You should carefully read and consider all of the information in this prospectus, including the material risks and uncertainties described below before deciding to make any investment in our Shares. Our business, financial conditions or results of operations could be materially and adversely affected by any of these risks and uncertainties. The trading price of our Shares could decline due to any of these risks and uncertainties and you may lose all or part of your investment as a result.

RISKS RELATING TO OUR BUSINESS

We are heavily dependent on the performance of the construction and real estate industries, which are cyclical and could be significantly affected by fluctuations in economic conditions

As most of our customers are property developers or main contractors of public infrastructure and commercial buildings, our business and prospects heavily depend on the performance of the construction and real estate industries, which are cyclical and could be significantly affected by fluctuations in economic conditions. An economic downturn in China or any overseas market where we operate could materially and adversely affect our business, financial condition and results of operations.

The global market and economic conditions in 2008 and 2009 were unprecedented and led most major economies into recession during this period. Continued concerns over the systemic impact of potential long-term and widespread recession, energy costs, geopolitical issues, the availability and cost of credit, and the global housing and mortgage markets contributed to increased market volatility and diminished expectations for economic growth around the world.

As a result of the global financial crisis, financing became less available or more expensive, which, together with the subsequent slowdown of the worldwide economy, caused a reduction in the number of property development projects in many overseas countries and regions where we operate. The slowdown of overseas property development and construction sector has in turn contributed to a lower demand for our curtain wall products and services overseas. As a result, five of our overseas projects with a total contract value of approximately RMB665.5 million were cancelled from 2008 to 2010. In addition, the number of new contracts awarded in the European and U.S. markets declined in 2009 as compared with 2008.

The slowdown of the worldwide economy also adversely affected the PRC economy, with the PRC's gross domestic product growth rate decreasing by 0.5 percentage point from 9.6% in 2008 to 9.1% in 2009. To stimulate economic growth, since November 2008, the PRC government has announced a series of economic stimulus plans and initiatives to, among other things, commit resources to fund infrastructure projects. Therefore, the adverse impact of global macroeconomic conditions on our PRC curtain wall market was limited. However, we cannot assure you that such plans and initiatives will continue to be in place or be effective in sustaining the economic growth or preventing another economic downturn or they will benefit us.

Any recurrence of the global financial crisis may cause a further decline in the economies of China and other countries, which may materially and adversely affect the construction and real properties industries and lead to a decrease in the general demand for our curtain wall products and services. Accordingly, our results of operations, financial condition and business prospect may be materially and adversely affected.

We may not be successful in maintaining our current market position or implementing our market expansion plan

We intend to maintain our current market position and continue to expand into new markets, particularly overseas markets, through extending our sales and marketing network and establishing new production facilities. As a result, we are subject to all of the risks that are specific to the local curtain wall markets and the risks inherent in the unforeseen costs and expenses, challenges, complications, and delays encountered in connection with market expansion.

Our global operations and market expansion may be hindered by risks including but not limited to cultural differences, instability or changes in the political, regulatory or economic environment, lack of understanding of the local business environment, financial and management system or legal system, differences in legal burdens in complying with local laws and regulations, differences in the licensing regime, the tendering regime, and payment practices, stringent product liability and warranty requirements, potentially adverse tax consequences, competition within the local market and volatility in currency exchange rates.

Maintaining our current market position and implementing our market expansion plan has resulted in, and will continue to result in, substantial demands on our resources. Managing our expansion will require, among other things:

- continued enhancement of our research and development capabilities;
- successful hiring and training of personnel;
- increased marketing and service activities;
- management of our sales network;
- sufficient liquidity;
- effective and efficient financial and management control;
- effective quality control;
- effective cost control;
- management of our suppliers to leverage on our purchasing power;
- ability to maintain and strengthen market recognition;
- ability to meet construction schedules; and
- adjustment to the evolving construction and real estate industries.

There is no assurance that we will be able to successfully maintain or expand our market coverage or grow our business successfully after deploying our management and financial resources, particularly in the overseas markets. Any failure in maintaining our current market position or implementing our market expansion plan could materially and adversely affect our business, financial condition and results of operations.

