%
HPS									
Gears	3,198,000	4,591,000	70%	2,826,000	4,763,110	59%	1,835,000	3,888,005	47%
Pumps	3,577,000	6,119,000	58%	3,741,000	5,392,000	69%	3,565,000	5,002,000	71%
Steering									
Columns	4,098,000	9,371,000	44%	3,727,000	8,957,000	42%	3,463,000	5,643,000	61%
Halfshafts	7,944,000	10,306,000	77%	8,018,000	10,000,000	80%	8,694,000	10,219,000	85%

Notes:
(1) Production volume and capacity for our Predecessor and our Group have been combined for the year ended December 31, 2010.
(2) We aggregate the production volume of all categories of a product to arrive at the production volume for the product.
(3) We calculate capacity using reusable capacity, which excludes legacy equipment related to older generation products that are not usable for new customers or projects. Legacy equipment is considered not usable if the cost of upgrading the equipment for reuse would require investment of over 50% of the cost of purchasing new equipment. Capacity represents weighted average of reusable capacity available by product line. To calculate reusable capacity, we assume five working days a week, three shifts for machining and two shifts for assembly.
(4) We calculate utilization rate based on the units of products produced compared to the capacity of our total existing facilities.

Our History and Relationship with GM

Our history can be traced back to 1906, when we were founded as Jackson, Church & Wilcox Co. in the U.S. In 1909, this company was purchased by Buick, which was owned by GM. In 1917, we became the first automotive parts manufacturing division of GM engaged in steering systems research, design and manufacture. We then operated as a business division under GM and were primarily involved in steering operations. In 1998, our steering operations became a major business division under Delphi Corporation, an automotive components business under GM that was subsequently spun-off and became an independent publicly-held corporation in 1999. In 2009, GM acquired, among other things, the steering operations (which effectively comprise the operating subsidiaries of our Group) from Delphi Corporation and renamed it Nexteer Automotive. In November 2010, we were acquired by PCM China (the "Acquisition") and in March 2011, AVIC Auto acquired a 51% interest in PCM China. Upon the Capitalization Issue and completion of the Global Offering and assuming the Over-allotment Option is not exercised, our Company will be owned as to 70% by PCM China indirectly and the remaining 30% by public shareholders. PCM China is in turn owned as to (i) 51% by AVIC Auto, which is wholly owned by AVIC; (ii) 25% by PCM Systems; and (iii) 24% by Beijing E-Town. See "Our History and Reorganization — Our History."

We have a strong, long-established relationship with GM, and we plan to continue to strengthen this relationship. We, PCM China and GM entered into a number of agreements in connection with the Acquisition including the Master Purchase Agreement, Supply Agreement, Access and Security Agreement and IP Agreements. These agreements provided, among other things, the framework for certain aspects of our ongoing relationship with GM, including some transitional arrangements. Our contracts with GM that are governed by the Supply Agreement and had not expired as of the Latest Practicable Date were entered into between 2005 and 2010 and are expected to expire between 2013 and 2020, assuming the applicable vehicle programs are not extended. We are not the sole supplier of steering or driveline products to GM, but we believe that we are an important supplier to GM. Since steering and halfshafts suppliers typically rely on a few key OEM customers and OEM customers typically rely on a few key steering and halfshafts suppliers, we do not believe our reliance on GM affects our bargaining power with GM when compared to GM's other existing suppliers. We also believe we compete for GM business on the same competitive basis as its other existing suppliers. See "Business — Customers — Relationship with GM."

Basis of Preparation of Accountant's Reports

This Prospectus includes two Accountant's Reports set forth as Appendices IA and IB, respectively. Appendix IA sets forth the Accountant's Report of our Group under our current corporate structure for the period from November 4, 2010 to December 31, 2010 and for the years ended December 31, 2011 and 2012. Appendix IB sets forth the Accountant's Report of our Predecessor for the period from January 1, 2010 to November 30, 2010.

