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

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

BUSINESS OVERVIEW

We are the only foreign-owned gas-fired power plant operator under the Zhejiang provincial grid. During the Track Record Period, we were principally engaged in the development, operation and management of power plants fuelled by natural gas. Building upon our operational and management experience in the gas-fired power generation industry, we plan to further expand our share in the PRC energy supply market by originating and investing in new projects or making acquisitions in areas such as gas-fired power generation and cogeneration projects. Our vision is to become a leading gas-fired power provider in Zhejiang province and a leading environmentally friendly energy enterprise in China in the longer term.

We are an environmentally friendly energy enterprise. Our Power Plants are fuelled by natural gas and emit almost no fine particles and sulphur dioxide, and only produce a small amount of nitrogen oxides as compared to coal-fired power plants. Our Power Plants also generate less noise and lower carbon dioxide emissions compared to coal-fired power plants. For the same amount of heat, burning natural gas produces about 50% less carbon dioxide than burning coal. Furthermore, compared to traditional coal-fired power plants, Our Power Plants can be started up and increase electricity generation within a relatively short period of time. Our Power Plants mainly generate electricity during the periods when demand for electricity is high in contrast with traditional coal-fired power plants which generally keep running both day and night no matter demand for electricity is high or low. In addition, unlike traditional coal-fired power plants, our ability to start up and increase electricity generation quickly enables us to supply peak power, i.e. power supplied at the periods when there is most demand for electricity from the power grid, and to capture additional power sales when there is sudden increase in demand for electricity. Our Power Plants are foreign-owned enterprises investing in the gas-fired power generation industry, being one of the business sectors which is entitled to certain government grants as incentives from the local governments where Our Power Plants operate. Throughout the Track Record Period, we were entitled to government grants as a financial incentive to develop environmentally-friendly gas-fired power plants in Zhejiang province.

Our Power Plants are combined cycle gas-turbine plants, under which the burning of natural gas drives a gas turbine to generate electricity. Residual heat created during the gas burning process is used to heat up the residual heat boiler to generate steam which drives the steam turbine which in turn drives the second generator to generate more electricity output. Higher level of power efficiency can be achieved by combining gas turbine with a steam turbine under the combined cycle combustion process. For the same level of installed capacity, the thermal efficiency ratio of combined cycle gas-fired plants is on average approximately 8% to 10% higher than that of traditional coal-fired plants.

As of the Latest Practicable Date, we owned 100% equity interest in each of Our Power Plants, namely De-Neng Power Plant, Blue Sky Power Plant and Jing-Xing Power Plant. Our Power Plants commenced commercial operation between December 2005 and December 2006. Our Group comprises the Company and its subsidiaries, including Our Power Plants. As at 31 December 2006, 2007 and 2008, our Group had a total attributable installed capacity of approximately 197.8 MW, 215.7 MW and 246.4 MW, respectively. As of the Latest Practicable Date, Our Power Plants had total installed capacity and total attributable installed capacity of approximately 299 MW.

The table below sets out the details of Our Power Plants as at the Latest Practicable Date:

Power Plants	Fuel	Our interest in Our Power Plants as at the Latest Practicable Date	Commencement date of operation	Installed capacity and attributable installed capacity
				(MW)
De-Neng Power Plant	natural gas	100%	December 2005	112
Blue Sky Power Plant	natural gas	100%	March 2006	112
Jing-Xing Power Plant	natural gas	100%	December 2006	75
Total				299

Our turnover is derived from the sale of power generated by Our Power Plants, which is primarily determined by power output and on-grid tariff. Each year, the relevant department of the provincial government issues guidelines on the power sales activities between power plants and power grid companies and provides the planned utilization hours to each power plant expressed in utilization hours based on the expected power supply and demand in the market and the classification of each power plant.

The following table shows certain operating statistics for Our Power Plants for each of the three years ended 31 December 2006, 2007 and 2008 and the four months ended 30 April 2009.

