You should carefully consider all of the information set out in this prospectus before making an investment in the Offer Shares, including the risks and uncertainties described below. You should pay particular attention to the fact that we are incorporated in the Cayman Islands and that almost all of our operations are conducted in China and are governed by a legal and regulatory environment that differs in some respects from those that prevail in other countries. Our business, financial condition or results of operations could be affected materially and adversely by any of these risks.

RISKS RELATING TO OUR BUSINESS

If we are unable to obtain aluminum ingots, our principal raw material, at a competitive price, our results of operations may be affected.

Aluminum ingots are the principal raw material for the production of aluminum extrusion products. For the Track Record Period, usage of aluminum ingots accounted for approximately 84.6%, 85.5% and 86.5% of our total cost of sales, respectively. We source and purchase this principal raw material from local aluminum ingot suppliers throughout China. For the Track Record Period, purchases from our top five aluminum ingot suppliers accounted for approximately 78.9%, 80.2% and 81.6% of our total cost of sales, respectively.

The price of aluminum ingots is determined principally by supply and demand in the international and domestic commodity markets, and fluctuates with market conditions and may be highly volatile. The timing of changes in the market price of aluminum ingots is largely unpredictable. During the Track Record Period, our average purchase price of aluminum ingots was approximately RMB17,200 per ton, RMB17,518 per ton and RMB15,274 per ton, respectively. The increase in our purchase price of aluminum ingots in 2006 and 2007 was primarily due to enormous growth in market demand for aluminum ingots in China, while the decrease in our purchase price of aluminum ingots in 2008 was mainly due to (i) the recent global financial crisis, and (ii) the increase in supply of aluminum ingots in the domestic market, which is the result of policy changes in China which discourage export of aluminum ingots. Generally, we charge our customers on a "cost-plus" basis, under which the selling price for our products is based on a processing fee plus the prevailing market price of aluminum ingots, and our pricing strategy is to pass the risk of price fluctuations on to our customers. However, we may not be able to pass on the entire cost of such increases to our customers or offset fully the effects of cost increases of raw materials, which may cause our profitability to decline. There will also be a potential time lag between when prices for raw materials increase under our purchase contracts and when we can implement a corresponding increase in price under our sales contracts with our customers. In line with industry practice, we have not entered into any hedging transactions and have not adopted any hedging policies to reduce our exposure to fluctuations in prices of raw materials. As a result, we may be exposed to fluctuations in raw materials prices, including in particular aluminum ingots. If these events were to occur, they could have a material adverse effect on our financial position, results of operations and cash flows.

If the end-user markets of our aluminum extrusion products do not grow as we expect or grow at a slower rate than we expect or decrease, our financial condition and results of operations may be adversely affected.

Our business development has depended, and will continue to depend, substantially on the growth of the end-user markets for our aluminum extrusion products. We have experienced significant growth in sales of our industrial aluminum extrusion products, which represented approximately 26.6%, 37.1% and 55.3% of our total revenue during the Track Record Period, respectively. Sales of our industrial aluminum extrusion products have been driven by growth in the end-user markets in which our products are incorporated, particularly in the transportation sectors, including railway and metropolitan railway, automobiles, shipbuilding and aviation sectors, in the PRC. For details of the growth of aluminum extrusion consumption in the PRC transportation sectors, please refer to the section headed "Industry Overview – Aluminum Extrusion Consumption in the PRC Transportation Industry." We have earned a significant portion of our revenue from customers in the transportation sectors, representing approximately 14.7%, 28.7% and 41.3% of our sales, respectively, during the Track Record Period. Therefore, any decline in the demand from industrial end users that incorporate our aluminum extrusion products, particularly customers in the transportation sectors, could have a material adverse effect on our business, financial condition and results of operations.

In addition, we sell our construction aluminum extrusion products to real estate developers, wholesalers of construction and interior decoration materials and construction companies in China. Demand for our construction aluminum extrusion products has depended primarily on the growth of the building construction market in China. For details of the growth of aluminum extrusion consumption in the PRC construction industry, please refer to the section headed "Industry Overview – Aluminum Extrusion Consumption in the PRC Construction Industry." We cannot predict the growth rate of property development and investment activities in China. If there is an economic downturn which adversely affects the PRC building construction market, demand for our construction aluminum extrusion products will also be adversely affected. Furthermore, many factors that are beyond our control may have the effect of slowing the growth rate of the end-user markets that use our aluminum extrusion products which could adversely affect our business, financial condition and results of operations.

Changes in the products or manufacturing processes of the companies that use our aluminum extrusion products may adversely affect our business.