Prior to November 30, 2010, our Predecessor was an indirect, wholly-owned subsidiary of GM. On November 30, 2010, PCM China acquired our Predecessor, following which our Predecessor came under the control of our Group. See "Our History and Reorganization — Our History." Our Predecessor's operating results are not directly comparable to the results of our Group in the following aspects:

- In connection with the Acquisition, the assets acquired and liabilities assumed by our Group from our Predecessor were generally recorded at fair value in accordance with IFRS acquisition accounting standards. There is no indication of material value being attributable to any intangible asset acquired in the business combination. See "Financial Information — Basis of Presentation" for details.

- The costs charged by GM to our Predecessor for certain services and functions, may not be indicative of the costs that our Predecessor would have incurred had our

Predecessor been a stand-alone entity. In addition, GM did not charge our Predecessor for all the direct costs it incurred on our Predecessor's behalf, nor did GM allocate any charges to our Predecessor for shared or common expenses.

- In accordance with the criteria for capitalization under IAS 38, engineering and product development costs incurred by our Predecessor did not qualify for capitalization due to uncertainty at the time regarding the probable future economic benefit of product development spending, whereas certain engineering and product development costs incurred by our Group qualified for capitalization under IAS 38 due to the significant change in the probable future economic benefit of product development spending after the Acquisition. As such, engineering and product development costs for our Group are not comparable to those of our Predecessor. There was no change in accounting policy and the criteria under IAS 38 were consistently applied in evaluating the capitalization of engineering and product development costs for our Predecessor prior to December 1, 2010 and for our Group subsequent to the Acquisition. The nature of the engineering and product development costs incurred by our Predecessor and our Group did not change before or after the Acquisition. See "Financial Information — Basis of Presentation" for details.
- Our Predecessor only recognized obligations for defined benefit plans for which it was the legal plan sponsor.
- Our Predecessor's reported income tax amounts are presented on a separate return basis as if it were a stand-alone entity. Since certain of our Predecessor's legal entities filed a consolidated tax return with GM's legal entities, current taxes were assumed to be settled with GM in the year the related income taxes are recorded through transfers to GM.

Accordingly, the historical results of our Predecessor may not be indicative of those of our Group, and investors should use caution when evaluating the historical results of our Predecessor. See "Risk Factors — Risks Related to Our Business and Industry — The financial data of our Predecessor is not directly comparable to our Group's financial data except for revenue, and the results of our Predecessor may not be indicative of the results of our Group." With the exception of revenue, we have not combined our Predecessor's financial information for the period from January 1, 2010 to November 30, 2010 with our Group's financial information for the period from November 4, 2010 to December 31, 2010 in this Prospectus. See "Financial Information — Basis of Presentation." As the operating results of our Predecessor, with the exception of revenue, are not directly comparable to the operating results of our Group, we believe that the profit test requirement under Rule 8.05(1) and the cash flow test requirement under Rule 8.05(2) of the Listing Rules are not applicable in these circumstances. Therefore, we have applied for the Listing pursuant to the market capitalization/revenue test under Rule 8.05(3) of the Listing Rules.

Business Model

Our business model comprises the following stages:

- ***Develop Business Strategy.*** Our business development process begins with an examination of our corporate vision and values, market practices, regulatory environment, customer relationships and expectations and available resources.
- ***Pursue Business Opportunities.*** We identify target opportunities and develop customer proposals.

- ***Product and Process Development.*** We seek to create achievable and validated product and process designs and to procure the necessary materials for these designs.
- ***Ordering by OEM Customers.*** We typically supply products through purchase orders, which are typically governed by general terms and conditions established by each OEM customer. Although the purchase orders with our customers vary from customer to customer, they typically contemplate a relationship under which our customers place orders for their requirements of specific components or systems supplied for particular vehicles but are not required to purchase any minimum amount of products from us.
- ***Manufacture Product and Provide Services.*** We seek to manufacture products and deliver services that meet or exceed our customers' needs and expectations.