Indicators	Year ended 31 December			Four months ended 30 April
	2006	2007	2008	2009
Installed capacity (MW)	299	299	299	299
Planned utilization hours (hours) (*Note 1*)	3,500	3,500	3,500	N/A
Actual utilization hours (hours)				
— De-Neng Power Plant	3,696	3,969	2,076	890
— Blue Sky Power Plant	3,521	4,301	2,907	994
— Jing-Xing Power Plant	375	3,640	2,443	874
Gross generation (MWh)	836,411	1,199,318	741,324	276,489
Power sales (MWh) *(Note 2)*	808,473	1,160,965	718,216	268,272
Applicable on-grid tariff at year end (RMB/MWh) *(Note 3)*	600/650	650	705	705
Actual volume of natural gas processed (thousand m^3)	201,784	281,408	174,380	64,723
Applicable standard gas price at year/period end (RMB/m^3)	1.71	1.71	1.85	1.94

Notes:

(1) Each of Our Power Plants was granted a planned annual utilization hours of 3,500 by the relevant government authorities for the full year ending 31 December 2009.

(2) The difference between gross generation and power sales mainly represents the internal consumption of electricity by Our Power Plants.

(3) The approved on-grid tariffs, inclusive of VAT as at 31 December 2006 applicable to De-Neng Power Plant and Blue Sky Power Plant amounted to RMB600 per MWh and RMB650 per MWh to Jing-Xing Power Plant.

During the Track Record Period, each of Our Power Plants operated under a planned annual utilization hours of 3,500 (that is the equivalent number of hours of power generation under full installed capacity) as suggested to us by Economic & Trade Commission of Zhejiang Province. In practice, so long as there is sufficient supply of natural gas and power demand in the market, each of Our Power Plants could sell electricity generated at full capacity for a minimum of 3,500 hours each year. During the year ended 31 December 2007, the first full year in which all of Our Power Plants were in full operation, the average actual utilization hours of Our Power Plants was 4,011. During the year ended 31 December 2008, the average actual utilization hours of Our Power Plants were 2,479, which were lower than planned primarily due to the significantly lower supply of natural gas to the Group in the period from April to September 2008 than those in the respective period in prior years. The decrease in the Group's turnover for the year ended 31 December 2008, to the Directors' best knowledge and belief, was primarily due to reduction in supply of natural gas in the period from April to September 2008 as a result of certain exceptional incidents in the PRC in 2008, namely the 2008 Beijing Olympic Games and earthquake in Sichuan where energy source including the natural gas in the PRC was reserved in priority for the affected areas. The supply of natural gas to the Group has gradually resumed to normal level from October 2008. For the period from April to September 2008, the power sales volume of the Group decreased by about 61.3% compared to the same period in 2007. The Directors also believe that the decrease in the Group's turnover in 2008 was also, to a lesser extent, due to the supply of natural gas not fully resumed to normal level during the fourth quarter in 2008 after the aforesaid incidents and the slow down in growth of PRC and Zhejiang economy arising from the global economic turmoil during the second half of 2008 which in turn led to the slow down in growth of electricity demand in Zhejiang. For the period from October to December 2008, the power sales volume of the Group decreased by about 35.9% compared to the same period in 2007. Whilst the Group was entitled to seek compensation, which was estimated to be about RMB1.2 million, from Zhejiang Gas Company for any reduction in the amount of natural gas agreed to be supplied, the Directors appreciated that such initiatives were directed by the State and were beyond the control of Zhejiang Gas Company. The Directors therefore exercised the discretion to sanction the supply of natural gas below the minimum volume as stipulated in the supply agreement during 2008. As a result, the De-Neng Power Plant will not receive any compensation from Zhejiang Gas Company for such exceptional incidents.

Currently, the Directors are not aware of any material adverse impact of the worldwide financial crisis on the Group's business, on the basis that turnover derived from the sale of power generated by Our Power Plants from January to April 2009 have not shown any material adverse impact as compared to those in the previous corresponding period after taking into consideration the effect of major scheduled repairs and maintenance. In view of the fact that both the on-grid tariff applicable to power generation companies and the price of natural gas are determined by provincial price bureaus, the Directors do not anticipate that the on-grid tariff and the price of gas will suffer high volatility in the near future.

On-grid tariffs applicable to power generation companies are determined by provincial pricing bureaus based on various factors, including the economic life of the facilities, fuel type, cost structure and applicable tax rates, to ensure that power generation companies are able to achieve reasonable profitability and investment return and to encourage the use of fuel with less pollution. As a result, on-grid tariffs charged by power generation companies using different fuel types are different. Our Power Plants, which utilize natural gas instead of coal, are entitled to higher on-grid tariffs as compared to coal-fired power plants in Zhejiang province. The table below sets forth the volume of power sales of Our Power Plants for each of the three years ended 31 December 2006, 2007 and 2008, and the approved on-grid tariffs (inclusive of VAT) applicable as at 31 December 2006, 2007 and 2008.

