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 operations involve certain risks, many of which are beyond our control. You should pay particular attention to the fact that we conduct substantially all of our operations in the PRC and we are governed by a legal and regulatory environment which in some respects may differ from that which prevails in other countries. Our business, results of operations and financial condition could be materially and adversely affected by any of these risks. 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

A significant portion of our recent revenue growth during the Track Record Period was attributable to orders from new customers with whom we have not had a long history of business relationships, and any decrease or termination in our sales to any one of them may have a material adverse effect on our business, results of operations and financial condition.

A significant portion of our recent revenue growth during the Track Record Period was attributable to orders from a number of key new customers with whom we had only a range of one to three years of business relationships.

Particularly, prior to 2010, we did not have a business relationship with our largest customer by sales volume for 2011 and 2012. Revenue attributable to this largest customer represented 15.1% and 14.0% of our revenue for 2011 and 2012, respectively. This customer was not one of our top ten customers for the six months ended 30 June 2013 and contributed less than 5.0% of our revenue for the same period. Also, prior to 2011, we did not have a business relationship with our second largest customer by sales volume for 2012. Revenue attributable to this customer represented 10.0% of our revenue for 2012 and 7.0% of our revenue for the six months ended 30 June 2013.

We cannot assure you that any of these relatively new customers will continue to purchase products and services from us at current levels on similar terms, or at all. Should any of these new customers significantly reduces its purchase orders placed with us or ceases its business relationship with us, we may not be able to bring in new customers generating comparable sales volumes, and our business, results of operations, financial condition and prospects may be materially and adversely affected.

We derive a significant portion of our revenue from a limited number of customers, and any decrease or termination in our sales to any one of them may have a material adverse effect on our business, results of operations and financial condition.

During the Track Record Period, there was a notable concentration in our customer base. Revenue attributable to our five largest customers represented 30.7%, 40.6%, 39.2% and 32.5% of our total revenue for 2010, 2011 and 2012 and the six months ended 30 June 2013, respectively. These major customers may continue to account for a similar or higher portion of our revenue in the future.

There may be risks associated with having a small number of major customers contributing a significant portion of revenue. We cannot assure you that we will be able to maintain or improve our relationship with our major customers, and we cannot assure you that we will be able to continue to supply products and services to them at current levels on similar terms, or at all. In addition, our business is affected by the businesses of our major customers, which depends to a significant extent on their continuing ability to act as suppliers to their own customers and 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 business relationships with our major customers. Our use of resources and management attention to continue our business relationships 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 its purchase orders with 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, results of operations, financial condition and prospects may be materially and adversely affected.

Furthermore, a number of our direct customers are contract manufacturers that service the same producers and designers of branded products. If our relationship with one or more of such producers and designers of branded products worsens or discontinues, our sales to multiple of our direct customers that service the same brands may simultaneously be materially and adversely affected, and if we were not able to replace such lost sales on comparable terms, or at all, our business, results of operations and financial condition may be materially and adversely affected.

We do not maintain long-term purchase contracts with our customers, and any disruption or termination of our business relationships with our major customers or fluctuations in their demand for our products may have a material adverse effect on our business, results of operations, financial condition and prospects.

We do not maintain long-term purchase contracts with our customers obligating them to place orders with us that would secure future revenue for us. Instead, we sell our products based on individual purchase orders. Should any of our major customers significantly reduces or ceases ordering our products, whether due to a deterioration of their business, their decision to change supplier or any other reason, we may not be able to bring in new customers generating comparable sales volume, and our business, results of operations, financial condition and prospects may be materially and adversely affected.

Furthermore, our customers' demand for our products may experience significant fluctuations from period to period, in some cases due to fluctuations in demand for the end products of our customers in our downstream industries and their respective production cycles. Such fluctuations may in turn have a material adverse effect on our business, results of operations and prospects. Please also refer to the sections headed "Financial Information—Significant Factors Affecting Our Results of Operations and Financial Condition—Market demand for our products in our key markets globally and general economic conditions in such markets" and "Financial Information—Significant Factors Affecting Our Results of Operations and Financial Condition—Changes in our product mix and customer base" in this prospectus for further details.

Many of our customers do not commit to long-term production schedules, which makes it difficult for us to schedule production accurately and achieve maximum efficiency of our manufacturing capacity, and our production capacity may not correspond precisely to our production demands.

Our customers do not commit to long-term contracts. Many of our customers may adjust production quantities or delay production with little lead-time or advance notice. Therefore, we plan our production and inventory levels based on our customers' advance orders, commitments or forecasts, as well as our internal assessments and forecasts of customer demand. The volume and timing of sales to our customers may vary due to, among others:

- variation in demand for or discontinuation of our customers' products;
- changes in our customers' manufacturing strategies; and
- our customers' attempts to manage their inventory.

Furthermore, we believe some of our customers prefer us to have a certain percentage of excess capacity which would allow us to meet unexpected increases in purchase orders. On occasion, however, customers may require unusually rapid increases in production beyond our existing production capacity, and we may not have sufficient capacity at any given time to meet sharp increases in our customers' requirements. In addition, in the event that a customer reduces or cancels orders unexpectedly after we have invested in increasing our capacity, our gross profit and operating income may be adversely affected because we may not be able to recover our expenditures for inventory purchased in preparation for customer orders and we may not be able to realise optimal utilisation of our manufacturing facilities.