Customers

We have established strong relationships with many of the world's leading OEMs as a result of our ability to offer high-quality products and customer service at competitive prices. We currently supply our products to more than 50 customers, including substantially all of the world's top ten major OEMs in terms of production volume in 2012. Through the years, we have diversified our customer base and, as of the Latest Practicable Date, our global customers included GM, Ford, Fiat, Chrysler and PSA Peugeot Citroën, as well as local OEMs in regional markets such as China and India. For the years ended December 31, 2010 (combining revenues of our Predecessor and our Group), 2011 and 2012, sales to our five largest customers accounted for approximately 79.2%, 82.4% and 82.7% of our revenue, respectively. We have supplied our products to our largest customer, GM, for over 100 years, and we have supplied our products to our next four largest customers for more than 20 years. We plan to continue to strengthen our strong, long-established relationship with GM.

Since becoming an independent component supplier after the Acquisition, we have also focused on working closely with and increasing sales to OEMs other than GM to support our business growth. We plan to continue to solidify our relationships with existing customers and attract new customers as we continue to improve our technological expertise and lower our costs so that we can offer our customers high quality and cost-efficient products. We target potential customers and track various opportunities through an opportunity plan, which tracks and assesses potential customer program bookings that we intend to secure. We have also focused on expanding our business in China and other emerging markets, where we pursue business opportunities with global OEMs, as well as local OEMs. In addition, we continue to monitor industry trends and may also consider adjusting the geographical mix or the number of our production facilities, customer service centers and regional engineering centers to support our future business development and to enable us to quickly respond to the needs of our OEM customers in different jurisdictions.

Procurement of Raw Materials, Parts and Components

We purchase raw materials, parts and components from various suppliers on a global and local basis for use in our manufacturing processes. These raw materials, parts and components are generally available from multiple sources in quantities sufficient for our needs. Although there are multiple suppliers for these raw materials, parts and components, we generally use single source suppliers consistent with industry practice because it is more cost-efficient. In rare cases, because of the technology or process involved or because the raw material, part or component is patented, there may be only a sole source that can provide the required raw materials, parts or components to manufacture our products. For the year ended December 31, 2012, approximately 1.5% of our total purchases of raw materials, parts and components were from sole source suppliers. We seek to mitigate the adverse impact of using such sole source suppliers through regularly monitoring and reviewing suppliers' financial information and providing financial assistance where necessary. During the Track Record Period, we did not experience any significant shortages of raw materials, parts or components and normally do not carry inventories of those items in excess of those reasonably required to meet our production and shipping schedule. See "Business — Manufacturing, Manufactured Components and Raw Materials — Procurement of Raw Materials, Parts and Components."

We seek to manage fluctuations in prices of raw materials by passing our cost increases to our customers, to the extent possible. See "Business — Manufacturing, Manufactured Components and Raw Materials — Procurement of Raw Materials, Parts and Components — Price Fluctuations."

Our five largest suppliers for the year ended December 31, 2012 have maintained business relationships with us for an estimated range of 11 to over 40 years. For the years ended December 31, 2010 (combining purchases of our Predecessor and our Group), 2011 and 2012, our five largest suppliers accounted for approximately 18.4%, 20.7% and 19.5% of our total purchases, respectively. See "Business — Manufacturing, Manufactured Components and Raw Materials — Procurement of Raw Materials, Parts and Components" and "Financial Information — Description of Selected Income Statement Line Items — Cost of Sales and Gross Profit."

Production Facilities

As of the Latest Practicable Date, we had 20 manufacturing plants located in the United States, Mexico, China, Poland, India, Brazil and Australia. See "Business — Production Facilities and Production Capacity — Production Facilities."

Research and Development

We have accumulated extensive technical knowledge and developed a high degree of technical expertise through our 100-year history as a steering products and driveline products supplier with a consistent focus on research and development. We prioritize our research and development efforts on technologies that offer attractive long-term growth opportunities by improving our product performance, reducing our costs or expanding our product portfolio. See "Business — Our Strengths — Highly advanced technology through a long history of research and development."