Power Plants	2006 Sales Volume	2006 Approved On-Grid Tariff	2007 Sales Volume	2007 Approved On-Grid Tariff	2008 Sales Volume	2008 Approved On-Grid Tariff
	(MWh)	(RMB/ MWh)	(MWh)	(RMB/ MWh)	(MWh)	(RMB/ MWh)
De-Neng Power Plant	400,004	600	428,725	650	224,340	705
Blue Sky Power Plant	381,008	600	465,923	650	315,161	705
Jing-Xing Power Plant	27,461	650	266,317	650	178,715	705

Each of Our Power Plants has entered into long-term supply contracts with a term of 20 years from their respective commencement date with Zhejiang Gas Company (浙江省天然氣開發有限公司) who is responsible for the operation of natural gas pipelines and sale and distribution of natural gas in Zhejiang province through the West-East Gas Pipeline (Phase 1). Our Power Plants are directly connected to the gas offtake stations operated by Zhejiang Gas Company, and as a result, natural gas is supplied to us in gaseous form directly through pipelines. The construction of the Sichuan-East Gas Pipeline, which is designed to run from Sichuan to Shanghai through a number of provinces including Zhejiang, is expected to reach and supply natural gas to Zhejiang in late 2009. In addition, the construction of other sections such as West-East Gas Pipeline (Phase II), which is expected to run through 13 provinces including Zhejiang, is in progress and is expected to reach and supply natural gas to Zhejiang in 2010. The Directors believe that the Group will benefit from the expected increase in the supply of natural gas to Zhejiang province upon completion of such nationwide natural gas supply infrastructure.

The price of gas of Our Power Plants is prescribed, reviewed and approved by Zhejiang Provincial Price Bureau. Based on the notice issued by Zhejiang Provincial Price Bureau in January 2006, the purchase price of natural gas applicable to Our Power Plants was RMB1.62 (including VAT) per m^3, while from 1 February 2006 to 31 December 2007, from 1 January 2008 to 31 March 2009 and from 1 April 2009 up to the Latest Practicable Date, the purchase price of natural gas was RMB1.71 (including VAT) per m^3, RMB1.85 (including VAT) per m^3 and RMB1.94 (including VAT) per m^3, respectively.

Due to the operating model of gas-fired power plants and the highly regulated environment for power generation industry in the PRC, (i) the Group's business relies exclusively on natural gas as fuel source; (ii) the Group had only two customers throughout the Track Record Period as it was required to sell power to the provincial grid companies; (iii) the on-grid tariffs of Our Power Plants were determined by the PRC government; (iv) the cost of gas represented a significant proportion of the Group's cost of sales; and (v) the Group had only one supplier of natural gas and the purchase price applicable to Our Power Plants was set by the PRC government. Thus, there are certain additional risks which are attributable to the above features of our business model. For details, please refer to the paragraph headed "Risks relating to the Group" in the section headed "Risk Factors" in this prospectus.

ACQUISITION OF MINORITY INTERESTS IN DE-NENG POWER PLANT PRIOR TO LISTING

Before completion of the Corporate Reorganization, the Group held 53% equity interest in De-Neng Power Plant. In order to increase the total attributable installed capacity and thus revenue and profit of the Group, on 23 May 2009, Blue Sky Power Plant entered into an equity transfer agreement with each of Ningbo Beilun and Ningbo Hong-Ji to acquire their 40% and 7% equity interests respectively in De-Neng Power Plant for cash consideration of RMB81,331,300 and RMB14,233,000 respectively with reference to the carrying amount of net asset value of De-Neng Power Plant as at 31 December 2008 and certain appreciation in value of its land and equipment. As at the Latest Practicable Date, the relevant transfer procedures have been completed and De-Neng Power Plant has become a wholly-owned subsidiary of the Group. The cash consideration of RMB65,564,300 has been settled with internal resources and the remaining balance of RMB30 million (approximately HK$34 million) will be financed by proceeds from the Share Offer.

