
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

Our goal is to become a leading renewable energy company in the world with sustainable shareholder return. To achieve our goal, we intend to pursue the following strategies:

- Expand in areas with attractive returns and continue to increase market share in the wind power sector
- Develop other renewable energies with a focus on solar power
- Pursue opportunities in the international markets
- Continue our efforts to promote technological innovation and industry development
- Continue to control costs and improve profitability

For detailed discussion of our future plans and strategies, see “Business — Our Strategies.”

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK\$8,289.0 million (after deducting the relevant expenses) if the Over-allotment Option is not exercised, assuming an Offer Price of HK\$3.48 per H Share, being the mid-point of the estimated Offer Price range. If the Over-allotment Option is exercised in full, we estimate that we will receive additional net proceeds of approximately HK\$1,258.5 million (after deducting the relevant expenses), assuming an Offer Price of HK\$3.48 per H Share. We intend to allocate the net proceeds from the Global Offering in the following manner (assuming that the Over-allotment Option is not exercised):

- approximately 53.5% (approximately HK\$4,437.9 million) will be used for the expansion of our wind power business, among which (i) approximately 39.4% (approximately HK\$3,270.9 million) will mostly be used within the year of 2011 for the construction of wind power projects in the PRC, mainly including purchase of wind turbines and other ancillary equipment from the PRC domestic-brand suppliers and engagement of third party contractors for the construction of wind farms; and (ii) approximately 14.1% (approximately HK\$1,167.0 million) will mostly be used within the year of 2011 for the purchase of equipment and key components manufactured by foreign wind power equipment manufacturers;
- approximately 14.1% (approximately HK\$1,167.0 million) will be used to repay bank loans within three months from the Listing Date, including, among others, (i) a 15-year term loan in the total amount of RMB236.3 million from China Development Bank Corporation at an annual interest rate of 5.35% which will be due for repayment on June 4, 2021; and (ii) a 16-year term loan in the total amount of RMB765.7 million from China Development Bank Corporation at an annual interest rate of 6.48% which will be due for repayment on November 14, 2023. Both of these two loans were used for the construction of our wind power projects; and
- approximately 32.4% (approximately HK\$2,684.1 million) will be used for the acquisition of wind power projects in the PRC and overseas which satisfies our standards as set forth in the “Relationship with Controlling Shareholder”.

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In the event that the Offer Price is set at the high end of the estimated Offer Price range, we intend to use the additional HK\$1,205.5 million for the construction of wind power projects in the PRC. In the event that the Offer Price is set at the low end of the estimated Offer Price range, we expect to reduce the net proceeds for the purposes described above on a pro rata basis.

If the Over-allotment Option is exercised in full, we intend to use the additional HK\$1,258.5 million for the construction of wind power projects in the PRC.

To the extent that the net proceeds from the Global Offering are not immediately required for the above purposes, the Board of Directors currently intend to place such proceeds on short-term deposits with licensed banks or financial institutions in Hong Kong or the PRC. In the event of any material modification to the use of proceeds as described above, we will issue an announcement and make disclosure in our annual report for the relevant year as required by the Stock Exchange.