This summary aims to give you an overview of the information contained in this prospectus and should be read in conjunction with the full text of this prospectus. As it is a summary, it does not contain all the information that may be important to you. You should read the whole prospectus before you decide to invest in the Offer Shares. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" of this prospectus. You should read that section carefully before you decide to invest in the Offer Shares. For the definition of technical terms used in this prospectus, see "Glossary of Technical Terms."

OVERVIEW

We are a PRC-based manufacturer of high-performance solar cells and related solar products. Since March 2007, we have focused primarily on the development, manufacturing and marketing of monocrystalline solar cells. We have achieved rapid growth in sales volume and sold 24.4 MW, 41.2 MW, 71.9 MW and 116.1 MW of solar cells in the years ended 31 December 2008, 2009 and 2010 and the five months ended 31 May 2011, respectively. We market the majority of our solar cell products to PRC-based solar module manufacturers that target primarily overseas markets, the primary market for solar modules. Our customer base is relatively concentrated, and sales to our top five customers accounted for 75.9% of our total revenue in 2010. We also sell a small portion of our products directly to overseas customers. By providing our customers with high-performance products and responsive after-sales services, we have developed strong relationships with our major customers as evidenced by high customer satisfaction rate and the long-term contracts with our customers. Such relationships have been and will continue to be instrumental to the successful implementation of our expansion plan. In recognition of our financial performance and growth potential, Forbes China named us one of the most promising small and medium-sized enterprises on its China's Up and Comers List for two consecutive years in 2009 and 2010.

Our Planned Expansion

We are in the process of implementing an expansion plan to build a vertically integrated solar product value chain from silicon wafers to solar modules. To meet increasing market demand, we expanded our annual solar cell production capacity from 25 MW as of 31 December 2007 to 50 MW as of 31 December 2009 and further to 420 MW as of the Latest Practicable Date. In addition, we commenced producing silicon ingots in April 2011 and silicon wafers in May 2011. We plan to expand our annual solar cell and silicon wafer production capacity to 660 MW and 500 MW, respectively, by the end of 2011. We also plan to purchase solar module manufacturing equipment in the fourth quarter of 2011. We expect to commence manufacturing solar modules by the fourth quarter of 2011 and achieve an annual solar module production capacity of 300 MW by the end of 2011. However, we cannot assure you that we will be able to successfully implement our expansion plan. See "Risk Factors — Risks Relating to Our Business and Industry — Our failure to successfully execute our business expansion plans may have a material adverse effect on the growth of our sales and earnings" and "Risk Factors — Risks Relating to Our Business and Industry — We may not be successful in expanding our product lines to include new products, which could limit our growth prospects." To fund our planned expansion, we incurred substantial bank borrowings in 2010. As a result, we had net current liabilities of RMB114.1 million as of 31 December 2010. See "Risk Factors — Risks Relating to Our Business and Industry — We historically had and may continue to have net current liabilities." In line with our planned expansion, we expect to incur capital expenditure of RMB1,565 million and RMB950 million in 2011 and 2012, respectively. We expect to fund such capital expenditure with the net proceeds from the Global Offering, bank borrowings and internal resources. Our significant capital expenditure may have an adverse effect on our capital liquidity plan. See "Risk Factors — Risks Relating to Our Business and Industry — We face capital liquidity risks associated with our planned expansion.” In addition, as a result of the significant capital expenditure we expect to incur, we may not declare any dividends at all in the foreseeable future.

Current Business Model

We currently focus on manufacturing and sales of high-performance solar cells.

Future Business Model

We are implementing our vertical integration strategy and plan to become a vertically integrated solar product provider with product line including silicon wafers, solar cells and solar modules. We expect to achieve cost savings and enhance our competitiveness through vertical integration.