NEW PROJECT PROPOSED TO BE DEVELOPED AFTER LISTING

We are in the process of obtaining approvals and permits to develop a new gas-fired cogeneration power plant to be located in Anji county in Zhejiang province, namely the Anji Power Plant. Anji county is located in the northeastern part of Zhejiang province with a population of approximately 450,000. The first phase of Anji Power Plant is expected to comprise approximately 58.5 MW of power capacity and 50 ton/hour of steam capacity. We have submitted a project proposal for the Anji Power Plant to the Zhejiang Provincial Development and Reform Commission for review, which has accepted our project proposal. We can therefore further proceed with the application process of the development of Anji Power Plant. In June 2009, the relevant government authorities have assigned a site for the Anji Power Plant. We are currently conducting further feasibility studies, initial preparation and marketing work for this project. Based on the assigned location, Anji Power Plant is expected to source natural gas from Zhejiang Gas Company and sell electricity to Huzhou Electric Power Bureau. After receiving the necessary approvals, we plan to enter into natural gas supply agreement and power sales agreement with Zhejiang Gas Company and Huzhou Electric Power Bureau respectively. Different from Our Power Plants, Anji Power Plant, as a cogeneration plant, is expected to sell steam in addition to electricity. We have so far entered into letters of intent with over 30 industrial companies in Zhejiang province for the purpose of selling steam directly to them when Anji Power Plant becomes operational. Subject to receiving the necessary approvals and permits from the relevant government authorities, the completion of construction and securing gas supply, the Anji Power Plant is currently expected to commence commercial operation in 2011.

The estimated investment amount for the development of the first phase of Anji Power Plant is approximately RMB299 million, amongst which approximately 18.9% (i.e. approximately HK$64.0 million assuming an Offer Price of HK$1.46 per Share, being the mid-point of the indicative Offer Price) will be financed by the proceeds from the Share Offer and the remaining amount by internal resources of the Group.

FINANCIAL INFORMATION

We derive our turnover through the sale of power generated by Our Power Plants. For the three years ended 31 December 2006, 2007 and 2008, we sold approximately 808,473 MWh, 1,160,965 MWh and 718,216 MWh of electricity, respectively to power grid companies in Zhejiang province. For the same periods, we generated approximately RMB415,790,000, RMB645,191,000 and RMB424,072,000 of turnover respectively, and approximately RMB6,310,000, RMB58,445,000 and RMB33,445,000 of net profit attributable to the equity holders of the Company respectively. The decrease in the net profit attributable to the shareholders was mainly due to the significant reduction of natural gas supply in the period from April to September 2008 as mentioned above and to a small extent attributable to the global financial crisis in the second half of 2008. For each of the three years ended 31 December 2006, 2007 and 2008, the Group recorded other net income, representing the government grants of about RMB300,000, RMB4,978,000 and RMB17,086,000, respectively, as an incentive to encourage the development and investment in the gas-fired power industry.

The following is a summary of the Group's combined results for the three years ended 31 December 2006, 2007 and 2008, which have been derived from and should be read in conjunction with our financial information included in the Accountants' Report set out in Appendix I — Accountants' Report to this prospectus. Our financial information has been prepared in accordance with IFRS.

	Year ended 31 December		
	2006	2007	2008
	RMB'000	RMB'000	RMB'000
Turnover	415,790	645,191	424,072
Operating expenses			
Fuel consumption	(304,896)	(425,845)	(290,047)
Depreciation and amortization	(37,996)	(52,444)	(38,467)
Repairs and maintenance	(1,898)	(2,645)	(2,184)
Personnel costs	(8,771)	(18,235)	(10,705)
Administrative expenses	(9,915)	(11,088)	(11,233)
Sales related taxes	(498)	(1,073)	(671)
Other operating expenses	(2,114)	(2,831)	(2,436)
Operating profit	49,702	131,030	68,329
Finance income	1,411	2,506	4,200
Finance expense	(38,256)	(52,229)	(51,045)
Net finance costs	(36,845)	(49,723)	(46,845)
Other net income	300	4,978	17,086
Profit before tax	13,157	86,285	38,570
Income tax	—	—	—
Profit for the year	13,157	86,285	38,570
Attributable to:			
Equity holders of the Company	6,310	58,445	33,445
Minority interests	6,847	27,840	5,125
Profit for the year	13,157	86,285	38,570
Dividends declared during the year	—	—	55,000
Earnings per share			
Basic earnings per share (RMB)	0.02	0.19	0.11