The aluminum extrusion market is characterized by evolving technology standards that require improved quality, changing customer specifications and wide fluctuations in product supply and demand. The products or manufacturing processes of the companies that use our aluminum extrusion products may change from time to time due to improved technologies or product enhancements. These changes may require us to develop new products, including new dies for the production of such products, and enhancements for our existing products to keep pace with evolving industry standards and changing customer requirements. If we cannot keep pace with market changes and produce aluminum extrusion products that meet our customers' specifications and quality standards in a timely and cost-effective manner, the growth and success of our business could be materially adversely affected.

Our customers may reduce their demand for aluminum extrusion products in favor of alternative materials.

Our aluminum extrusion products compete with products made from other materials, such as plastic, wood or other metal composites, for various applications. The willingness of customers to accept substitutions for aluminum or the ability of major customers to exert leverage in the marketplace to reduce the pricing for aluminum extrusion products could adversely affect the demand for our products and thus adversely affect our business, financial condition and results of operations.

We derive a substantial portion of our sales from China.

A substantial portion of our sales are generated from China. During the Track Record Period, we generated approximately 92.8%, 94.7% and 96.7% of our total revenue, respectively, from sales to customers in China. To boost our sales revenue, we seek to increase our market share in overseas markets; however, we anticipate that sales of our products in China will continue to represent a substantial proportion of our total sales in the near future. Any significant decline in the condition of the PRC economy could, among other things, reduce consumption of our products which in turn would have a material adverse effect on our business, financial condition and results of operations.

We had net current liabilities as of December 31, 2006 and 2007.

As of December 31, 2006 and 2007, we had net current liabilities of approximately RMB260.9 million and RMB207.0 million, respectively. We had net current liabilities as of each of these balance sheet dates mainly due to (i) our large amounts of borrowings, comprising mainly short-term borrowings from commercial banks in China which are the primary source of financing for our Company and offer interest rates that are generally lower than those of long-term loans, and (ii) our issuance of short-term debentures. The amount of payment obligations of our bank borrowings and short-term debentures in the 12-month period following the Listing is estimated to be approximately RMB4.8 billion. Our net current liabilities position exposes us to liquidity risk, and we may have net current liabilities in the future. Our future liquidity, the payment of trade and other payables and the repayment of our outstanding bank borrowings as and when they become due will primarily depend on our ability to maintain adequate cash inflows from operating activities, cash and cash equivalents, and our access to further financial resources to fulfill our short-term payment obligations, which will be affected by our future operating performance, prevailing economic conditions, and financial, business and other factors, many of which are beyond our control.

Our business, reputation and brand may be materially and adversely affected by actions taken by our distributors.

During the Track Record Period, our sales to distributors accounted for approximately 39.9%, 31.9% and 12.9% of our total revenue, respectively. As of December 31, 2008, we had 17 distributors responsible for domestic sales in China and four distributors responsible for our overseas markets. Save as disclosed in the section headed "Relationships with Our Controlling Shareholder and Continuing Connected Transactions," our Directors have confirmed that during the Track Record Period, all of our distributors were Independent Third Parties. It has been our policy that our distributors may not take any improper or illegal actions, commit bribery or use any payments or other means prohibited under the relevant anti-corruption laws in the PRC and the jurisdictions where they operate or prohibited under the agreed terms between us and the distributors to promote or sell our products, and that we will terminate our relationship with them if they engage in such activities. However, our distributors could take one or more of the following actions, any of which could have a material adverse effect on our business, reputation and brand:

- breach our agreements with them, including by selling products that compete with our products that they have contracted to sell for us or by selling our products outside their designated territory, possibly in violation of the exclusive distribution rights of other distributors;

- unauthorized use or misuse of our brand name;

- fail to adequately promote our products;

- fail to provide proper training and service to the end-users of our products; or

- violate the anti-corruption laws of China, the United States or other countries.

Non-compliance by our distributors with our agreements or any improper or illegal actions taken by our distributors could harm our corporate image and disrupt our sales. We ultimately have limited control over the actions of our distributors who are Independent Third Parties, and cannot assure you that they will not breach their agreements with us or violate relevant laws. We are not aware of any breach of agreement, or improper or illegal actions taken by our distributors during the Track Record Period.

If our distributors violate PRC laws or otherwise engage in illegal practices with respect to their sales or marketing of our products, our brand and reputation, our sales activities or the price of our Shares could be adversely affected if we become the target of any negative publicity as a result of actions taken by our distributors.

The global financial markets have experienced significant deterioration and volatility recently, which have had negative repercussions on the global economy and, as a result, may adversely affect our business operations.