A significant portion of our revenue during the Track Record Period was attributable to customers brought in by our third-party contract sales representatives, with whom we only had relatively short-term agreements or agreements with no specified term. If we were not able to continue our business relationships with any one or more of them, or if they fail to perform in accordance with our expectations, our customer relationships and thus our business, results of operations and financial condition may be materially and adversely affected.

During the Track Record Period, we had entered into contracts with third-party contract sales representatives in an effort to further expand our overseas markets and explore various downstream industries. Our third-party contract sales representatives have made significant contributions to our revenue growth. Revenue attributable to customers brought in by such third-party contract sales representatives represented approximately 5.3%, 18.8%, 37.5% and 25.1%, respectively, of our revenue for 2010, 2011 and 2012 and the six months ended 30 June 2013. Our largest customer by sales amount for 2011 and 2012 was brought in by a third-party contract sales representative. Our contracts with these third-party contract sales representatives generally have short fixed term, no specified term or are otherwise terminable by notice at any time by the third-party contract sales representative. Please refer to the section headed "Business—Customers, Sales and Marketing—Third-Party Contract Sales Representatives" in this prospectus. If we lose the service of any of these third-party contract sales representatives, and we were not able to find competent replacements at a competitive cost on a timely basis or at all, our business relationships with certain of our key overseas customers may be materially and adversely affected. Furthermore, former third-party contract sales representatives may entice our existing customers away from us, and if that happens our business, results of operations and financial condition may be materially and adversely affected.

Our sales may fluctuate and be affected by seasonality.

Demand from our customers and in turn our sales is affected by seasonal fluctuations. We normally experience higher sales amount in the third and forth quarters of each year, when our customers increase their inventories in anticipation of an increase in seasonal demand. Please refer to the section headed "Business—Customers, Sales and Marketing—Seasonality" in this prospectus. As a result of the inherent seasonality of our business, our results of operations may fluctuate from quarter to quarter. However, we cannot assure you that the historical trend of seasonality of our revenue will continue to the same extent, or at all. Therefore, an analysis of our interim financial performance may not be indicative of our full-year results due to the seasonality of our revenue. We believe that the seasonal variability in our results of operations will continue in the future.

Risks relating to legal issues with respect to certain leases for our production facilities, which may force us to relocate from certain of our current production facilities.

The landlord of the Shenzhen Tangjia Plants has not fully complied with certain legal requirements for leasing certain properties to us, and we may be required to vacate such properties.

The PRC legal advisers advised that according to the relevant laws and regulations of Shenzhen, leasing of the Shenzhen Tangjia Plants is restricted and must be approved by the land bureau and a land premium shall be paid, because TK Technology (Shenzhen) currently holds a green-type property ownership certificate with respect to the Shenzhen Tangjia Land. Please refer to the section headed "Business—Properties—Plans to Resolve Risks Related to Certain of our Leased Properties—Defects with respect to the Shenzhen Tangjia Plants" for further details. The total gross floor area of the Shenzhen Tangjia Plants amounted to approximately 35,824.3 sq.m., representing approximately 57.4% of the total gross floor area of all of our production bases. In addition, all the operations of our mold fabrication division is located in the Shenzhen Tangjia Plants. As at the Latest Practicable Date, TK Technology (Shenzhen) had not obtained the required approval and paid the applicable land premium for leasing the Shenzhen Tangjia Plants, and we may be forced to relocate from the Shenzhen Tangjia Plants to the backup plants.

In the event we are forced to relocate from the Shenzhen Tangjia Plants, we estimate the costs to relocate our operation in the Shenzhen Tangjia Plants to the backup plants to be approximately RMB33.3 million (equivalent to approximately HK$42.0 million). In addition, based on the revenue of the relevant business units having operations in the Shenzhen Tangjia Plants for 2012, we estimate that the loss of production time as a result of a forced relocation would mean a loss of revenue of approximately HK$160.0 million on a *pro rata* basis. We may also be subject to claims for delay and/or failure to deliver our products.

Our PRC legal advisers confirmed that the local laws and regulations of Shenzhen do not restrict the leasing of the Shenzhen Tangjia Plants after the applicable land premium has been paid and a red-type property ownership certificate has been obtained. The entire process for the conversion from green-type property ownership certificate to red-type property ownership certificate is expected to be completed by April 2014. Please refer to the section headed "Business—Properties—Plans to Resolve Risks Related to our Leased Properties—Defects with respect to the Shenzhen Tangjia Plants" for further details. We cannot assure you that TK Technology (Shenzhen) can convert the green-type property ownership certificate to red-type property ownership certificate by April 2014, or at all. In such case, we may also be forced to be relocated from the Shenzhen Tangjia Plants.

Certain of our leased property may be subject to title encumbrances, and we may be required to vacate such property.

The landlord of the Shenzhen Yulu Plant A does not have the property ownership certificate of the Shenzhen Yulu Plant A. As a result, as advised by our PRC legal advisers, the relevant lease is invalid under PRC laws and regulations, in which event we may be forced to relocate from the Shenzhen Yulu Plant A. The total gross floor area of the Shenzhen Yulu Plant A amounted to 16,300.0 sq.m., representing approximately 26.1% of the total gross floor area of all of our production bases.

In the event that we are forced to relocate from the Shenzhen Yulu Plant A, we estimate the costs to relocate our operations in the Shenzhen Yulu Plant A to the backup plants to be approximately RMB12.5 million (equivalent to approximately HK$15.8 million). In addition, based on the revenue of the relevant business units having operations in the Shenzhen Yulu Plant A for the year ended 31 December 2012, we estimate that the loss of production time as a result of forced relocation would mean a loss of revenue of approximately HK$117.0 million on a *pro rata* basis. We may also be subject to claims for delay and/or failure to deliver our products.