High Performance Products and Efficient Manufacturing

We believe our ability to capitalize on the solar power market’s demand for cost-competitive, high performance solar cells has contributed to our rapid growth in sales volume. We have developed efficient process technologies and are able to undertake large scale production of high performance solar cells on a cost-efficient basis. Our monocrystalline solar cells with standard dimensions of 125 mm × 125 mm, which represented a significant majority of our sales in 2010, had an average conversion efficiency rate of 17.7% in 2010. According to Solarbuzz, the power output of solar cells would generally be reduced by approximately 3% when solar cells are incorporated into solar modules. In addition, the total surface area of solar cells used in a solar module comprises only approximately 87% of the total surface area of the solar module, and total surface area of a solar module (including the area that is not part of the area of the solar cells used in the module) is included in calculating the conversion efficiency rate of the solar module. Therefore, we estimate solar modules using our solar cells with an efficiency rate of 17.7% have a conversion efficiency rate of approximately 14.9% (i.e., 17.7% × 97% × 87%). Based on publicly available information, the highest conversion efficiency rates of the monocrystalline solar modules of these manufacturers included in calculating Solarbuzz PV Module High Efficiency Indices range from 14.7% to 19.6%. Based on the calculation method above, we estimate that the conversion efficiency rates of the solar cells used in the monocrystalline solar modules of those manufacturers range from 17.4% (i.e., 14.7%/97%/87%) to 23.2% (i.e., 19.6%/97%/87%). Solarbuzz PV Module High Efficiency Indices, which map the progression of the efficiency of solar energy conversion of crystalline silicon PV modules of the most prevalent manufacturers in the market by focusing on highest power models in the market, provide a benchmark indicator of industry progress in the manufacturing technology in the solar industry. Through in-house efforts as well as collaboration with third-party equipment manufacturers and suppliers, our research and development team also implemented a series of incremental manufacturing process improvements that have significantly improved our production efficiency and product quality. As a result, our average processing cost per watt decreased from RMB1.62 in 2008 to RMB1.38 in 2009 and further to RMB1.18 in 2010. Although the cost of raw materials represents a substantial majority of our cost of sales, we believe processing cost per watt will increasingly become the key measure of competitiveness of a solar cell manufacturer due to the general availability and relative transparent pricing of key raw materials on the spot market. We expect to further increase the conversion efficiency rate of our monocrystalline solar cells to over 19.0% by the end of 2011. We expect that solar cell products will continue to constitute a majority of our total products in the near future in our ongoing efforts to leverage our strength in research and development capabilities, proprietary technologies and advanced manufacturing equipment.

Market Condition

Although we believe the growth of the global solar power industry will continue to be influenced by factors such as availability of government incentives and subsidies for renewable energy and the prices of conventional and other renewable energy sources in the foreseeable future, we expect demand for solar products to experience long-term growth due to the increasing competitiveness of solar power. Such growth in demand is primarily evidenced by the increase in the number of forecasted solar power system installations. Our revenue and gross profit margin are affected by the prevailing market price of solar products, and may be adversely affected if there is an oversupply of solar products or a change in government policies leading to a reduction or termination of government subsidies in connection with the use of solar products. However, decreases in the price of silicon feedstock, improvements in manufacturing techniques for solar products and economies of scale have continually reduced the unit production costs of solar products in recent years, which in turn have increased the competitiveness of solar power on an unsubsidized basis relative to conventional power and other renewable energy sources. We expect significant market opportunities to be created as demand continues to grow and the price of solar power approaches that of conventional energy in a number of solar product markets. In addition, we believe our PRC manufacturing bases provide us with convenient and timely access to key resources as well as proximity to our customer and supplier bases to support our rapid growth and manufacturing operations.

Results of Operations During the Track Record Period

We were incorporated as a limited liability company in the Cayman Islands on 6 August 2010. Our principal operating subsidiary, Shunfeng Technology, was incorporated in China on 10 October 2005. During the Track Record Period, we derived substantially all of our revenue from sales of solar cells. The average selling price of our solar cells decreased from RMB23.09 per watt in 2008 to RMB9.19 per watt in 2009 and decreased further to RMB8.67 per watt in 2010 primarily as a result of a significant reduction in polysilicon prices as well as increasing competition among solar cell manufacturers. The average selling price of our solar cells decreased further to RMB7.73 per watt in January 2011, but increased to RMB8.13 per watt in February 2011, and then decreased to RMB6.46 per watt in May 2011 again. There was no material difference between the market price of solar cells and our average selling price during the Track Record Period. Owing to strong growth in our sales volumes, we generated revenue of RMB563.6 million, RMB379.0 million and RMB622.9 million, resulting in net profit of RMB55.4 million, RMB53.5 million and RMB80.1 million for the years ended 31 December 2008, 2009 and 2010, respectively.

