
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

See the section entitled “Business—Our Strategies” for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that the net proceeds from the offer of the New Shares, after deducting underwriting fees and estimated expenses payable by us in connection with the Global Offering, will be approximately HK\$2,472 million before any exercise of the Over-allotment Option, assuming an Offer Price of HK\$9.20 per Share, being the mid-point of the stated Offer Price range of HK\$7.60 to HK\$10.80 per Share. We currently intend to use these net proceeds for the following purposes:

- Approximately 50% of our total estimated net proceeds or approximately HK\$1,236 million to finance the capital expenditures required in connection with our opening of new outlets;
- Approximately 35% of our total estimated net proceeds or approximately HK\$865 million to finance our network expansion through acquisitions if suitable opportunities arise;
- Approximately 5% of our total estimated net proceeds or approximately HK\$124 million to finance the upgrades or expansion of our existing outlets; and
- Approximately 10% of our total estimated net proceeds or approximately HK\$247 million to be used for other working capital and general corporate purposes.

As of the Latest Practicable Date, we had received manufacturer’s authorizations to open 25 new outlets, including 19 4S dealerships, five showrooms and one manufacturer-authorized CPO center. We expect 22 of these new outlets to commence operations by the end of 2012. We expect most of our capital expenditures associated with opening these new outlets to be used for: (i) the acquisition of related land use rights; (ii) property construction or renovation; and (iii) purchases of equipment and fittings. For more information, see “Business—Our Business—Network Expansion.”

As of the Latest Practicable Date, we did not have any finalized and definitive understanding, commitment or agreement, and we were not engaged in any related negotiations and had not entered into any letter of intent (legally binding or otherwise), with respect to any acquisitions, alliances, joint ventures or strategic investments. For more information, see “Our Business—Our Strategies—Expand our network in East China and in other select fast-growing regions through organic growth and acquisitions.”

If the Offer Price is set at the higher or lower end of the stated Offer Price range, we estimate that our net proceeds from the Global Offering, assuming that the Over-allotment Option is not exercised, will increase to approximately HK\$2,910 million or decrease to approximately HK\$2,034 million, respectively. In such event, we will increase or decrease the allocation of the net proceeds to the above purposes on a pro rata basis.

If the Over-allotment Option is exercised in full, we estimate that our net proceeds from the Global Offering will increase to approximately HK\$2,682 million, assuming an Offer Price of HK\$9.20 per Share, being the mid-point of the stated Offer Price range. If the Offer Price is set at the higher or lower end of the stated Offer Price range, we estimate that our net proceeds from the Global Offering, including the proceeds from the exercise of the Over-allotment Option, will increase to

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approximately HK\$3,157 million or decrease to approximately HK\$2,207 million, respectively. In such event, we will increase or decrease the allocation of the net proceeds to the above purposes on a pro rata basis.

To the extent that our net proceeds from the Global Offering are not immediately used for the above purposes and to the extent permitted by applicable laws and regulations, we intend to deposit the net proceeds into short-term interest-bearing deposit accounts with authorized financial institutions.

We estimate that the Selling Shareholders will receive net proceeds of approximately HK\$280 million, assuming an Offer Price of HK\$9.20 per Share, being the mid-point of the stated Offer Price range, after deducting the underwriting fees and commissions and estimated expense payable by the Selling Shareholders in relation to the Global Offering and assuming the Over-allotment is not exercised. We will not receive any of the net proceeds of the Global Offering from the sale of the Sale Shares by the Selling Shareholders.