Quality Control

Our quality system is designed to monitor the quality of our products from development to production. Some of our quality control employees have more than 20 years of experience in the industry, and many of them hold engineering degrees. To promote quality control in our plants, all of our locations worldwide are TS-16949 certified. See "Business — Quality Control and Certifications."

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary consolidated/combined financial information of our Predecessor and of our Group. We have derived the summary consolidated/combined financial information from the consolidated financial statements of our Predecessor and the combined financial statements of our Group set forth in the Accountant's Reports in Appendices IB and IA, respectively, to this Prospectus. You should read the summary consolidated/combined financial information together with the consolidated/combined financial statements in this Prospectus, including the related notes.

Our consolidated/combined financial information was prepared in accordance with IFRS.

Selected Consolidated/Combined Income Statement Data

Our Predecessor

	For the period from January 1, 2010 to November 30, 2010
	(US$ thousands)
Revenue	1,895,195
Gross profit	284,753
Engineering and product development costs	(118,008)
Operating profit	85,051
Profit before income tax	81,094
Profit for the period	70,103
Attributable to:	
Equity holders	67,955
Non-controlling interests	2,148
	70,103

Our Group

	For the period from November 4, 2010 to December 31, 2010	For the year ended December 31, 2011	For the year ended December 31, 2012
		(US$ thousands)	
Revenue	156,688	2,247,752	2,167,802
Gross (loss)/profit	(25,345)	277,275	266,813
Engineering and product development costs	(8,470)	(108,376)	(81,623)
Operating (loss)/profit	(57,288)	89,201	83,923
(Loss)/profit before income tax	(58,960)	73,437	62,194
(Loss)/profit for the period/year	(58,667)	68,033	58,627
Attributable to:			
Equity holders	(58,539)	66,686	57,096
Non-controlling interests	(128)	1,347	1,531
	(58,667)	68,033	58,627

Selected Consolidated/Combined Balance Sheet Data

Our Predecessor

	As of November 30, 2010
	(US$ thousands)
Non-current assets	166,600
Current assets	629,446
Total assets	796,046
Total equity	285,839
Non-current liabilities	128,217
Current liabilities	381,990
Total liabilities	510,207
Total equity and liabilities	796,046
Net current assets	247,456
Total assets less current liabilities	414,056

Our Group

	As of December 31, 2010	As of December 31, 2011	As of December 31, 2012
		(US$ thousands)	
Non-current assets	288,281	377,972	631,000
Current assets	623,632	595,518	627,871
Total assets	911,913	973,490	1,258,871
Total equity	74,954	123,018	191,809
Non-current liabilities	78,636	83,627	559,765
Current liabilities	758,323	766,845	507,297
Total liabilities	836,959	850,472	1,067,062
Total equity and liabilities	911,913	973,490	1,258,871
Net current (liabilities)/assets	(134,691)	(171,327)	120,574
Total assets less current liabilities	153,590	206,645	751,574

Selected Consolidated/Combined Statement of Cash Flows Data

Our Predecessor

	For the period from January 1, 2010 to November 30, 2010
	(US$ thousands)
Net cash generated from operating activities	25,373
Net cash used in investing activities	(47,872)
Net cash used in financing activities	(38,103)
Net decrease in cash and cash equivalents	(60,602)

Our Group

	For the period from November 4, 2010 to December 31, 2010	For the year ended December 31, 2011	For the year ended December 31, 2012
		(US$ thousands)	
Net cash generated from operating activities	48,939	96,878	156,265
Net cash used in investing activities	(331,303)	(132,264)	(271,651)
Net cash generated from financing activities	395,040	65	99,150
Net increase/(decrease) in cash and cash equivalents	112,676	(35,321)	(16,236)

Key Financial Ratios

The following table sets forth certain key financial ratios of our Predecessor as of the date indicated:

	As of November 30, 2010
Current ratio(1)	164.8%
Gearing ratio(2)	18.5%

Notes:

(1) Current assets divided by current liabilities as of the period end date.