Certain recent adverse financial developments have impacted the global financial markets. These developments include a general slowing of economic growth both in the U.S. and globally, substantial volatility in equity securities markets, and volatility and tightening of liquidity in credit markets. While it is difficult to predict how long these conditions will exist and which markets and businesses of our Company may be affected, these developments could continue to present risks for an extended period of time for our Company, including a potential slowdown in our sales to customers, increase in interest expenses on our bank borrowings, or reduction of the amount of banking facilities currently available to us. If this economic downturn continues, our business, financial condition and results of operations may be adversely affected.

We may require additional capital in the future, which may not be available or may only be available on unfavorable terms.

Our manufacturing facilities are highly capital-intensive to construct and maintain. For the Track Record Period, our capital expenditures amounted to RMB1,116.9 million, RMB1,077.9 million and RMB500.4 million, respectively, which were primarily used to increase our production capacity and purchase machinery. Our capital requirements primarily depend on the amount of capital expenditures and new product development. In addition, our future capital requirements may be substantial as we seek to grow through acquisitions and investments. We may need to raise additional funds to meet these requirements. We seek to effectively manage our cash flow and capital commitments and to ensure that we have sufficient funds to meet our existing and future cash requirements. In addition to cash generated from our operations, we have maintained long-term relationships with PRC commercial banks and believe that we will be able to roll over our existing short-term loans upon their maturity, if necessary, based on our past repayment and credit history. In addition, we may issue short-term debentures to finance our capital commitments. For details, please refer to the section headed "Financial Information – Working Capital" in this prospectus. However, any equity or debt financing, if available at all, may be on terms that are not favorable to us. Equity financings could result in dilution to our shareholders, and the securities issued in future financings may have rights, preferences and privileges that are senior to those of our Shares. If we fail to obtain necessary funding on acceptable terms or at all, we may be forced to delay capital investment projects, research and development activities, potential acquisitions and investments or otherwise curtail or cease operations.

If we cannot manage our growth or optimize our product mix, our operating results, margins and net profit could be adversely affected.

We have experienced substantial growth in sales and net profit in recent years. During the Track Record Period, our revenue was approximately RMB6,075.2 million, RMB7,521.3 million and RMB11,264.4 million, respectively, and our net profit was approximately RMB551.4 million, RMB852.2 million and RMB1,910.4 million, respectively. The increases in our revenue and net profit were primarily due to the increased sales volume and selling prices of our aluminum extrusion products, particularly for our industrial aluminum extrusion products used in the transportation sectors, as a result of the increased customers' demand. As our product mix evolves to include a greater portion of industrial aluminum extrusion products, particularly for the transportation sectors, that command higher processing fees, our overall gross profit margin increased during the Track Record Period. We intend to continue to expand our operations of industrial aluminum extrusion products, particularly for the transportation sectors, and this expansion has placed, and will continue to place, substantial demands on our managerial, operational, technological and other resources. Our planned expansion will also place significant demands on us to maintain the quality of our products. To accommodate our growth, we will need to implement a variety of new and upgraded operational and financial systems, procedures and controls, including improvements to our internal management systems. We will also need to implement effective training programs to ensure consistently high-quality performance by our employees. All of these measures will require substantial management effort. If we are unable to effectively manage our growth or optimize our product mix, our operating results, margins and profitability may be materially and adversely affected.

Our future success depends on our ability to retain our executive Directors and senior management.

Our future success depends substantially on the continued services of our executive Directors and senior management team, in particular, Mr. Liu, our founder, president, chairman and Controlling Shareholder, and Mr. Zhou Mi, the chief engineer of our Group. Mr. Liu is critical to the development of our business and strategic direction. Mr. Liu is in charge of the overall corporate development and strategic planning of our Group since the inception of Zhongwang PRC in 1993. Mr. Zhou has over 30 years of experience in technical development in the aluminum industry, 12 years of which were focused on technical development in aluminum extrusion. Mr. Zhou plays an important role in our development of industrial aluminum extrusion products, and has contributed to the diversity of our product offerings and introduction of advanced machinery and manufacturing technologies. If any member of our executive Directors, senior management team or key employees, whose names are set out in the section headed "Directors, senior management and staff" in this prospectus, are unable or unwilling to continue in their present positions, we may not be able to replace them easily in a timely manner or at all, or we may incur additional expenses to recruit, train and retain personnel. Moreover, if any of these key personnel joins a competitor, we may lose customers, suppliers, know-how and key professionals and staff members. The loss of any key personnel could have an adverse effect on our business, financial condition and results of operations.

We manufacture our products at a group of factories located in a single location in Liaoning, China. Any disruption in our manufacturing facilities could materially and adversely affect our business, financial condition and results of operations.

