
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

Please refer to the section “Business – Our Strategies” in this prospectus for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK\$2,338.7 million (assuming an Offer Price of HK\$1.68 per Offer Share, being the mid-point of the indicative Offer Price range), before any exercise of the Over-allotment Option and after deducting the underwriting fees and commissions and estimated expenses payable by us in relation to the Global Offering.

Assuming we receive the estimated net proceeds as described above, we intend to use the net proceeds for the following purposes:

- approximately 40.0%, or approximately HK\$935.5 million, will be used for the development and construction of various types of clean energy projects, among which:
 - (i) approximately 20.0% of the above, or approximately HK\$187.1 million, will be used for the acquisition and development of hydropower projects;
 - (ii) approximately 40.0% of the above, or approximately HK\$374.2 million, will be used for the development and construction of wind power projects; and
 - (iii) approximately 40.0% of the above, or approximately HK\$374.2 million, will be used for capital investments in Fuqing Nuclear Power Plant under construction in which we hold a 39.0% equity interest;
- approximately 30.0%, or approximately HK\$701.6 million, will be used for the purchase of wind turbines, gas turbines and other key equipment;
- approximately 20.0%, or approximately HK\$467.7 million, will be used to repay five short-term borrowings from domestic banks and financial institutions, including, Agriculture Bank of China, China Construction Bank and Huaxia Bank, with the aggregate amount of approximately RMB500.0 million at an annual interest rate of 6.56% to 7.22%, all of which will mature before December 31, 2012; and
- approximately 10.0%, or approximately HK\$233.9 million, will be used for working capital and other general corporate uses.

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To the extent our net proceeds are either more or less than expected, for instance, in the event that the Offer Price is set at the high end of the indicative Offer Price range or the Over-allotment Option is exercised or the Offer Price is set at the low end of the indicative Offer Price range, we will adjust our allocation of the net proceeds for the above purposes on a pro rata basis.

The possible use of proceeds outlined above may change in light of our evolving business needs and conditions and management requirements. 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. To the extent that the net proceeds of the Global Offering are not immediately used for the purposes described above, such proceeds will be placed on short-term demand deposits and/or money market instruments.