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths will enable us to achieve rapid and sustainable growth and to compete successfully in the solar power industry:

- high-performance products and recognized brand name;
- efficient proprietary technologies and know-how;
- established relationships with key customers and suppliers;
- advanced production equipment with high performance potential; and
- experienced management team with proven track record in technology innovation and operations management.

OUR BUSINESS STRATEGIES

Our goal is to become a leader in developing and manufacturing cost-effective, high-performance solar products. We intend to achieve this goal by pursuing the following strategies:

- continue production capacity expansion to gain economies of scale and enhance market competitiveness;
- implement vertical integration to capture additional profit along the value chain and achieve greater synergy;
- enhance processing technologies and production efficiencies through continuous innovation;
- cultivate strategic relationships with key customers and selectively diversify customer base; and
- actively invest in employee recruitment, training and retention.

SUMMARY CONSOLIDATED FINANCIAL INFORMATION AND OPERATING DATA

The following tables summarize our consolidated financial information and operating data as of and for the years ended 31 December 2008, 2009 and 2010. Our summary statements of comprehensive income data, statements of financial position data and cash flow data were derived from the accountants' report, which has been prepared in accordance with International Financial Reporting Standards ("IFRS") and included in Appendix I to this prospectus. You should read the summary financial information below in conjunction with the entire accountants' report, including the notes thereto, and with the section headed "Financial Information" in this prospectus. Our historical results do not necessarily indicate our expected results for any future periods.

Consolidated Statements of Comprehensive Income

	Year Ended 31 December		
	2008	2009	2010
	(RMB'000)	(RMB'000)	(RMB'000)
Revenue	563,646	378,974	622,922
Cost of sales	(496,085)	(306,334)	(492,595)
Gross profit	67,561	72,640	130,327
Other income	6,368	3,202	3,375
Other gains and losses	(2,883)	(1,935)	(13,601)
Distribution and selling expenses	(952)	(2,460)	(2,520)
Administrative expenses	(11,326)	(12,128)	(19,255)
Finance costs	(3,981)	(1,268)	(3,970)
Profit before taxation	54,787	58,051	94,356
Tax credit (charge)	567	(4,573)	(14,266)
Profit and total comprehensive income for the year	55,354	53,478	80,090
Profit and total comprehensive income attributable to:			
Owners of the Company	55,354	53,478	80,449
Non-controlling interests	—	—	(359)
	55,354	53,478	80,090

Consolidated Statements of Financial Position

	As of 31 December		
	2008	2009	2010
	(RMB'000)	(RMB'000)	(RMB'000)
Assets			
Non-current assets	110,857	107,436	578,193
Current assets	137,352	189,264	267,812
Total assets	248,209	296,700	846,005
Equity and liabilities			
Total equity	152,607	206,085	315,950
Total liabilities	95,602	90,615	530,055
Total equity and liabilities	248,209	296,700	846,005

Consolidated Cash Flow Data

	Year Ended 31 December		
	2008	2009	2010
	(RMB'000)	(RMB'000)	(RMB'000)
Net cash from operating activities	7,279	114,028	29,315
Net cash used in investing activities	(36,738)	(42,750)	(317,771)
Net cash from (used in) financing activities	25,710	(39,738)	301,207
Net (decrease) increase in cash and cash equivalents	(3,749)	31,540	12,751
Cash and cash equivalents at beginning of the year	14,890	11,141	42,681
Cash and cash equivalents at end of the year	11,141	42,681	55,432

Other Selected Financial Information

	Year Ended 31 December		
	2008	2009	2010
	(RMB'000)	(RMB'000)	(RMB'000)
Net profit	55,354	53,478	80,090
Add/(less):			
Bank interest income	(654)	(452)	(895)
Other interest income	(2,020)	—	—
Finance costs	3,981	1,268	3,970
Taxation	(567)	4,573	14,266
Depreciation	7,400	9,633	11,611
Amortization	387	387	1,844
Foreign exchange loss	747	976	2,203
Change in fair value of foreign currency forward contracts	—	—	3,002
Recognition of fair values of financial guarantee contracts issued	2,704	753	2,761
Amortization of financial guarantee liability	(568)	(2,038)	(3,612)
Legal and professional fees incurred for the Global Offering	—	—	9,247
EBITDA(1) (unaudited)	66,764	68,578	124,487
EBITDA margin(2) (unaudited)	11.8%	18.1%	20.0%

(1) EBITDA is not a standard measure under IFRS. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net profit or any other measure of performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. EBITDA does not account for interest income, interest expense, tax depreciation, amortization, gains and losses from foreign exchange, change in fair value of derivative financial instruments and legal and professional

fees for the Global Offering. In evaluating EBITDA, we believe that investors should consider, among other things, revenue and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges.