Please refer to the section headed "Business—Properties—Plans to Resolve Risks Related to Certain of our Leased Properties" for further details.

If the landlord of the backup plants we have secured do not deliver vacant possession of such plants as agreed, and if we cannot identify other alternative production facilities in a timely manner, we may incur higher than expected loss for relocating our operations from the Shenzhen Tangjia Plants or the Shenzhen Yulu Plant A or both.

If we were forced to relocate our operations from the Shenzhen Tangjia Plants or the Shenzhen Yulu Plant A or both, we plan to move to the backup plants that we have secured. However, if the landlord of such backup plants could not deliver vacant possession of the backup plants, we may not be able to identify other alternative production facilities in a timely manner. In such case, we may experience longer than expected delays before resuming production at full capacity or at all, and we may incur higher than expected loss of revenue and profits as well as further claims due to delay and/or failure to deliver our products to our customers. The pre-lease agreements we have entered into with the landlord of the backup plants do not provide for us to claim any consequential loss arising from the failure of the landlord to deliver vacant possession and therefore, if that happens, our business, results of operations and financial condition may be materially and adversely affected.

Fluctuations in the price of raw materials may have a material adverse effect on our business, results of operations and financial condition.

As our business continues to grow, we have experienced an increasing demand for raw materials such as steel and plastic resins. For 2010, 2011 and 2012 and the six months ended 30 June 2013, our costs of raw materials and consumables used represented 65.1%, 51.0%, 59.6% and 65.0%, respectively, of our cost of sales. The price fluctuations were primarily due to changes in supply and demand conditions of the plastic resins and steel markets. While we monitor the price of raw materials and adjust our price quotations accordingly, we may not be able to directly pass on any increase in the price of raw materials to our customers, which may have a material adverse effect on our business, results of operations and financial condition.

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 2010, 2011 and 2012, we recorded revenue of HK$536.1 million, HK$781.8 million and HK$1,096.0 million, respectively, and profit for the year attributable to owners of the Company of HK$45.0 million, HK$84.5 million and HK$135.2 million, respectively. The sustainability of our growth depends on a number of factors, including but not limited to the prospects of our downstream industries, implementation of our strategies and the competitive landscape as well as general economic and political conditions in the PRC, 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 adversely affected.

Our historical non-compliance, such as our non-compliance with the social insurance and housing provident fund contribution regulations in the PRC, could lead to imposition of penalties or other liabilities.

We previously did not comply with certain statutory requirements under relevant laws and regulations. As a result of these non-compliance incidents, we may be exposed to penalties or other liabilities. For details of such historical non-compliance incidents, please refer to the section headed "Business—Legal Proceedings and Regulatory Compliance".

During the Track Record Period, we had not fully paid certain past social insurance and housing provident fund contributions, which are required under the relevant PRC laws and regulations, for and on behalf of all of our employees in the PRC. We estimate such total underpaid amount to be approximately RMB715,000 (equivalent to approximately HK$902,473). Please refer to the section headed "Business—Legal Proceedings and Regulatory Compliance" for further details regarding such non-compliance. Our Ultimate Shareholders have agreed to indemnify us against, amongst other things, any losses, damages, claims and penalties incurred or suffered by our Company or any members of our Group in relation to the above non-compliance.

As at and up to the Latest Practicable Date, we had not been ordered to pay outstanding contributions and/or penalties by the relevant authorities. However, in the event that we fail to pay any outstanding contribution pursuant to any notice issued by the social insurance bureau or the department in charge of the housing fund, respectively, we could be ordered to make the outstanding contributions and be subject to penalties for late payment. If our Group did not pay the relevant social insurance and housing provident fund contributions within the prescribed time limits required by the relevant authorities, we would be subject to penalties as disclosed in the section headed "Business—Legal Proceedings and Regulatory Compliance" in this prospectus.

If we fail to collect our trade receivables, our financial condition, in particular our cash flows, may be materially and adversely affected.

We generally require customers of our mold fabrication division to pay us in instalments the full purchase price before the molds leave our production facilities. However, in some cases we may allow a customer to retain a portion of the remaining balance until a pre-agreed time period has elapsed from final delivery.

We generally grant a credit period ranging from 30 to 90 days to the customers of our plastic components manufacturing division. 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 and other receivables. We also made provisions for certain trade receivables we deemed uncollectable. As at 31 December, 2010, 2011 and 2012 and 30 June 2013, we had trade receivables of HK$97.1 million, HK$123.1 million, HK$159.3 million and HK$108.5 million, respectively. In addition, as at 31 December, 2010, 2011 and 2012 and 30 June 2013, HK$2.6 million, HK$4.7 million, HK$3.7 million and HK$2.4 million, respectively, of our trade receivables were impaired. For 2010, 2011 and 2012 and the six months ended 30 June 2013, our turnover days for trade receivables were 53, 51, 47 and 52 days, respectively. Please refer to the section headed "Financial Information—Certain Items of Consolidated Balance Sheets—Trade and Other Receivables" 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 have a material adverse effect on our cash flows and financial condition. In addition, we may incur expenses relating to the collection of our trade receivables, such as through legal proceedings.