(2) Total borrowings plus non-recurring related party payables then divided by total equity as of the period end date.

The following table sets forth certain key financial ratios of our Group as of the dates and for the period/years indicated:

	As of or for the period from November 4, 2010 to December 31, 2010	As of or for the year ended December 31, 2011	As of or for the year ended December 31, 2012
Current ratio(1)	82.2%	77.7%	123.8%
Gearing ratio(2)	549.5%	342.1%	289.3%
Gross profit margin	—	12.3%	12.3%
Net profit margin	—	3.0%	2.7%

Notes:

(1) Current assets divided by current liabilities as of the period/year end date.

(2) Total borrowings plus non-recurring related party payables then divided by total equity as of the period/year end date.

RECENT DEVELOPMENTS

The following is a summary of our selected unaudited financial data for the three months ended March 31, 2012 and 2013 that have been prepared in accordance with the accounting policies set forth in our audited combined financial information that are included in Appendix IA to this Prospectus. Our financial results for the three months ended March 31, 2013 may not be indicative of our financial results for the full year ending December 31, 2013 or for future interim periods.

	For the three months ended	
	March 31, 2012	March 31, 2013
	(US$ thousands) (unaudited)	
Revenue	587,895	576,465
Cost of sales	(506,002)	(497,289)
Engineering and product development costs	(20,430)	(19,888)

For the three months ended March 31, 2013, our revenue decreased by approximately 2% to US$576.5 million from US$587.9 million for the three months ended March 31, 2012, primarily due to a decrease in sales volume caused by the end of certain customer programs, which has not yet been offset by an expected increase in revenue from booked customer programs that are expected to begin production later in 2013. For the three months ended March 31, 2013, our cost of sales decreased by approximately 2% to US$497.3 million from US$506.0 million for the three months ended March 31, 2012, primarily due to the decrease in sales volume mentioned above. Our engineering and product development costs decreased by approximately 3% to US$19.9 million for the three months ended March 31, 2013 from US$20.4 million for the three months ended March 31, 2012.

According to our unaudited management accounts, our Group's gross profit and gross profit margins for the second half of 2012 decreased by approximately US$38.9 million and 2.3%, respectively, compared to the first half of 2012, mainly due to pricing pressure from customers and seasonality. In addition, our Group also incurred listing expenses of approximately US$6.6 million and employee restructuring costs of approximately US$7.4 million in the second half of 2012. As of the Latest Practicable Date, our Group does not expect to incur similar non-recurring expenses in the second half of 2013, except for costs associated with public company reporting and related requirements. Moreover, our Group will launch three new EPS programs in the second half of 2013. As EPS products usually have a higher price than other products, we expect our EPS programs to mitigate the adverse impact of overall pricing pressure from customers.

Our Directors have confirmed that, since December 31, 2012 and up to the date of this Prospectus, there had been no material adverse change in our financial or trading position or prospects and no event had occurred that would materially and adversely affect the information shown in our Group's combined financial statements Accountant's Report in Appendix IA to this Prospectus.

PROFIT FORECAST FOR THE SIX MONTHS ENDING JUNE 30, 2013

On the bases and assumptions set out in "Appendix III — Profit Forecast" and, in the absence of unforeseen circumstances, certain profit forecast data of our Group for the six months ending June 30, 2013 is set out below:

Forecast consolidated profit attributable to the equity holders of the Company(1)	Not less than US$52.5 million (approximately HK$407.4 million)

Notes:

(1) The forecast consolidated profit attributable to equity holders of the Company for the six months ending June 30, 2013 is extracted from the section headed "Financial information — Profit Forecast for the Six Months Ending June 30, 2013" in this Prospectus. The bases and assumptions on which the above profit forecast for the six months ending June 30, 2013 have been prepared are summarized in "Appendix III — Profit Forecast" in this Prospectus.