(2) EBITDA margin is derived by dividing EBITDA by revenue.

Operating Data

	Year Ended 31 December		
	2008	2009	2010
Sales volume (in MW)	24.42	41.22	71.88
Average cost of silicon wafers (RMB per watt)	18.58	5.97	5.67
Average selling price (RMB per watt)	23.09	9.19	8.67

Production Capacity

	As of 31 December		
	2008	2009	2010
Production capacity (in MW)	50	50	180

PROFIT FORECAST FOR THE SIX MONTHS ENDING 30 JUNE 2011

The following table sets forth certain preliminary unaudited profit forecast data for the six months ending 30 June 2011. See "Appendix III — Profit Forecast."

Forecast consolidated profit attributable to owners of our Company(1)(2) . . . . not less than RMB86.98 million

(1) The bases and assumptions on which the above profit forecast has been prepared are summarized in Appendix III.

(2) The forecast consolidated profit attributable to owners of our Company for the six months ending 30 June 2011 prepared by our Directors is based on the audited consolidated financial statements of the Group for year ended 31 December 2010, the unaudited consolidated management accounts of the Group for the five months ended 31 May 2011 and a forecast of the consolidated results of the Group for the remaining one month ending 30 June 2011. The forecast has been prepared on the basis of the accounting policies consistent in all material respects with those currently adopted by the Group as summarized in the accountants' report of the Group as set out in Appendix I to this prospectus.

During the Track Record Period, we derived substantially all of our revenue from the sales of crystalline solar cells. Historically, when the selling price of crystalline solar cells decreased, the purchase price of raw material in the production of solar cells, i.e. silicon wafers, would also decrease, and vice versa. Silicon wafers accounted for 91.4%, 80.4% and 82.8% of our cost of sales in the years ended 31 December 2008, 2009 and 2010, respectively. Therefore, we have identified the selling price of crystalline solar cells and the purchase price of silicon wafers as the most sensitive parameters affecting the profit forecast.

The following table sets forth the sensitivity analyses of the forecast net profit for the six months ending 30 June 2011 with respect to changes in the average selling price of crystalline solar cells and the purchase price of silicon wafers. The sensitivity analyses below assume that there are no changes in other input variables, including selling price, sales quantities and cost of sales of other products, and operating expenses. In addition, the sensitivity analyses below assume that there is no correlation between the selling price of crystalline solar cells and the purchase price of silicon wafers.

	Adjusted selling price of crystalline solar cells/ purchase price of silicon wafers	Effect on net profit for the six months ending 30 June 2011	Revised net profit for the six months ending 30 June 2011
	(RMB per Watt)	(RMB'000)	(RMB'000)
Selling price of crystalline solar cells increased by			
15%	6.26	24,287	110,248
10%	5.98	16,191	102,152
8%	5.88	12,953	98,914
5%	5.71	8,096	94,057
1%	5.49	1,619	87,580
Selling price of crystalline solar cells decreased by			
1%	5.39	(1,619)	84,342
5%	5.17	(8,096)	77,865
8%	5.00	(12,953)	73,008
10%	4.90	(16,191)	69,770
15%	4.62	(24,287)	61,674
Purchase price of silicon wafers decreased by			
15%	3.07	16,109	102,070
10%	3.25	10,739	96,700
8%	3.32	8,591	94,552
5%	3.43	5,370	91,331
1%	3.57	1,074	87,035
Purchase price of silicon wafers increased by			
1%	3.65	(1,074)	84,887
5%	3.79	(5,370)	80,591
8%	3.90	(8,591)	77,370
10%	3.97	(10,739)	75,222
15%	4.15	(16,109)	69,852

The above sensitivity analyses are for reference only and are intended to show possible outcomes under different market conditions given our exposure to movement in the selling price of crystalline solar cells and the purchase price of silicon wafers in the six-month period ending 30 June 2011. Any actual variation could exceed the ranges of prices shown above. The above sensitivity analyses are (i) not meant to be exhaustive and (ii) not meant to predict the worst-case scenarios. The changes in the selling price of crystalline solar cells and the purchase price of silicon wafers for the year ending 31 December 2011, as at the relevant time during the year, may differ materially from the assumed ranges above and are dependent on market conditions and other factors which are beyond our control.