Future investments or acquisitions may have a material adverse effect on our ability to manage our business and harm our results of operations and financial condition.

We may make strategic investments and acquisitions that complement our operations. However, our ability to make successful strategic investments and acquisitions will depend to a large extent on our ability to identify suitable acquisition targets that meet our investment and acquisition criteria, to obtain financing on favourable terms and, where relevant, to obtain the required regulatory approvals. In the event that we are unable to make, or are restricted from making, such strategic investments or acquisitions due to regulatory, financial or other constraints, we may not be able to effectively implement our investment or expansion strategies.

Acquisitions typically involve a number of risks, including, but not limited to:

- the difficulty of integrating the operations and personnel of the acquired business;
- the potential disruption to our ongoing business and the distraction of our management;
- the difficulty of maintaining uniform standards, controls, procedures and policies;
- the impairment of relationships with employees and customers as a result of integration of new management and personnel;
- unrevealed potential liabilities associated with acquired businesses;
- higher than planned requirements to preserve and grow the value of acquired businesses or assets; and
- adverse effects on our results of operations due to the amortisation of and potential impairment provision for goodwill or other intangible assets associated with acquisitions, and losses sustained by acquired businesses after the date of acquisitions.

We may not be able to make acquisitions or investments on favourable terms or within a desired time frame. Even if we were able to make acquisitions or investments successfully as desired, we cannot assure you that we will achieve an intended return on such acquisitions or investments. In addition, we may require additional equity financing in order to make such acquisitions and investments. If obtained, any such additional equity financing may result in dilution to the holdings of existing shareholders. Any of these factors could have a material adverse effect on our business, results of operations, financial condition and prospects.

We rely on our senior management and our ability to attract and retain qualified personnel, and failure to attract and retain qualified personnel may have a material adverse effect on our business, results of operations and financial condition.

Our executive Directors and other members of our senior management have been instrumental in achieving our growth during the Track Record Period. In particular, the expertise and experience of our three executive Directors, namely Mr. Li, Mr. Yung and Mr. Lee, have been important to our success. If we lose the service of any of our executive Directors or other members of our senior management and there are no suitable and competent replacements, our business operations and future planning may be adversely affected.

Our success also depends to a significant extent on the continued service of our mid-level management, engineers, skilled technical personnel and marketing and sales personnel and on our ability to continue to attract, retain and motivate such personnel. If we lose the service of any of these key personnel without adequate and timely replacement, our business, results of operations and financial condition may be materially and adversely affected.

As each of our executive Directors holds a substantial interest in us, they have significant influence over our management and their interests may not be aligned with our interests or the interests of our other shareholders.

Each of Mr. Li, Mr. Yung and Mr. Lee, who are our executive Directors, holds a substantial interest in us, and they may take actions that may conflict with the interests of our other shareholders. Immediately following the Global Offering, Mr. Li, Mr. Yung and Mr. Lee will beneficially own approximately 34.0%, 21.0% and 20.0%, respectively, of our outstanding Shares, assuming the Over-allotment Option is not exercised, and approximately 32.5%, 20.2% and 19.6%, respectively, assuming the Over-allotment Option is exercised in full. Accordingly, Mr. Li, Mr. Yung and Mr. Lee will be able to influence our overall strategic and investment decisions, dividend plans, issuances of securities and adjustments to our capital structure, and will be able to control the election of our directors and, in turn, indirectly control the selection of our senior management.

We operate in a highly competitive industry, and we cannot assure you that we will be able to compete successfully.

The industry in which we operate is highly fragmented. As such, we compete with outsource manufacturing companies domestically and globally. Please refer to the section headed "Business—Market And Competition" in this prospectus. We may be less competitive than some of our competitors in terms of quality, speed and technical expertise. In addition, some of our competitors may have a cost structure that is characterised by lower capital expenditures or labour costs than we have, and some other competitors may have greater scale, flexibility and other resources than we do. 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, adoption of competitive pricing strategies, expansion of operations or adoption of innovative marketing methods, may have a material adverse effect on our business, results of operations and financial condition.

Any failure to maintain an effective quality assurance system could have a material adverse effect on our business, results of operations and financial condition.

An effective quality assurance system is critical to the success of our business. The effectiveness of our quality assurance system in turn depends on a number of factors, including the design of our quality assurance procedures, our quality assurance and training programmes and our ability to ensure that our employees adhere to our quality assurance policies and guidelines. We cannot assure you that our quality assurance system will be effective in maintaining our product quality, and any failure to do so could have a material adverse effect on our business, results of operations and financial condition.

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

Our functional currency is the Renminbi dollar, but our business transactions are denominated in various other currencies, primarily the Euro, the Japanese Yen and the U.S. dollar, which exposes us to foreign exchange risk. We are exposed to foreign currency risk through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. Any significant changes in the exchange rates between our functional currency and these various other currencies may result in losses for us and could have a material adverse effect on our business, results of operations and financial condition. We recorded net foreign exchange gains of HK$1.5 million, HK$2.7 million, HK$3.9 million and HK$1.1 million for 2010, 2011 and 2012 and the six months ended 30 June 2013, respectively. Our sales are primarily denominated in U.S. dollars, Hong Kong dollars, Euro, and Renminbi whilst our purchases and expenses are primarily denominated in the Renminbi and the Hong Kong dollar.

We may not be able to obtain additional funding on acceptable terms or at all, which may affect our ability to expand our business or meet unforeseen contingencies.

