
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

See the section headed “Business” in this prospectus for a detailed description of our future plans.

USE OF PROCEEDS

We will not receive any of the net proceeds of the Global Offering. AIA Aurora LLC will receive all of the net proceeds of the Global Offering.

Net proceeds from the Global Offering to AIA Aurora LLC from the sale of Offer Shares are estimated to be approximately HK\$109,077.1 million (US\$14,061.2 million), after deducting the estimated underwriting fees and expenses payable by AIA Aurora LLC in connection with the Global Offering, assuming the Offer Size Adjustment Option and the Over-Allotment Option are not exercised and assuming an Offer Price of HK\$19.03 per Share, the mid-point of the Offer Price range. The estimated net proceeds amount may be further reduced if the Selling Shareholder elects to pay an additional discretionary incentive fee to all or certain of the Underwriters as described in the section headed “Underwriting — Commission and Expenses” in this prospectus.

If the AIG Recapitalisation is implemented pursuant to the agreement in principle described in the section headed “Summary — The AIG Events and Certain Shareholder Arrangements — The AIG Recapitalisation” in this prospectus, substantially all of the net proceeds payable to AIA Aurora LLC from the sale of Offer Shares in the Global Offering (after deduction of all additional expenses, costs and estimated taxes incurred or payable by AIA Aurora LLC) will be loaned by AIA Aurora LLC to AIG to repay amounts owing under the FRBNY Credit Agreement. In connection with the AIG Recapitalisation, the FRBNY, as the holder of the preferred units in AIA Aurora LLC, will waive the right to receive mandatory distributions on AIA Aurora LLC’s preferred units. All proceeds subject to such waiver will be held in escrow with the FRBNY, as agent for AIA Aurora LLC, until the closing of the AIG Recapitalisation, at which time they will be loaned to AIG as described above. If the AIG Recapitalisation is terminated for any reason, the waiver will terminate and be of no further force or effect and all amounts held in escrow will be released to AIA Aurora LLC for distribution in accordance with the LLC Agreement which requires the proceeds of the Global Offering to be applied to reduce the Liquidation Preference.

If the AIG Recapitalisation is not implemented or not all of the net proceeds of the Global Offering are required to fully discharge AIG’s obligations under the FRBNY Credit Agreement, net proceeds payable to AIA Aurora LLC from the sale of Offer Shares in the Global Offering will be distributed in accordance with the LLC Agreement as described in the section headed “Our Relationship with the AIG Group — Certain Shareholder Arrangements — The LLC Agreement — Distributions by AIA Aurora LLC to its Members” in this prospectus. However, if the AIG Recapitalisation has been implemented and excess proceeds are applied to reduce the Liquidation Preference, the U.S. Treasury Department has agreed that any preferred units it holds following the AIG Recapitalisation shall be subordinate to any preferred units retained by the FRBNY. Consequently, the FRBNY will have the right to receive distributions on its remaining preferred units in AIA Aurora LLC and ALICO up to the total of the outstanding liquidation preferences of the preferred units held by the FRBNY before the U.S. Treasury Department will be entitled to receive any distributions on its preferred units.