The texts of letters from our reporting accountants, and from the Sole Sponsor in respect of the profit forecast, are set forth in Appendix III of this prospectus.

OFFERING STATISTICS

	Based on an Offer Price of HK$1.09 per Share	Based on an Offer Price of HK$1.42 per Share
Market capitalization of our Shares(1)	HK$1,700.4 million	HK$2,215.2 million
Unaudited pro forma adjusted combined net tangible asset value per share(2)	HK$0.48	HK$0.55

(1) All statistics in this table are based on the assumption that the Over-allotment Option is not exercised. The calculation of market capitalization is based on 390,000,000 Shares expected to be issued and outstanding following the Global Offering.

(2) The unaudited pro forma adjusted combined net tangible asset value per share is calculated after making the adjustments referred to in Appendix II and based on 390,000,000 Shares expected to be issued and outstanding following the Global Offering.

If the Over-allotment Option is exercised in full, the unaudited pro forma adjusted combined net tangible asset value per Share will be approximately HK$0.50 per Share (based on an Offer Price of HK$1.09) or approximately HK$0.58 (based on an Offer Price of HK$1.42).

DIVIDEND AND DIVIDEND POLICY

We paid a dividend of approximately RMB1.9 million in 2008 and declared a dividend of approximately RMB124.0 million in July 2010 which was paid out prior to the Listing and was reinvested by the Shareholders of Shunfeng Technology to increase the registered capital of Shunfeng Technology. No other dividends were paid by us or any of our subsidiaries during the Track Record Period.

After the completion of the Global Offering, our Shareholders will be entitled to receive dividends we declare. Any amount of dividends we pay will be at the absolute discretion of our Directors and will depend on our and our subsidiaries' future operations and earnings, financial condition, capital requirements and surplus, contractual restrictions and other factors that our Directors deem relevant. Any such declaration and payment will be subject to our constitutional documents and applicable PRC laws and regulations. Our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. No dividend will be declared or payable except out of our profits and reserves lawfully available for distributions. Our future declarations of dividends may not be consistent with our historical practice. In particular, in line with our planned expansion, we expect to incur significant capital expenditure in 2011 and 2012, as the result of which, we may not declare any dividends at all in the foreseeable future.

As we are a holding company, our ability to declare and pay dividends will depend on receipt of sufficient funds from our subsidiaries, and in particular, Shunfeng Technology, our operating company in China. Shunfeng Technology must comply with its constitutional documents and applicable PRC laws and regulations in paying dividends to us. As a foreign-invested enterprise, Shunfeng Technology is required under applicable PRC laws and regulations to retain 10% of its accumulated profit as a legal reserve until such legal reserve reaches an amount equal to 50% of its registered capital. This legal reserve is not available for distribution as dividends. See "Risk Factors — Risks Relating to Doing Business in the PRC — Our primary source of funds in the form of dividends and other distributions from our operating subsidiaries in the PRC is subject to various legal restrictions and uncertainties which may limit our ability to pay dividends and make other distributions to our Shareholders" and "Risk Factors — Risks Relating to the Global Offering — We may not pay dividends."

USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately HK$461 million from the Global Offering assuming the initial public Offer Price of HK$1.26 per Share (being the mid-point of the indicative Offer Price range between HK$1.09 per Offer Share and HK$1.42 per Offer Share) after deducting the underwriting commissions and other estimated offering expenses payable by us in connection with the Global Offering and assuming that the Over-allotment Option is not exercised. If the Over-allotment Option is exercised in full, our net proceeds calculated at the assumed Offer Price above would increase by approximately HK$37 million.