From time to time, we may need to obtain additional external debt or equity financing due to the growth of our business, unforeseen contingencies or new opportunities. If we are unable to obtain additional external financing on acceptable terms or at all, we may not be able to expand our business or meet unforeseen contingencies, and our results of operations may be adversely affected.

We may not be able to adequately protect our intellectual property rights, which may have a material adverse effect on our business, results of operations and financial condition.

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 some of our employees' employment contracts. Please refer to the section headed "Business—Employees and Staff" in this prospectus. 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 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 business, results of operations and financial condition.

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. 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 have a material adverse effect on our business, results of operations and financial condition. Furthermore, if we are not successful in these proceedings, we could lose our proprietary rights and may be subject to substantial liabilities or even disruptions to our business operations.

We may be subject to liability in connection with industrial accidents at our production facilities.

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. We cannot assure you that industrial accidents at our production facilities, 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, results of operations and financial condition.

We may be exposed to product liability claims which may have a material adverse effect on our reputation, business, results of operations, financial condition and prospects.

We may face product liability claims from our customers in the event that the use of our products or products that integrate our products as components results in bodily injury, property damage or other losses. 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 market share, and our business, results of operations, financial condition and prospects could be materially and adversely affected.

RISKS RELATING TO OUR INDUSTRY

We are highly dependent on the success of our downstream industries as well as the future growth of outsourcing of mold fabrication and plastic components manufacturing from our downstream industries. Our business is highly correlated with the performance of our customers' industries, and the demand for our products and services from our customers could be volatile, and a downturn in any of our downstream industries may have a material adverse effect on our business, results of operations, financial condition and prospects.

All of our products and services, including fabrication of molds and manufacturing of plastic components, have end-use applications in our downstream industries. Accordingly, our results of operations and financial performance is dependent upon the prospects of our downstream industries.

Furthermore, our customers' demand for our products and services may drastically and suddenly decrease when the demand for our customers' products decreases or ceases for any reason. For example, an automobile parts manufacturer that was our fourth-largest and second-largest customer by sales amount in 2010 and 2011, accounting for 4.9% and 9.0%, respectively, of our revenue for the respective years, did not place a comparable amount of purchase orders with us in 2012. In the event that the growth of our downstream industries is not sustained, or that we are not able to take effective measures to respond timely to technological developments and evolving industry standards in our downstream industries, our business, results of operations, financial condition and prospects may be materially and adversely affected.

Furthermore, our industry exists because customers choose to outsource certain functions in the production process of end-products, specifically, to outsource the fabrication of the molds used to manufacture the plastic components and the manufacturing of plastic components. A customer's decision to outsource is affected by its ability and capacity for internal manufacturing and the competitive advantages of outsourcing. We depend on the continuing trend of increased outsourcing by our customers. Future growth in our revenue depends to a significant extent on new outsourcing opportunities in which we assume additional manufacturing and supply chain management responsibilities from our customers. To the extent that these opportunities do not materialise, either because our customers decide to perform these functions internally or because they use other suppliers, our future growth could be limited.

If we fail to respond to technological changes and evolving industry standards in an efficient and timely manner, we may not be able to effectively compete with our competitors.

Our industry and our downstream industries have historically been characterised by rapid technological changes and evolving industry standards. There can be no assurance that we will be successful in responding to these changes. New services or technologies may render our existing products and service offerings or technologies less competitive. If we fail to adapt to technological changes and evolving industry standards in an efficient and timely manner, we may not be able to continue to effectively serve our customers' needs, and our business, results of operations and financial condition may be materially and adversely affected.

We may face increased electricity costs and insufficient electricity supply.

We consume substantial amounts of electricity for our operations. As we expand our production capacity and output, our energy needs will increase. We cannot assure you that we will not experience increases in electricity costs or power shortages or disruptions in the future. A number of factors could have a material adverse effect on our business and results of operations, including:

- significant increases in electricity costs;
- interruptions in power supply due to equipment failure;

- insufficient power-generating capacity in the PRC to fully satisfy the increased demand for electricity driven by continual economic growth; and

- inability to negotiate economical terms for electricity supply with the local PRC utilities providers.

We cannot assure you that increases in electricity costs or power shortages will not affect us in the future. We do not have any insurance to cover business interruption, including loss of profits from interruptions resulting from power outages. If electricity costs continue to rise, or if utilities providers' business or the local government's ability to supply and deliver electricity to our production sites is disrupted, our business, results of operations and financial condition could be materially and adversely affected.

Foreign governments may institute various trade regulation measures and impose high tariffs on imported goods, which may have a material adverse effect on our business, results of operations and financial condition.

During the Track Record Period, we delivered significant volumes of our products to overseas markets, including the U.S. and Europe. We expect export sales to continue to represent a significant portion of our revenue in the near future. As such, our export sales and, in turn, our results of operations and financial position, are subject to the economic, political, social and legal developments in these jurisdictions. Any continuing or new foreign government trade protection measures unfavourable to our products could significantly increase the cost of importing our products by our overseas customers and potential customers. Our overseas customers may be unable or unwilling to pass on the extra cost to their customers and may 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 market share, business, results of operations and financial condition could be materially and adversely affected.

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 and other products containing parts we manufacture. Any such negative macroeconomic developments could adversely affect our business, results of operations, financial condition and prospects.

Any future natural disasters, acts of God, outbreak of any contagious disease in the PRC or any other epidemics may adversely affect our business, results of operations and financial condition.