We have relied to date solely on our manufacturing facilities located at our headquarters in Liaoyang, Liaoning Province, China. Significant damage to our manufacturing facilities from natural or other causes, such as floods, fires, earthquakes and typhoons, could be costly and time-consuming to repair and could disrupt our operations. In such an event, we would be forced to seek alternative manufacturing facilities, which we believe would be extremely difficult to locate and secure given the highly specialized and large-scale nature of our manufacturing. Even if we are able to identify such alternative manufacturing facilities, we may incur additional costs and we may experience a disruption in the supply of our products until those facilities are available and operational. Any disruption or delay in our manufacturing capacity could have an adverse impact on our ability to produce sufficient quantities of our products or may require us to incur additional expenses in order to produce sufficient quantities, and could impair our ability to meet the demand of customers and cause customers to cancel orders, any of which could materially and adversely affect our business, financial condition and results of operations.

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

We consume substantial amounts of electricity, gas, gasoline, diesel and coal in connection with our operations. As our production capacity increases and our business expands, our energy requirements will also increase. We have been able to obtain our electricity requirements from the regional power grid in Liaoyang at government mandated rates; however, we may experience increase in energy costs, power shortages or disruptions in the future. If there is a significant increase in our energy costs or insufficient energy supply to satisfy our production requirements and accommodate our planned growth, our business, financial condition and results of operations could be adversely affected.

The interests of Mr. Liu, our founder, president, chairman and Controlling Shareholder, may differ from those of our Group and our other shareholders, and Mr. Liu has the ability to cause us to make decisions that may not be in the best interests of our other shareholders.

Mr. Liu, our founder, president, chairman and Controlling Shareholder, currently beneficially owns 100% of our issued share capital and will beneficially own, assuming the over-allotment option is not exercised, approximately 74.1% of our issued share capital upon completion of the Global Offering. As such, Mr. Liu has, and will continue to have, substantial influence over our business. We cannot assure you that Mr. Liu will not cause us to enter into transactions or take, or fail to take, other actions or make decisions that conflict with the interests of our other shareholders.

Our non-compliance with certain social security and housing provident fund contribution regulations in the PRC could lead to the imposition of fines or penalties.

We have not paid, or have not been able to pay, certain past social security and housing provident fund contributions for and on behalf of our employees due to differences in local regulations and inconsistent implementation or interpretation by local authorities in the PRC, different levels of acceptance of the social security system by employees, as well as insufficient knowledge on our part of the social security system. In December 2008, we completed registration applications for the payment of social security and housing provident fund contributions at the relevant PRC authorities and have commenced payments of social security and housing provident fund contributions in respect of all eligible employees starting in January 2009. As of December 31, 2008, we had an outstanding provision of approximately RMB24.8 million in respect of the overdue social security and housing provident fund contributions for the Track Record Period. For details, please refer to "Regulations – Past Non-compliance with PRC Laws and Regulations – Social Security and Housing Provident Fund Contributions."

Notwithstanding that our registration applications included a request to complete payment for prior unpaid social security and housing provident fund contributions, according to the signed confirmation letters we received from the relevant PRC authorities, at present the government authorities are unable to complete procedures for the receipt of payment from us in respect of the outstanding social security and housing provident fund contributions. We cannot assure you that we will not be required to pay such past contributions in the future. As advised by our PRC legal advisor, Commerce & Finance Law Offices, we may be ordered to pay such social security and housing provident fund contributions within a stipulated deadline by the relevant PRC authorities. Any judgment or decision against us in respect of outstanding social security and/or housing provident fund contributions could have an adverse effect on our reputation, cash flow and results of operations.

We may not be able to adequately protect proprietary rights to our technology.

Our success depends in part upon our proprietary technology and processes. We attempt to protect our intellectual property through patents, trademarks, trade secrets, know-how, copyrights, confidentiality and nondisclosure agreements and other measures; however, these measures may not be adequate to protect such intellectual property. In addition, any attempts to enforce our intellectual property rights, even if successful, could result in costly and prolonged litigation, divert our management's attention and adversely affect our financial performance and cash flows.

As of the Latest Practicable Date, we had registered 176 patents and 17 trademarks in the PRC, Hong Kong and overseas. All of our patents are registered for our die layout designs, which are crucial to the production of our aluminum extrusion products which must meet our customers' stringent specifications and quality standards. Our trademark, "Zhongwang" is recognized as a "China Well-known Trademark" by the Trademark Office of the SAIC in recognition of our established market reputation in the PRC. Failure to adequately protect our intellectual property may adversely affect our results of operations as our competitors would be able to utilize such property without having had to incur the costs of developing it, thus potentially reducing our relative profitability. Also, if we fail to effectively protect our brand name from inappropriate use by third parties in ways that adversely affect our brand name, our reputation could suffer damage, which in turn could have a material adverse effect on our business, financial condition and results of operations. Furthermore, we may be subject to claims that our technology infringes the intellectual property rights of other parties. Even if without merit, such claims could result in costly and prolonged litigation, divert management's attention and adversely affect our financial performance and cash flows.