Assuming the Over-allotment Option is not exercised and assuming an Offer Price of HK$1.26 per Share, we currently plan to use our net proceeds from the Global Offering as follows:

- approximately HK$207 million (representing approximately 45% of the net proceeds) will be used to expand our annual solar cell production capacity by 240 MW through the installation of four production lines, each with an annual capacity of 60 MW. All of the net proceeds allocated hereunder will be used to purchase production equipment for the new production lines;
- approximately HK$207 million (representing approximately 45% of the net proceeds) will be used to expand our silicon wafer production capacity to 500 MW. Approximately 75% of the net proceeds allocated for expanding our silicon wafer production capacity will be used for the purchase of new production equipment, approximately 11% will be used for the purchase of land use rights and approximately 14% will be used for construction of a factory;
- approximately HK$37 million (representing approximately 8% of the net proceeds) will be used to expand our solar module production capacity through the installation of a 300 MW solar module assembly line. Approximately 47% of the proceeds allocated for the expansion of our solar module production capacity will be used for the purchase of new production equipment, approximately 26.5% will be used for the construction of a new factory and approximately 26.5% will be used for the purchase of land use rights; and
- any remaining balance to fund our working capital and other general corporate purposes.

If the Offer Price is set at the highest end of the indicative Offer Price range, the net proceeds from the Global Offering (assuming the Over-allotment Option is not exercised) will increase by approximately HK$59 million, in which case we intend to apply the additional net proceeds to the construction and development of additional manufacturing lines (approximately 90% of any additional net proceeds, 45.8% of which will be used to expand our solar cell production capacity, 45.8% of which will be used to expand our silicon wafer production capacity and 8.4% of which will be used to expand our solar module production capacity) and general working capital (approximately 10% of any additional net proceeds). If the Offer Price is set at the lowest end of the indicative Offer Price range, the net proceeds from the Global Offering (assuming the Over-allotment Option is not exercised) will decrease by approximately HK$64 million, in which case we intend to reduce the net proceeds applied to the expansion of our solar cell, silicon wafer and solar module production capacity on a pro rata basis. The additional proceeds (if any) from the exercise of the Over-allotment Option will be used for construction and development funding for additional manufacturing lines.

To the extent that the proceeds from the Global Offering are not immediately applied to the above purposes, we intend to deposit the proceeds into interest-bearing bank accounts with licensed banks, financial institutions or both. In such event, we will comply with the appropriate disclosure requirements under the Hong Kong Listing Rules.

RISK FACTORS

An investment in our Shares involves a high degree of risk, many of which are beyond our control. These risks can be categorized into risks relating to our business and industry, risks relating to doing business in the PRC and risks relating to the Global Offering.

Risks Relating to Our Business and Industry

- Our future growth and profitability depend on the demand for solar products and the development of photovoltaic technologies.
- Our failure to successfully execute our business expansion plans may have a material adverse effect on the growth of our sales and earnings.
- Our revenue and results of operations are affected by the prevailing market prices of solar products.
- A significant reduction in or discontinuation of government subsidies and economic incentives for the use and development of solar products may have a material adverse effect on our results of operations and business prospects.
- We face capital liquidity risks associated with our planned expansion.
- We derive a significant portion of our revenue from a limited number of customers, and the loss of, or a significant reduction in, sales to any of these customers could materially and adversely affect our results of operations and financial condition.
- We face risks associated with the negotiable price terms in the long-term sales contracts.
- We may not be able to derive the benefits we expect from the strategic alliance framework agreement.
- We currently depend on a limited number of suppliers for the supply of our silicon wafer requirements. If our suppliers fail to deliver to us sufficient quantities of silicon wafers that meet our timing, quality and cost requirements, we may not be able to find suitable alternative suppliers in a timely manner and on commercially reasonable terms and we may lose market share and revenue.
- We are exposed to fluctuations in the prices of solar cells and silicon wafers.
- If we are unable to obtain sufficient high quality polysilicon for our silicon wafer production in a timely manner and at commercially reasonable prices, our business could be materially and adversely affected.
- We may not be successful in expanding our product lines to include new products, which could limit our growth prospects.
- Failure to adapt to changing market conditions and to compete successfully with existing or new competitors may adversely and materially affect our business prospects and results of operations.
- The solar industry generally competes with other renewable energy as well as conventional energy resources.
- Our operating history may not serve as an adequate basis to evaluate our future prospects, business performance and results of operations.
- Our half year profit forecast is not indicative of and should not be interpreted as guidance for our 2011 full year results.