Substantially all of our assets and operations are located in the PRC and substantially all of our revenue is derived from our operations in the PRC. Accordingly, our business is subject to general economic and social conditions in the PRC. Natural disasters, epidemics and other acts of God, which are beyond our control, may adversely affect the economy, infrastructure and livelihood of people in the PRC. Some regions of the PRC, including the cities where we operate, are under threats of flood, earthquake, sandstorm, snowstorm, fire, drought or epidemics such as Severe Acute Respiratory Syndrome (SARS), H5N1 avian flu or H1N1 human swine flu. For instance, a serious earthquake and its successive aftershocks hit Sichuan Province, the PRC, 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 MINI) broke out in Mexico and spread globally, resulting in the loss of lives and widespread fear. In April 2013, an outbreak of H7N9 avian flu broke out in the Shanghai and spread to nearby eastern regions as well as other regions of the PRC, 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 the PRC. If in the future any of our employees or our customers in our facilities are suspected of having SARS, H7N9 avian flu, H5N1 avian flu or H1N1 human swine flu, or any other epidemics or any of our facilities are identified as a possible source of spreading such epidemics, 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 business and results of operations. A recurrence of SARS or an outbreak of any other epidemics in the PRC, such as the H7N9 avian flu, 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 could have a material adverse effect on our business, results of operations and financial condition.

RISKS RELATING TO CONDUCTING BUSINESS IN THE PRC

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

Substantially all of our business, assets and operations are located in the PRC and substantially all of our revenue is derived from our operations in the PRC. Accordingly, our business, results of operations, financial condition and prospects are, to a large extent, subject to the economic, political and 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 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's 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 utilise 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. As such, we cannot assure you that we may be able to benefit from all, or any, of the measures that are under continuous adjustments. Furthermore, we cannot predict whether changes in the PRC's economic, political or social conditions and in the PRC laws, regulations and policies will have a material adverse effect on our business, results of operations, financial condition and prospects. In particular, our business, results of operations, financial condition and prospects 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 adverse effect on our business, results of operations and financial condition, and may result in our inability to sustain our growth and implement our growth strategies.

Any labour shortages, increased labour costs, strikes, labour unrests or other factors affecting our labour force may have a material adverse effect on our reputation, business, results of operations and financial condition.

To support the growth of our business, we will need to increase our workforce of experienced management, skilled labour and other employees to implement our expansion plans and enhance the operating efficiency of our existing facilities. In the event of labour shortages, we may have difficulties recruiting or retaining employees or may face increasing labour costs. We require skilled labour of varying levels and experience. Given the recent economic growth in the PRC, competition for qualified personnel is substantial and labour 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. Any failure to attract qualified personnel at reasonable cost and in a timely manner could reduce our competitive advantages, undermining our ability to expand and our growth in revenue and profits. In addition, certain companies operating in the PRC, including Guangdong Province, the PRC, have experienced labour unrest and strikes in recent years. We cannot assure you that labour disputes, work stoppages or strikes will not arise in the future. Increases in our labour costs and future disputes with our workers could adversely affect our business, results of operations and financial condition. Our labour practices may also be subject to scrutiny from the media or other interested parties due to our position as a supplier to recognised global brands, 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 could have a material adverse effect on our business, results of operations and financial condition.

Any significant change in, or promulgation of, laws and regulations applicable to us may increase our costs of production, and our failures to comply with any of these developments could result in legal liabilities for us.

Our operations are subject to the PRC laws and regulations, which include but are not limited to laws and regulations governing the plastic injection mold fabrication and plastic injection molding industry in which we operate, foreign investment, labour and insurance matters, tax, levy, tariff, foreign exchange and environmental protection. Any significant change in the scope or application of these laws or regulations or any promulgation of new laws and regulations may increase our costs of production and have an adverse effect on our results of operations and financial condition. Furthermore, PRC production safety and environmental laws and their implementation regulations govern the operations of our business. Any failure to comply with such laws and regulations could result in fines, suspension of operations, loss of licences, penalties or lawsuits. There can also be no assurance that the PRC government will not impose additional or stricter laws or regulations in the future, which could give rise to significant compliance costs that we may be unable to pass on to our customers.

The legal system of the PRC is not fully developed, and there are inherent uncertainties which may affect the protections afforded to our business.

The PRC legal system is based on written statutes and their interpretations by the Standing Committee of the National People's Congress. Prior court decisions may be used for reference but have limited precedential value. Since the late 1970s, the PRC government has promulgated laws and regulations that had the effect of enhancing the protections afforded to corporate organisations and their governance, as well as various forms of foreign investments in the PRC. However, since these laws and regulations are relatively new and as the PRC legal system continues to evolve, the interpretation and enforcement of these laws, regulations and rules involve significant uncertainty and different degrees of inconsistency, potentially limiting the available legal protections to our business operations. In addition, the PRC administrative and court authorities have significant discretion in interpreting and implementing statutory and contractual terms. Therefore, it is difficult to evaluate the outcome of administrative and court proceedings and the actual level of legal protection we enjoy. These uncertainties may affect our judgment on the relevance of legal requirements and our decisions on the measures and actions to be taken to fully comply therewith, and may affect our ability to protect our legal rights in connection with contracts or torts. Furthermore, we cannot predict the effect of future legal developments in the PRC, including the promulgation of new laws and regulations, changes to existing laws and regulations or the interpretation or enforcement thereof, or the pre-exemption of local regulations by national laws. We cannot therefore assure that we will enjoy the same level of legal protection in the future, or that such new laws and regulations will not have a material adverse effect on our business, results of operations, and financial condition.