PROFIT FORECAST FOR THE YEAR ENDING 31 DECEMBER 2009

Forecast combined profit attributable to equity holders of our Company for the year ending 31 December 2009 *(Note 1)* . .	not less than RMB62 million (equivalent to approximately HK$70 million)
Unaudited pro forma fully diluted forecast earnings per Share for the year ending 31 December 2009 *(Note 2)*	not less than RMB0.16 (equivalent to approximately HK$0.18)

Notes:

(1) The forecast combined profit attributable to equity holders of our Company for the year ending 31 December 2009 is extracted from the paragraph headed "Profit Forecast for the year ending 31 December 2009" in the section headed "Financial Information" of this prospectus. The bases and principal assumptions on which the above profit forecast for the year ending 31 December 2009 has been prepared are summarised in Parts A and B of Appendix III to this prospectus.

The forecast combined profit attributable to equity holders of our Company for the year ending 31 December 2009 is based on the unaudited management accounts of our Group for the four months ended 30 April 2009 and a forecast of the combined results of our Group for the remaining eight months ending 31 December 2009.

(2) The calculation of the unaudited pro forma fully diluted forecast earnings per Share is based on the forecast combined profit attributable to equity holders of our Company for the year ending 31 December 2009 and on the assumptions that our Company had been listed since 1 January 2009, a total of 400,000,000 Shares were in issue during the year ending 31 December 2009, but takes no account of any Shares which may be allotted and issued upon exercise of the Over-allocation Option or any Shares that may be allotted and issued or repurchased by our Company. The unaudited pro forma forecast earnings per Share for the year ending 31 December 2009 is converted into Hong Kong dollars at an exchange rate of RMB0.882 to HK$1.00.

OFFER STATISTICS

	Based on an Offer Price of HK$1.26	**Based on an Offer Price of HK$1.66**
Market capitalization of the Shares[(1)]	HK$504 million	HK$664 million
Prospective fully diluted price/earnings multiple[(2)]	7.2 times	9.5 times
Unaudited pro forma adjusted net tangible asset value per Share[(3)]	HK$1.25	HK$1.34

Notes:

(1) The calculation of market capitalization is based on 400,000,000 Shares expected to be in issue following the Share Offer and the Capitalization Issue, but takes no account of any Shares which may be allotted and issued upon exercise of the Over-allocation Option or any Shares that may be allotted and issued or repurchased by our Company.

(2) The calculation of the prospective price/earnings multiple on a pro forma fully diluted basis is based on the forecast earnings per Share for the year ending 31 December 2009 on a pro forma fully diluted basis at the respective Offer Prices of HK$1.26 and HK$1.66 per Share. This calculation does not take into account Shares which may be issued upon exercise of the Over-allotment Option or any Shares that may be allotted and issued or repurchased by our Company.

(3) The unaudited pro forma adjusted consolidated net tangible asset per Share is calculated after making the adjustments referred to in Appendix II and based on 400,000,000 Shares expected to be in issue following the Share Offer and the Capitalization Issue, but takes no account of any Shares which may be allotted and issued upon exercise of the Over-allocation Option or any Shares that may be allotted and issued or repurchased by our Company.

DIVIDENDS

Our Directors may recommend that dividends be declared after taking into account, among other things, our results of operations, cash flows and financial condition, operating and capital requirements, the amount of distributable profits based on IFRS, our Memorandum and Articles of Association, the Companies Law, applicable laws and regulations and other factors that the Directors deem relevant. The Company declared a dividend of HK$32 million in June 2009 which the amount will be paid prior to the Listing. Before the completion of Corporate Reorganization, pursuant to the resolutions passed at the board of directors' meetings of Jing-Xing Power Plant and Blue Sky Power Plant held on 8 January 2008 and 5 January 2008, respectively, dividends of RMB12,232,000 and RMB42,768,000 were declared to the then respective shareholders, including dividends of

RMB12,728,000 declared to the minority shareholder of Blue Sky Power Plant, and pursuant to the resolution passed at the board of directors' meeting of De-Neng Power Plant on 10 May 2009, dividends of RMB40,348,000 were declared to the then respective shareholders, including dividends of RMB18,963,000 declared to the minority shareholder. Our future declaration of dividends may not reflect our historical declarations of dividend and will be at the absolute discretion of the Board of Directors.