Product liability claims against us could result in significant costs or negatively affect our reputation and could adversely affect our results of operations.

We manufacture and sell different types of aluminum extrusion products for different applications. As of the Latest Practicable Date, we have not been exposed to any warranty or product liability claims; however, we cannot assure you that we will not experience material losses arising from product liability claims in the future. We do not maintain any product liability insurance. If our products fail to meet the required specifications or quality standards, our business could be adversely affected. We may also face liability claims due to possible defective products. Such claims may be pursued by way of contractual remedy or by way of civil action if the defects in our products result in damages or injuries suffered by third parties. In such event, our business reputation and our financial condition could be adversely affected.

We may not maintain sufficient insurance coverage for the risks associated with our business operations.

Risks associated with aluminum extrusion production include damage to production facilities, environmental pollution, transportation damages and delays, industrial damages and risks posed by natural disasters, any or all of which may result in losses to our Company. We may also be unable to obtain or maintain insurance policies covering risks associated with natural disasters, business interruption or environmental damages arising from our production activities. Therefore, if we incur any loss which is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our financial condition could be adversely affected.

RISKS RELATING TO OUR INDUSTRY

If we are unable to compete successfully, our financial condition and results of operations may be adversely affected.

We operate in a competitive marketplace, with numerous aluminum extrusion products manufacturers in China, North America and Europe. Competition is based on factors including price, response time and reliable and consistent product quality. Our competitors include large foreign or domestic corporations in terms of assets and revenue, with significant financial resources, well-established brands, good reputations for product quality, established customer bases, strong sales and distribution networks, advanced production facilities and technologies, strong product development, and/or more comprehensive lines of aluminum extrusion products. As a result of the foregoing factors, these existing competitors may be able to compete more effectively than our company. If we are unable to maintain our competitive position, we could lose market share and/or experience a decline in our profitability.

Any environmental claims or failure to comply with any present or future environmental regulations may require us to spend additional funds and may materially and adversely affect our financial condition and results of operations.

We are required to comply with all national and local regulations in the PRC. We are in compliance with all applicable environmental protection laws and have obtained all necessary environmental permits in respect of the business currently conducted by us. We expect to be subject to additional requirements in the future, as the PRC government continues to pass laws aimed at strengthening environmental protection measures and adopts more stringent environmental standards. In addition, we expect that this trend will continue and that compliance will require additional capital expenditures and result in higher operating costs, which may negatively affect our financial condition and results of operations. Any failure by us to control the use of, or to adequately restrict the discharge of, hazardous substances could subject us to potential significant monetary damages, fines or administrative, civil or criminal sanctions, which could disrupt, limit or even result in the suspension of our operations.

Future changes in laws, regulations or enforcement policies in China could adversely affect our business.

Laws, regulations and enforcement policies in China, including those regulating the aluminum extrusion industry, are evolving and are subject to future changes. Future changes in applicable laws, regulations or administrative interpretations, or stricter enforcement policies by the PRC government, could impose more stringent requirements on us, including fines and penalties. Compliance with such requirements could impose substantial additional costs or otherwise have a material adverse effect on our business, financial condition and results of operations. Alternatively, these changes may also relax some requirements, which could be beneficial to our competitors or could lower market entry barriers and increase competition.

RISKS RELATING TO DOING BUSINESS IN THE PRC

Changes in China's economic, political and social conditions could adversely affect our financial condition and results of operations.

We conduct substantially all of our operations in China and derive substantially all of our revenue from our operations in China. Accordingly, our business, financial condition, results of operations and prospects are affected to a significant degree by economic, political and social conditions in China. The PRC economy differs from the economies of most developed countries in many respects, including the amount of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. The PRC economy has grown significantly in recent years; however, we cannot assure you that such growth will continue. Until recently, the PRC government attempted to slow the pace of growth of the PRC economy by raising interest rates and the deposit reserve rate and issuing administrative guidelines to control lending to certain industries. In response to the global economic slowdown and market volatility, as described in "– Risks Relating to Our Business – The global financial markets have experienced significant deterioration and volatility recently, which have had negative repercussions on the global economy and, as a result, may adversely affect our business operations," the PRC government has lowered interest rates and announced large fiscal stimulus packages to boost the domestic economy, which include RMB4.0 trillion investments in, among other things, airports, highways, railways, power grids and other infrastructure developments, the effects of which cannot yet be fully determined. Any adverse change in the economic, political and social conditions or government policies in China could have a material adverse effect on overall economic growth, which in turn could lead to a reduction in demand for our aluminum extrusion products and consequently have a material adverse effect on our business.