It may be difficult to effect service of process or to enforce foreign judgments in the PRC.

Substantially all of our assets are located in the PRC. Therefore, investors may encounter difficulties in effecting service of process from outside the PRC upon us or most of our Directors and officers. Moreover, it is understood that the enforcement of foreign judgments in the PRC is subject to uncertainties. A judgment of a court from a foreign jurisdiction may be reciprocally recognised or enforced if the jurisdiction has a treaty with the PRC or if the judgments of the PRC courts have been recognised before in that jurisdiction, subject to the satisfaction of other requisite requirements. However, the PRC does not have treaties with Japan, the United Kingdom, the United States and most other countries providing for the reciprocal enforcement of judgments. Also, Hong Kong has no arrangement for reciprocal enforcement of judgments with the United States, causing uncertainties in relation to the enforcement of foreign judgments.

Inflation in the PRC could have a material adverse effect on our profitability and growth.

While the PRC economy has experienced rapid growth, such growth has been uneven among various sectors of the economy and in different geographical areas of the country. Rapid economic growth can lead to growth in the money supply and rising inflation. If prices for our products rise at a rate that is insufficient to compensate for the rise in our costs, our business may be materially and adversely affected. In order to control inflation in the past, the PRC government has imposed controls on bank credits, limits on loans for fixed assets and restrictions on state bank lending. Such an austerity policy can lead to a slowing of economic growth. A slowdown in the PRC economy may have a material adverse effect on our business, results of operations, financial condition and prospects.

The exchange rate between the RMB and other currencies could negatively affect our business, results of operations, financial condition and our ability to pay dividends, increase competition from foreign competitors, affect the value of our net assets, earnings and dividends in foreign currency terms.

The exchange rate of the RMB against the U.S. dollar and other foreign currencies fluctuates and is affected by, among other things, the policies of the PRC government and changes in the PRC's and international political and economic conditions. Any future exchange rate volatility relating to the RMB may give rise to uncertainties in the value of our net assets, earnings and dividends. An appreciation of the RMB may result in increased competition from foreign competitors; a devaluation of the RMB may adversely affect the value of our net assets, earnings and dividends in foreign currency terms.

Moreover, to the extent that we need to convert the net proceeds from the Global Offering and future financing proceeds into the RMB for our operations, appreciation of the RMB against the relevant foreign currencies would have an adverse effect on the RMB amount we would receive from the conversion. On the other hand, because the dividends on our Shares, if any, will be paid in Hong Kong dollars, any devaluation of the RMB against the Hong Kong dollar could adversely affect the amount of any cash dividends on our Shares in Hong Kong dollar terms.

PRC laws and regulations governing currency conversion could have a material adverse effect on our business, results of operations and financial condition.

Because a portion of our revenue is denominated in the RMB, the PRC government's control over currency exchange may limit our ability to use revenue generated in the Renminbi by our PRC subsidiaries to make dividend payments to our Shareholders in foreign currencies, including Hong Kong dollars. The principal regulation governing foreign currency exchange in the PRC is the Regulation on Foreign Exchange Control (《中華人民共和國外滙管理條例》), as amended. There are significant restrictions on when the Renminbi is converted into foreign currencies and remitted out of the PRC for capital-account transactions, such as the repatriation of equity investments in the PRC 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 the PRC in the form of an increase in registered capital or a shareholder loan. Our ability to do so is subject to approval by the 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.

We rely on dividends paid by our PRC subsidiaries for our cash needs, and limitations on the ability of our PRC subsidiaries to pay dividends to us could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are a holding company incorporated in the Cayman Islands and conduct substantially all of our operations through our PRC subsidiaries. We will rely on dividends paid by our PRC subsidiaries for our future cash needs that cannot be met by equity issuance or borrowings outside of the PRC, including the funds necessary to pay dividends and other cash distributions to our shareholders, to service any debt we may incur and to pay our operating expenses in excess of such amounts. Under the current PRC foreign exchange regulations, our PRC subsidiaries will be permitted, upon completion of the Global Offering, to effect foreign exchange for current-account transactions (including the distribution of dividends) through accounts permitted by the PRC government. Under existing PRC foreign exchange regulations, profit distributions, interest payments and expenditures from trade related transactions cannot be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements. However, approval from SAFE or its local branch is required where the Renminbi is to be converted into foreign currency and remitted out of the PRC to pay capital expenses such as the repayment of loans denominated in foreign currencies. We cannot assure you that the PRC government will not in the future impose restrictions on foreign exchange transactions for current-account items, including the payment of dividends.

PRC Regulations currently permit payment of dividends by a PRC subsidiary only out of accumulated profits as determined in accordance with the PRC GAAP. According to applicable PRC laws and regulations, each of our PRC subsidiaries is required to set aside at least 10% of its after-tax profit based on the PRC GAAP each year for its statutory reserves until the amount of such reserves reach 50% of its registered capital. These reserves are not distributable as dividends. Contributions to such reserves are made from our PRC subsidiaries' net profit after taxation. In addition, if our PRC subsidiaries incur debt in the future, the instruments governing the debt may restrict their ability to pay dividends or make other distributions to us. As a result, our PRC subsidiaries are restricted in their ability to transfer the net profit to us in the form of dividends including in periods in which their financial statements indicate that operations have been profitable. If our PRC subsidiaries cannot pay dividends due to government policy and regulations, or because they cannot generate the requisite cash flow, we may not be able to pay dividends, service our debt or pay our expenses, which may have a material adverse effect on our business, results of operations, financial condition and prospects.