(2) For the purpose of this forecast consolidated profit attributable to equity holders, the balance stated in United States Dollars is converted into Hong Kong dollars at the rate of US$1 to HK$7.76. No representation is made that the United States Dollars amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.

(3) The financial results for the six months ending June 30, 2013 will be audited pursuant to Rule 11.18 of the Listing Rules.

OFFER STATISTICS

All statistics in this table are based on the assumption that the Over-allotment Option is not exercised.

	Based on minimum indicative Offer Price of HK$2.54	Based on maximum indicative Offer Price of HK$3.50
Market capitalization of our Shares(1)	HK$6,096 million	HK$8,400 million
Unaudited pro forma adjusted net tangible assets value per Share(2)	HK$0.70	HK$1.01

Notes:

(1) The calculation of market capitalization is based on the 2,400,000,000 Shares expected to be in issue immediately upon completion of the Global Offering and the Capitalization Issue.

(2) The unaudited pro forma adjusted net tangible assets value per Share has been arrived at after adjustments referred to in "Appendix II — Unaudited Pro Forma Financial Information — Unaudited pro forma adjusted net tangible assets" in this Prospectus and on the basis of 2,400,000,000 Shares in issue at the indicative offer prices of HK$2.54 and HK$3.50 per Share immediately following completion of the Global Offering and the Capitalization Issue.

DIVIDEND POLICY

The declaration of dividends is subject to the discretion of our Board and the approval of our Shareholders. Subject to applicable laws and regulations, we currently intend to pay dividends of not less than 20% of our net profits available for distribution for the year ending December 31, 2013. Our Directors may recommend a payment of dividends in the future after taking into account our operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions, capital expenditure and future development requirements, shareholders' interests and other factors which they may deem relevant at such time. Any declaration and payment as well as the amount of the dividends will be subject to our constitutional documents and the Cayman Companies Law, including the approval of our Shareholders. Any future declarations of dividends after the year ending December 31, 2013 may or may not reflect our historical declarations of dividends and will be at the absolute discretion of our Directors.

USE OF PROCEEDS

The net proceeds from the Global Offering (after deducting underwriting fees and estimated total expenses paid and payable by us in connection thereto) are estimated to be approximately HK$2,025.37 million (equivalent to approximately US$261.00 million) before any exercise of the Over-allotment Option, assuming an Offer Price of HK$3.02 per Share, being the mid-point of the proposed Offer Price range of HK$2.54 to HK$3.50 per Share. We intend to use such net proceeds as follows:

Amount	Percentage of Net Proceeds	Purposes
● Approximately HK$1,458.26 million (equivalent of approximately US$187.92 million)	Approximately 72%	Capital expenditure on: (1) machinery and equipment to increase production capacity for new product programs secured or expected to be secured from OEM customers (68%) and (2) expansion and construction of manufacturing plants (4%).
● Approximately HK$425.33 million (equivalent of approximately US$54.81 million)	Approximately 21%	Strengthen our research and development capabilities, develop new technologies and products, and enhance key component manufacturing capabilities.
● Approximately HK$141.78 million (equivalent of approximately US$18.27 million)	Approximately 7%	Supplement our working capital.

If the Offer Price is set at the highest or lowest point of the indicative Offer Price range, the net proceeds of the Global Offering, assuming that the Over-allotment Option is not exercised, will increase to approximately HK$2,362.33 million or decrease to approximately HK$1,688.41 million, respectively. In such event, we will increase or decrease the intended use of the net proceeds for the above purposes on a pro-rata basis.

To the extent that the net proceeds of the Global Offering are not immediately used for the above purposes and to the extent permitted by the relevant laws and regulations, we intend to deposit such net proceeds into interest-bearing bank accounts with licensed banks and/or financial institutions. See "Future Plans and Use of Proceeds."

Investors should read this entire Prospectus carefully and should not consider any particular statements in this Prospectus or in published media reports without carefully considering the risks and other information contained in this Prospectus.