We face significant and increasing competition in the markets in which we operate, and failure to compete efficiently could materially and adversely affect our business

We operate in a highly competitive industry in which our competitors include a number of global and China-based companies that provide products and services similar to ours. Some of our international competitors may have stronger brand names, greater access to capital, longer operating histories, longer or more established relationships with their customers, and greater marketing and other resources than we do. Due to the evolving markets in which we compete, additional competitors with significant market presence and financial resources may enter those markets, and thereby intensify the competition. These competitors may be able to reduce our market share by adopting more aggressive pricing policies than we can or by developing technology and services that gain wider market acceptance than our products do. Existing and potential competitors may also develop relationships with our customers in a manner that could significantly harm our ability to sell and market. If we fail to maintain or improve our market position or fail to respond successfully to changes in the competitive landscape, our business, financial condition and results of operations may be materially and adversely affected.

If we are unable to accurately estimate and control our project costs, we may incur losses

Substantially all of our revenues are derived from fixed-price contracts, with prices being determined by reference to our bids and substantially agreed to at the time a project is awarded to us. We are typically responsible for all of our own costs, and our ability to achieve our target profitability on any project is largely dependent on our ability to accurately estimate and control these costs. Cost overruns may result in a lower profit or even a loss on a project. The amount of total costs we incur on a project is affected by a variety of factors, including, among other things, fluctuations in the price of raw materials, variations in labor costs over the term of a contract and changes in project scope or conditions. Although some of our contracts provide for pricing adjustments if certain specified events occur, these adjustment provisions may not adequately protect us in the event of a cost overrun. If our costs for a project exceed the contracted price and any price adjustment provisions in the relevant contract do not cover the cost overrun, we may incur losses, which could materially and adversely affect our financial condition and results of operations.

Our curtain wall projects may be delayed

Our curtain wall projects may be delayed due to various factors beyond our control, including the construction progress of the underlying buildings. As part of the construction work of the underlying buildings, the schedules of our curtain wall installation have to fit into, and heavily depend on, the overall construction schedules of the underlying buildings. However, the construction progress of the underlying buildings may experience unexpected difficulties as a result of weather conditions, financing difficulties, liquidity of the main contractors or property developers, availability of sufficient labor force, regulatory approval processes, government requirements, changes in the design of the buildings or curtain wall products, and other factors.

If our curtain wall projects are delayed, we may not be able to recognize our revenue or receive payment from our customers as expected, and our business, financial condition and results of operations may be materially and adversely affected.

We may not be able to secure adequate raw materials in a timely manner and are subject to the fluctuations in the prices of raw material supplies, particularly aluminum extrusions

The main raw materials used to manufacture our curtain wall products include aluminum extrusions, glass, steel and sealants, which in total accounted for approximately 77.1%, 75.9% and 77.1% of our raw materials costs for the years ended December 31, 2008, 2009 and 2010, respectively. Our top five suppliers, in aggregate, accounted for approximately 22.3%, 30.5% and 18.3% of our raw material costs for the years ended December 31, 2008, 2009 and 2010, respectively. We cannot assure you that we will be able to secure adequate supplies of raw materials to meet all of our future production needs at commercially reasonable prices or that our suppliers will deliver raw materials pursuant to supply agreements or in a timely manner. As a result, our costs may increase or we may be unable to meet project schedules, which could harm our reputation or require us to compensate our customers.

Furthermore, our raw materials, particularly aluminum extrusions, are subject to price fluctuations. The prices of aluminum extrusions largely depends on the prices of aluminum, which have fluctuated significantly in the past. Aluminum extrusions accounted for approximately 38.5%, 34.3% and 37.3% of our raw materials costs for the years ended December 31, 2008, 2009 and 2010, respectively. We tender for projects based on our estimate of the price of aluminum at the time we purchase the aluminum extrusions. There is a time lag between the time we submit our tender and the time we purchase aluminum extrusions for the purpose of the relevant project, if our tender is successful. The price of aluminum extrusions may vary significantly during the time lag. Although we started to hedge the risk of aluminum price fluctuations through aluminum future contracts in 2008, we cannot assure you that our hedging strategy will be able to fully protect us from unfavorable aluminum price movements. Except for limited situations where we are entitled to price adjustment pursuant to our contracts, we may not be able to pass the increase in the raw material costs to our customers, which could materially and adversely affect our financial condition and results of operations.

We receive payments for our curtain wall projects in stages, and any default or delay in payments from our customers may affect our cash flow and results of operations

We receive payments for our curtain wall projects in stages upon achieving certain project milestones. In addition, consistent with industry practice, our contracts usually also provide that our customers are entitled to withhold a certain percentage, normally 3% to 5%, of the total contract price for a period, normally one to two years, after the completion of the project to guarantee our work quality.