- We require a significant amount of cash to fund our operations and business expansion and we may not obtain additional capital in a timely manner or on commercially acceptable terms.
- We historically had and may continue to have net current liabilities.
- Our substantial indebtedness could adversely affect our ability to raise additional capital to fund our operations and react to changes in the economy or our industry.
- Increases in electricity costs or shortage or disruption of electricity supply may adversely affect our operations.
- Decreases in the prices of solar cells, silicon wafers and other raw materials for our production may result in additional provisions for inventory losses.
- Technological changes in the solar power industry could render our products uncompetitive or obsolete, which could reduce our market share and cause our revenue and net profit to decline.
- Existing regulations and policies and changes to these regulations and policies may present technical, regulatory and economic barriers to the purchase, use and development of solar products, which may significantly reduce demand for our products.
- Our dependence on a limited number of third-party suppliers for key manufacturing equipment could prevent us from the timely fulfillment of customer orders and successful execution of our expansion plan.
- We have begun selling our products on credit terms, which may increase our working capital requirements and expose us to the credit risk of our customers.
- We face risks associated with the marketing and sale of our products internationally.
- Failure to achieve satisfactory production volumes of our products could result in a decline in sales and affect our results of operations.
- Our operating results may fluctuate from period to period in the future.
- Unsatisfactory performance of or defects in our products may cause us to incur additional expenses, damage our reputation and cause our sales to decline.
- Our single largest shareholder has significant influence over our management and his interests may not be aligned with our interests or the interests of our other Shareholders.
- We have limited insurance coverage and may incur losses resulting from product liability claims, business interruption or natural disasters.
- Our lack of sufficient patent protection in and outside of China may undermine our competitive position and subject us to intellectual property disputes with third parties.
- We may be exposed to infringement or misappropriation claims by third parties, which, if determined adversely to us, could cause us to pay significant damage awards.
- Our business depends substantially on the continuing efforts of our executive officers and key technical personnel, as well as our ability to maintain a skilled labor force.

- Compliance with environmental and safe production regulations can be costly, while non-compliance with such regulations may result in adverse publicity and potentially significant monetary damages, fines and suspension of our business operations.
- Natural disasters, acts of war, political unrest and epidemics may adversely affect our business.

Risks Relating to Doing Business in the PRC

- Changes in the attitude of the PRC government towards the development of the solar power industry may adversely affect our current or future business, growth strategies, financial condition and results of operations.
- Changes in the economic, political and social conditions in the PRC and policies adopted by PRC government could adversely affect our business.
- Government control over the conversion of foreign exchange may affect our financial condition and results of operations.
- We face foreign exchange and conversion risks, and fluctuation in the value of the RMB may have a material and adverse effect on our business and your investment.
- The PRC legal system is evolving and has inherent uncertainties that could limit the legal protection available to you.
- It may be difficult to effect service of process on, or to enforce any judgments obtained outside the PRC against, us, our Directors, or senior management members who live inside the PRC.
- Our primary source of funds in the form of dividends and other distributions from our operating subsidiaries in the PRC is subject to various legal restrictions and uncertainties which may limit our ability to pay dividends and make other distributions to our Shareholders.
- Our China-sourced income is subject to PRC withholding tax under the new Enterprise Income Tax Law of the PRC and we may be subject to PRC enterprise income tax at the rate of 25% when more detailed rules are promulgated.
- Failure to comply with the SAFE regulations relating to the establishment of offshore special purpose vehicles by our beneficial owners may materially and adversely affect our business operations.
- Higher labor costs and inflation in China may adversely affect our business and our profitability.
- As a foreign company, our acquisitions of PRC companies may take longer and be subject to higher level of scrutiny by the PRC government, which may delay or prevent any intended acquisition.
- PRC regulations of direct investment and loans by offshore holding companies to PRC entities may delay or limit us from using the net proceeds we receive from this offering to make additional capital contributions or loans to our PRC subsidiaries.

Risks Relating to the Global Offering

- There has been no prior public market for our Shares and an active trading market for our Shares may not develop.
- The market price and trading volume for our Shares may be volatile.

- Potential investors will experience immediate and substantial dilution as a result of the Global Offering.
- Sales of substantial amounts of our Shares in the public market after the Global Offering could cause the price of our Shares to decline.
- Shareholders' interests may be diluted as a result of additional equity fund-raising.
- We may not pay dividends.
- We may be required to withhold PRC income tax on any dividends we pay or distribute, and any gain you realize on the transfer of our Shares may also be subject to PRC withholding tax.
- You may face uncertainties and difficulties in protecting your interests under the laws of the Cayman Islands.