Uncertainties with respect to the PRC legal system could have a material adverse effect on us.

We conduct all of our manufacturing operations through Zhongwang PRC, our operating subsidiary in China. Zhongwang PRC is generally subject to laws and regulations applicable to foreign investment in China and, in particular, laws applicable to foreign-invested enterprises. The PRC legal system is based on written statutes. Prior court decisions may be cited for reference but have limited precedential value. Since 1979, PRC legislation and regulations have significantly enhanced the protections afforded to various forms of foreign investments in China. However, the interpretations of many laws, regulations and rules are not always uniform and enforcement of these laws, regulations and rules involve uncertainties, which may limit legal protections available to us. In addition, any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention.

Governmental control of currency conversion may affect the value of your investment.

The PRC government imposes controls on currency conversion between Renminbi and foreign currencies and, in certain cases, the remittance of currency out of and into China. We receive substantially all of our revenue in Renminbi, which is currently not a freely convertible currency. Under our current corporate structure, income of our Company will be primarily derived from dividend payments from our PRC subsidiary. Shortages in the availability of foreign currency may restrict the ability of our PRC subsidiary to remit sufficient foreign currency to pay dividends to us, or otherwise satisfy its foreign currency-dominated obligations. We also plan to transfer a portion of the proceeds from the Global Offering as well as proceeds from our future fund raising activities into China to fund our business operations. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, can be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements. However, in most cases, particularly payments of capital account items, approval from appropriate governmental authorities is required where (i) Renminbi is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of offshore bank loans denominated in foreign currencies, and (ii) any foreign currency is to be converted into Renminbi for investment in China. The PRC government may also at its discretion restrict access in the future to foreign currencies for current account transactions.

In addition, the "Notice of SAFE on Issues Relating to Foreign Exchange Control on Fund Raisings by Domestic Residents Through Offshore Special Purpose Vehicles and Round-trip Investments" (國家外匯管理局關於境內居民通過境外特殊目的公司融資及返程投資外匯管理) ("Circular 75") promulgated by SAFE, which came into force on November 1, 2005, applies to our Company and Mr. Liu, the Controlling Shareholder of our Group. Mr. Liu has completed the foreign exchange registration for overseas investment under Circular 75. However, Mr. Liu is required to file a modification to the foreign exchange registration for overseas investment in the event of any material capital changes, including, without limitation, (i) a subsequent equity financing for our Company outside of the PRC, including the Global Offering; (ii) a capital change in our Company; and (iii) any share transfer or share swap involving our Company in accordance with Circular 75. Payment of dividends, profits and other payments to our Company will not be permitted unless the aforesaid modification has been filed. If the foreign exchange control system prevents us from converting Renminbi into foreign currencies or vice versa, and obtaining sufficient Renminbi or foreign currency to satisfy our currency demands, our ability to transfer Renminbi to fund our business operations in China or to pay dividends in foreign currencies to our shareholders, including holders of our Shares, may be adversely affected.

Recent changes to the PRC tax laws have decreased the tax rate applicable to our business; however, any future changes to the PRC tax laws could adversely affect our financial condition and results of operations.

On March 16, 2007, the National People's Congress of the PRC passed the PRC Enterprise Income Tax Law (中華人民共和國企業所得稅法) (the "New EIT Law"), which took effect on January 1, 2008. On December 6, 2007, the PRC government also adopted the Implementing Rules of the Enterprise Income Tax Law (中華人民共和國企業所得稅法實施條例) (the "Implementing Rules"), which also took effect on January 1, 2008. Under the New EIT Law, a unified EIT rate of 25% and unified tax deduction standards are applied to both domestic-invested enterprises and foreign-invested enterprises ("FIEs"). The applicable tax rate of Zhongwang PRC has been reduced from its previous tax rate of 27% to 25% starting from January 1, 2008.

Under the New EIT Law, the exemption from the withholding tax on dividends distributed by FIEs to their foreign investors under the previous tax laws is no longer available. Foreign investors who are established in Hong Kong and are considered non-resident enterprises by the PRC tax authority are subject to a PRC withholding tax at a rate of 5%. In addition, the new tax law deems an enterprise established offshore but with "de facto management bodies" in the PRC as a "resident enterprise" which is subject to the PRC EIT on its global income excluding dividends received from its PRC subsidiaries. All members of our management are currently located in the PRC, and we expect them to continue to be located in the PRC in the foreseeable future. If the PRC tax authorities subsequently determine that we should be classified as a resident enterprise, our global income, excluding dividends received from Zhongwang PRC, will be subject to PRC income tax at a tax rate of 25%. As the New EIT Law has only recently been implemented, PRC tax authorities in different districts may be inconsistent in classifying resident enterprises and non-resident enterprises. Either the imposition of withholding tax on dividends payable from Zhongwang PRC to us or the imposition of PRC tax on our global income as a "resident enterprise" under the New EIT Law could have a material adverse effect on our financial condition and results of operations.