Under the Articles, declaration of final dividends is subject to the Shareholders' approval in the annual general meeting of the Company, while the Articles grants the Directors the authority to pay interim dividends without the Shareholders' approval.

We had no distributable reserves as at 31 December 2008. It is the present intention of the Directors to declare for each year dividends equivalent to approximately 20% to 30% of the net profit attributable to the Shareholders.

PRINCIPAL STRENGTHS

We believe that our competitive strengths are as follows, each of which is discussed in greater detail in the section headed "Business — Principal Strengths" of this prospectus:

- Our business is in line with the PRC government's initiatives in promoting the use of energy with less pollution as compared to coal-fired power plants
- Our Power Plants are more fuel-efficient as compared to coal-fired power plants
- Our Power Plants are strategically located in Zhejiang province, one of the fastest developing regions in China with strong demand for electricity
- We benefit from the development of natural gas supply infrastructure and the expected increase in supply of natural gas
- We have an experienced and professional management team with extensive experience in the power industry in China
- We can supply peaking power whenever there is a sudden increase in power demand as Our Power Plants can start up quickly

BUSINESS STRATEGIES

Our vision is to become a leading gas-fired power provider in Zhejiang province and a leading environmentally friendly energy enterprise in China in the longer term. To achieve this, we will focus on the following strategies, each of which is discussed in greater details in the section headed "Business — Business Strategies" of this prospectus.

- Continue to manage Our Power Plants effectively and efficiently
- Expand or upgrade Our Power Plants
- Engage in more sophisticated gas-based power provision businesses such as cogeneration and trigeneration or CCHP power generation which are efficient and environmentally-friendly
- Increase our market share through investing in new projects and making acquisitions

USE OF PROCEEDS

We currently intend to use the proceeds from the Share Offer to further our strategy of increasing our share in the gas-fired power supply market in the PRC through investment in a new gas-based cogeneration power project and through further investment in one of Our Power Plants.

The net proceeds of the Share Offer after deducting the underwriting commissions and estimated expenses payable by us in relation to the Share Offer, and assuming an Offer Price of HK$1.46 (being the mid-point of the indicative price range of the Offer Price between HK$1.26 and HK$1.66), are estimated to amount to about HK$108.0 million. We intend to apply the net proceeds in the following manner:

- As to approximately HK$64.0 million, representing approximately 59.3% of the net proceeds from the Share Offer for the first phase development of a new gas-fired cogeneration power plant to be located in Anji county in Zhejiang province, namely the Anji Power Plant. The relevant government authorities have accepted our project proposal and assigned a site for the Anji Power Plant. We are currently conducting further feasibility studies and initial preparation and marketing work. Commencement of construction and operation of the Anji Power Plant is still subject to us obtaining the approvals and permits from the relevant government authorities.
- As to approximately HK$34.0 million, representing approximately 31.5% of the net proceeds from the Share Offer for the balance consideration for the acquisition of 47% minority interests in De-Neng Power Plant in May 2009.
- As to the balance of HK$10.0 million of the net proceeds, to be used for working capital purpose.

In the event that the Offer Price is fixed at HK$1.26 per Share, being the lowest point of the indicative price range, the net proceeds will be reduced by approximately HK$19.4 million. In such circumstances, the Directors intend to reduce the application of the proceeds, as to approximately HK$14.4 million for the development of Anji Power Plant and as to approximately HK$5.0 million for the decrease in working capital.

In the event that the Offer Price is fixed at HK$1.66 per Share, being the highest point of the indicative price range, the net proceeds will be increased by approximately HK$19.4 million. In such circumstances, the Directors intend to apply the additional proceeds for the development of Anji Power Plant.

To the extent that the net proceeds of the Share Offer are not immediately required for the above purposes, the Directors currently intend that such proceeds will be placed on short-term deposits with licensed banks or financial institutions in Hong Kong.

In the event that there are any material changes or modifications to the use of proceeds, an announcement will be made by the Company.

SUMMARY OF RISK FACTORS

We believe that there are certain risks involved in our operations. Many of these risks are beyond our control and can be categorized into: (i) risks relating to the Group; (ii) risks relating to the PRC power industry; (iii) risks relating to the PRC; (iv) risks relating to ownership of Shares; and

(v) risks relating to the Share Offer. Please refer to the section headed "Risk Factors" in this prospectus for a more detailed discussion of these risks.