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 capitalise 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滙資本金支付結滙管理有關業務操

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 the Renminbi. The notice requires that the capital of a foreign-invested company converted from foreign currencies and settled in the 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 the 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 the 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 the Renminbi to invest in or acquire any other PRC companies, which may adversely affect our ability to expand our business.

We may be subject to PRC taxation on our worldwide income, which may have a material adverse effect on our results of operations and financial condition.

Under the EIT Law, enterprises established outside the PRC whose "de facto management bodies" are located in the PRC are considered "resident enterprises" and will generally be subject to a uniform 25% EIT on their worldwide income. Under the EIT Rules, "de facto management bodies" are defined as bodies that have material and overall management control over the business, personnel, accounts and properties of an enterprise. Substantially all of our management is currently based in the PRC and may remain in the PRC. Therefore, we may be treated as a PRC resident enterprise for EIT purposes and thus be subject to EIT on our worldwide income. However, a PRC resident enterprise is exempted from dividend income received from qualified resident enterprises. The tax consequences of such treatment are currently unclear, as they will depend on the implementation of regulations and how local tax authorities apply or enforce the EIT Law and the EIT Rules. Our business, results of operations and financial condition may be materially and adversely affected if we are subject to PRC taxation on our worldwide income.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior pubic market for our Shares, and an active trading market may not develop after the Global Offering.

Prior to the Global Offering, there has been no public market for our Shares. The Offer Price for our Shares will be determined by agreement between the Sole Global Coordinator and us on the Price Determination Date. The Offer Price may not be indicative of the price at which our Shares will trade following the completion of the Global Offering. Moreover, there can be no assurance that there will be an active trading market for our Shares, or that if it exists, it can be sustained following the completion of the Global Offering, or that the price at which our Shares will trade will not decline below the Offer Price.

The trading volume and share price of our Shares may fluctuate.

The price and trading volume of our Shares may be highly volatile. Factors such as variations in our revenue, earnings and cash flow, announcements of new technologies, strategic alliances or acquisitions, safety or environmental accidents suffered by us, loss of key personnel, litigation or fluctuations in the market prices of our products or raw materials could cause large and sudden changes in the volume and price at which our Shares will trade. We cannot assure that such development will not occur. 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.

Forward-looking statements contained in this prospectus are subject to risks and uncertainties.

This prospectus contains statements that are forward-looking and uses words typically used for forward-looking statements such as "will", "expect", "estimate", "anticipate", "plan", "believe", "may", "intend", "ought to", "continue", "project", "should", "seek", "potential" and other similar terms. Those statements include, among other things, the discussion of our growth strategy and expectations concerning our future operations, liquidity and capital resources. Purchasers of our Shares are cautioned that reliance on any forward-looking statements involves risks and uncertainties and that, any or all of those assumptions could prove to be incorrect and as a result, the forward-looking statements based on those assumptions could also be incorrect. The uncertainties in this regard include, but are not limited to, those identified in this "Risk Factors" section, many of which are beyond our control. In light of these and other risks and uncertainties, the inclusion of forward-looking statements in this prospectus should not be regarded as representations by us that our plans and objectives will be achieved, and investors should not place undue reliance on such forward-looking statements. We do not undertake any obligation to update publicly or release any revisions of any forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise.

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 to approximately HK$0.57 per Share, based on the maximum Offer Price of HK$1.40. 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.

We may be unable to pay dividend on our Shares.

Our Company is a holding company established in the Cayman Islands with operating subsidiaries in the PRC. Therefore, the availability of funds for us to pay dividends to our Shareholders and to service our indebtedness will depend heavily upon dividends received from our production subsidiaries in the PRC. 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 headed "Financial Information—Dividends and Dividend Policy" in 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 adoption of new laws and regulations, or changes 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 GAAP in other jurisdictions. Please refer to the section headed "—Risks Relating to Conducting Business in the PRC—We rely on dividends paid by our PRC subsidiaries for our cash needs, and limitations on the ability of our PRC subsidiaries to pay dividends to us could have a material adverse affect on our business, results of operations, financial condition and prospects" in this prospectus. 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.

Certain industry and other information and statistics contained in this prospectus are derived from publicly available government and official sources and a market research report commissioned by us, which have not been verified by us.

This prospectus, particularly the information in section headed "Industry Overview", contains information and statistics related to, among others, the PRC and the plastic injection mold fabrication and plastic components manufacturing industry in the PRC. Such information and statistics have been derived from various publicly available government and official sources and from the Ipsos Report prepared by Ipsos, an independent market consultant, which we commissioned. We believe that the sources of such information and statistics are appropriate sources for such information and statistics and have taken reasonable care in the extraction and reproduction of such information and statistics. We have no reason to believe that such information or statistics is false or misleading in any material respect or that any fact has been omitted that would render such information or statistics false or misleading in any material respect. However, we have not, and the Sole Sponsor, the Sole Bookrunner and the

Joint Lead Managers have not independently verified such information and statistics and no representation is given as to their correctness or accuracy. We cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, in other jurisdictions. Therefore, you should not unduly rely upon the industry and other information and statistics 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 authorised 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 authorised any such press and media reports, and the financial information, financial projections, valuations and other information purportedly about us contained in such unauthorised 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.