Changes in or discontinuations of the export tax incentive regime or any financial incentives currently available to us in the PRC could reduce our profitability.

Under the current PRC export tax incentive regime, we are exempted from output VAT on our export sales and can receive tax refunds on a portion of the related input VAT already paid. However, some of our products, which were eligible for the VAT refund rate of 13%, have not been eligible for any VAT refund since July 2007 due to changes in relevant PRC tax regulations. The fluctuation in the VAT refund rate applicable to our aluminum extrusion products in recent periods has had an adverse effect on our results of operations. The PRC government may further reduce our input VAT refund rate or discontinue the export tax incentive regime, which in turn could adversely affect our financial condition and results of operations.

We face foreign exchange and conversion risks, and fluctuation in the value of the Renminbi may have a material adverse effect on your investment.

The value of the Renminbi against the U.S. dollar and other currencies may fluctuate and is affected by, among other things, changes in the PRC's political and economic conditions. The PBOC issued a public notice on July 21, 2005 increasing the exchange rate of the Renminbi against the U.S. dollar by approximately 2% to RMB8.11 per US$1.00. Further to this notice, the PRC government has reformed its exchange rate regime by adopting a managed floating exchange rate regime based on market supply and demand with reference to a portfolio of currencies. Under this regime, the Renminbi is no longer pegged to the U.S. dollar. We cannot predict how and to what extent the exchange rate of the Renminbi will fluctuate in the future.

We face foreign exchange and conversion risks primarily through sales that are denominated in currencies other than the Renminbi. During the Track Record Period, approximately 5.3%, 3.7% and 2.1% of our sales were settled in U.S. dollars, respectively. Any appreciation of the Renminbi against the U.S. dollar may have the effect of rendering our exports more expensive and less competitive than products from manufacturers in other countries. In addition, to the extent that we need to convert Hong Kong dollars we receive from the Global Offering into Renminbi for our operations, appreciation of the Renminbi against the Hong Kong dollar could have a material adverse effect on our business, financial condition and results of operations.

Conversely, as we rely entirely on dividends paid to us by our PRC subsidiary, any depreciation of the Renminbi may materially and adversely affect our cash flows, revenue and financial condition, and the value of, and any dividends payable on, our Shares in foreign currency terms. Further information on our foreign exchange risks and certain exchange rates is set out in the section headed "Financial Information – Quantitative and Qualitative Disclosure about Market Risk – Foreign Currency Risk Management" in this prospectus.

Inflation in China could negatively affect our growth and profitability.

The PRC economy has experienced rapid growth in recent years, such growth can lead to growth in money supply and rising inflation. If prices for our products rise at a rate that is insufficient to compensate the rise in our costs, our business and financial performance 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 austerity policies can lead to a slowing of economic growth and could materially and adversely affect our business, growth and profitability.

We face risks related to health epidemics and other outbreaks.

Our business could be adversely affected by the effects of Severe Acute Respiratory Syndrome ("SARS"), avian influenza, swine influenza or another epidemic or outbreak on the economic and business climate. China reported a number of cases of SARS in April 2003, avian influenza was reported in western China and several countries in Southeast Asia in 2005 and 2006, and swine influenza caused numerous human deaths in several Chinese provinces in 2005. Any prolonged recurrence of SARS, avian influenza, swine influenza or other adverse public health developments in China may have a material adverse effect on our business operations. These could include our ability to travel or ship our products outside of China, as well as temporary closure of our manufacturing facilities. Such closures or travel or shipment restrictions would severely disrupt our business operations and adversely affect our results of operations. Our business operations could be disrupted if one of our employees is suspected of having SARS, avian influenza or swine influenza, since it could require us to quarantine some or all of our employees and/or disinfect our facilities. In addition, our results of operations could be adversely affected to the extent that SARS, avian influenza, swine influenza or another outbreak harms the Chinese economy in general.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior public market for our Shares, and the liquidity, market price and trading volume of our Shares may be volatile.