Risks relating to the Group

- Our Power Plants commenced operation before the power business permits were obtained
- Cost of natural gas represented a significant proportion of our cost of sales. Increase in fuel costs, which are determined by the PRC government, may materially and adversely affect our operating results if we are unable to pass on such increases to our customers through corresponding increases in on-grid tariffs
- Our business relies exclusively on natural gas as fuel source currently provided by only one supplier and our business may be materially and adversely affected if there is a shortage or interruption in the supply of natural gas in Zhejiang province
- Our turnover is wholly derived from power sales to two customers during the Track Record Period and may be materially and adversely affected by the reductions in the planned output and on-grid tariffs which are determined by the PRC government
- We may not have the level of experience, technical expertise, human resources and other attributes necessary to optimally operate power plants or systems utilizing new forms of energy and new technologies if we decide to extend our business into areas beyond Our Power Plants
- Current favorable government policies and various incentives available to Our Power Plants may no longer be available or become less favorable in the future
- We have a high level of debt and we may need additional external financing to fund our working capital and capital expenditure requirements, but we may not be able to obtain such additional external financing on acceptable terms or at all
- The Group had net current liabilities position as at 31 December 2006, 2007 and 2008
- We may be adversely affected by the recent economic turmoil in the world
- The success of the Group depends significantly on its ability to retain its senior management team and its ability to attract additional management and other qualified personnel to join the Group
- Our results of operations for the single year in 2006 may not be comparable with any other years during the Track Record Period or future periods
- The limited operating history of Our Power Plants may make it difficult for you to evaluate our business and prospects
- The registration of our Group's logo as a trademark in Hong Kong has not yet been approved

Risks relating to the PRC power industry

- Future increase in the supply of power overall or the supply of power generated by plants which are more efficient than ours in Zhejiang province or in the PRC may materially and adversely affect the number of planned utilization hours allocated to Our Power Plants and ultimately our power sales

- Our power plant development and acquisition plan may not be successful due to increasing competition and potential substantial regulatory approvals involved
- The construction of power plants is subject to risks which could give rise to delays or cost overruns
- Our operations are subject to hazards customary to the power generation industry and our existing insurance coverage may not be sufficient to cover all of these hazards
- Regulatory changes of the PRC power industry and the uncertainties associated with the reform of the PRC power industry may adversely affect our business and results of operations
- We may incur additional costs or investments should the PRC government adopt stricter or additional environmental laws or requirements

Risks relating to the PRC

- Changes in the economic, political and social conditions in the PRC and policies adopted by the PRC government may adversely affect our business, operating results and financial condition
- The PRC legal system is not fully developed and has inherent uncertainties which could limit the legal protections available to us and adversely affect our operations
- Fluctuations in the exchange rates of the Renminbi may adversely affect our financial condition and your investment
- PRC Government control over currency conversion may affect the value of your investment and limit our ability to use our cash effectively
- Recent PRC regulations relating to acquisitions of PRC companies by foreign entities may limit our ability to acquire PRC companies and adversely affect the implementation of our acquisition strategy as well as our business and prospects
- We may be deemed a PRC resident enterprise under the new PRC Enterprise Income Tax Law and be subject to the PRC taxation on our worldwide income
- Changes in or discontinuation of the favorable tax treatments in PRC currently available to us could reduce our profitability
- Dividends payable by us to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under the PRC tax laws
- We are a holding company and our ability to pay dividends is dependent upon the earnings of, and distributions by, our subsidiaries
- Acts of God, acts of war and other disasters could affect our business
- You may experience difficulties in effecting service of legal process and enforcing judgments against us and our management
- The implementation of the new labour contract law and increase in labor costs in the PRC may adversely affect our business and profitability

Risks relating to ownership of Shares

- There has been no prior public market for the Shares
- The trading price of the Shares may be volatile which could result in substantial losses for investors purchasing Offer Shares in the Share Offer
- Future sale of the Shares or major divestment of Shares by any major shareholder could adversely affect the Share price
- Investors in the Share Offer may experience dilution if we issue additional Shares in the future
- The interests of our Controlling Shareholders may not always coincide with our interests and those of our other shareholders

Risks relating to the Share Offer

- Certain facts, forecasts and other statistics with respect to the PRC, the PRC economy and the PRC power industry contained in this prospectus have not been independently verified
- Forward-looking information contained in this prospectus may prove inaccurate