Prior to the Global Offering, there has been no public market for our Shares. The Offer Price for our Shares will be the result of negotiations between the Joint Global Coordinators (on behalf of the Underwriters) and us, and may differ from the market prices for our Shares after the Global Offering. We have applied to the Hong Kong Stock Exchange for the listing of, and permission to deal in, our Shares. However, there is no assurance that the Global Offering will result in the development of an active and liquid public trading market for our Shares. The market price, liquidity and trading volume of our Shares may be volatile.

We cannot assure you that shareholders will be able to sell their Shares or achieve their desired price. As a result, shareholders may not be able to sell their Shares at prices equal to or greater than the price paid for their Shares under the Global Offering. Factors that may affect the volume and price at which our Shares will be traded include, among other things, variations in our sales, earnings, cash flows and costs, announcements of new investments and changes in laws and regulations in China. We cannot assure you that these developments will not occur in the future. In addition, shares of other companies listed on the Hong Kong Stock Exchange with significant operations and assets in China have experienced price volatility in the past, and it is possible that our Shares may be subject to changes in price not directly related to our performance.

Purchasers of our Shares will 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 our net tangible assets value per Share immediately prior to the Global Offering. Therefore, purchasers of our Shares in the Global Offering will experience an immediate dilution in pro forma net tangible assets value per Share.

In order to expand our business, we may consider offering and issuing additional Shares in the future. Purchasers of our Shares may experience dilution in the net tangible assets value per Share if we issue additional Shares in the future at a price which is lower than our net tangible assets value per Share.

Future sales by our existing shareholders of a substantial number of our Shares in the public market could materially and adversely affect the prevailing market price of our Shares.

Future sales of a substantial number of our Shares by our existing shareholders, or the possibility of such sales, could negatively impact the market price of our Shares and our ability to raise equity capital in the future at a time and price that we deem appropriate. Shares held by the Controlling Shareholder are subject to certain lock-up undertakings for periods ending six to twelve months after the date on which trading in our Shares commences on the Hong Kong Stock Exchange, details of which are set out in the section headed "Underwriting" in this prospectus. We cannot assure you that the Controlling Shareholder will not dispose of any Shares it may now own or in the future.

Forward-looking information may prove inaccurate.

This prospectus contains forward-looking statements and information relating to our business, operations and prospects that are based on our current beliefs and assumptions as well as information currently available to us. When used in this prospectus, the words "anticipate," "believe," "could," "expect," "intend," "may," "plan," "prospects," "seek," "will," "would" and similar expressions, as they relate to our business, are intended to identify forward-looking statements. Such statements reflect our current beliefs with respect to future events and are subject to various assumptions, risks and uncertainties including the risk factors described in this prospectus. Should any of the underlying assumptions or information prove incorrect, or should one or more of these risks or uncertainties materialize, actual results may diverge significantly from the forward-looking statements in this prospectus. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this prospectus are qualified by reference to this cautionary statement. We do not intend to update these forward-looking statements in addition to on-going disclosure obligations pursuant to the Hong Kong Listing Rules or other requirements of the Hong Kong Stock Exchange.

Certain facts and other statistics with respect to China, the PRC economy and the global and PRC aluminum extrusion industries in this prospectus are derived from various official government sources and may not be reliable.

Certain facts and other statistics in this prospectus relating to China, the PRC economy and the global and PRC aluminum extrusion industries and related markets have been derived from various official government publications. However, we cannot guarantee the quality or reliability of such source materials. They have not been prepared or independently verified by us, the Joint Global Coordinators, the Underwriters or any of their respective affiliates or advisors and, therefore, we make no representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside China. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be relied upon. Furthermore, we cannot assure you that such information is stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In all cases, investors should give consideration as to how much weight or importance they should attach to or place on such facts or statistics.

You should read the entire prospectus carefully and rely only on the information contained in this prospectus in making your investment decision. We strongly caution you against any reliance on any information contained in press articles or other media reports not prepared or approved by us.

There has been press and media coverage regarding the Group and the Global Offering, for example, on April 16, 2009, the South China Morning Post, Hong Kong Economic Journal, Oriental Daily News, The Sun, China Daily Hong Kong Edition and ET Net English Section published certain articles, which contained, among other things, certain financial information, projections, valuations and other forward-looking information about us. Such articles were not prepared or approved by us. Therefore, we make no representation as to the appropriateness, accuracy, completeness or reliability of any of the information contained therein or any assumptions underlying such information, nor do we accept any responsibility for the accuracy or completeness of any such information or assumptions.

You should carefully evaluate all the information in this prospectus, including the risks described in this section and throughout the prospectus. We have in the past received, and may continue to receive, a high degree of media coverage, including coverage that is not directly attributable to statements made by our officers and employees. You should rely only on the information contained in this prospectus in making your investment decision.