Our customers are primarily main contractors and property developers who are subject to the credit risks of their customers and the financial risks of their development projects not being able to proceed according to budget, or being delayed or terminated. We may encounter difficulties in collecting payments from those customers who are having financial difficulties or experiencing delays to their projects which are beyond our control. The collection process might be time-consuming and administratively cumbersome. As a result of defaults in payment from our customers, we wrote off trade receivables in a total amount of RMB1.8 million, RMB6.2 million and RMB1.5 million during the years ended December 31, 2008, 2009 and 2010, respectively, representing 0.03%, 0.09% and 0.02% of our revenue during the corresponding periods.

We cannot assure you that our customers in the future will not subsequently default in, or delay, their payment obligations to us. Any failure to collect all or a portion of the payment obligations owed to us will put pressure on our cash flow position and our ability to meet our working capital requirements, which could materially and adversely affect our business, financial conditions and results of operations.

If we fail to meet the requirements of our project contracts or quality standards of our products, we may face litigation, incur penalties and additional costs and experience delays or difficulties in receiving payments, which may adversely affect our business and reputation

We are typically required to complete each project according to a fixed schedule by an agreed date as stated in the relevant contracts. If we fail to complete a project in a timely manner resulting in a breach of our contractual obligations, we may be liable to compensate our customers for losses or damages caused by the delay. Although we did not make any compensation to third parties due to delay of curtain wall projects during the Track Record Period, we cannot assure you that we will not be required to make such compensation in the future. Any delay in the completion of a project, whether or not caused by us, could also lead to additional costs being incurred, including costs to hire additional manpower and to provide temporary storage for assembled products. Any failure on our part to complete a project in a timely manner could harm our reputation in the industry and hinder our ability to win future contracts and, as a result, our business, financial condition and results of operations could be materially and adversely affected.

In addition, we may be liable to compensate our customers for any losses sustained by them if any of our employees, contract workers or installation service providers do not complete projects in accordance with the terms specified in the relevant contracts. Although we were not required to compensate any third parties due to work defects during the Track Record Period, we cannot assure you that we will not be required to do so in the future. As most of our projects require tailor-made curtain wall components, any use of unsuitable materials would result in extra costs being incurred on our part due to additional materials and labor being required to rectify such errors. Any such work defects could also have a negative impact on our reputation, which could hinder our ability to win future contracts. Moreover, a severe technical defect could lead to personal injury or property damage, which could result in litigation and liability for damages. These litigation costs, together with the payment of damages, could adversely affect our profitability and financial performance.

We record our revenues and profits on the basis of our best estimates at the relevant times, which are subject to inherent uncertainties and subsequent adjustments

We measure and recognize our revenues and profits using the percentage-of-completion method of accounting, pursuant to which revenues and profits are recognized ratably over the life of a contract, based generally on the progress at the proportion of costs incurred to date to the estimated total costs expected to be incurred for the entire project. Revisions to estimated total costs are made when the relevant amounts can be reasonably estimated. Although we use our best efforts to estimate the progress towards completion of our projects under construction, the uncertainties inherent in the estimating process mean that actual costs may vary materially from estimates, which could result in adjustments to our revenues or profits in subsequent fiscal periods and such adjustments could be material.

Our backlog may not be indicative of our future results of operations

As of December 31, 2010, we had contract backlog in the amount of approximately RMB14,331.3 million, which represents our estimate of the unrealized contract value of projects in progress and the total contract value of uncommenced projects. However, this figure is based on the assumption that the relevant contracts will be performed in full in accordance with their terms. Many of our contracts do not provide for a fixed amount of work to be performed and are subject to modification or termination by the customers. The termination or modification of any one or more sizeable contracts may have a substantial and immediate effect on our backlog. It is common practice for building developers to include a termination clause in the contract that allows the developer to terminate a project without incurring additional compensation or payment to the contractor or subcontractor, other than payment for the value of work done and costs already incurred at the time of the notice of termination. Our projects in progress and uncommenced projects may also remain in our backlog for an extended period of time. We cannot guarantee that the amount estimated in our backlog will be realized in a timely fashion, or at all, or that, even if they are realized, will result in profits. You should not place undue reliance on our backlog information presented in this prospectus as an indicator of our future earnings.

The growth rate of our new contract value in the Track Record Period may not be indicative of the growth rate of our new contract value in future

Our new contract value, which refers to the value of contracts for the new projects we were awarded during the relevant periods, was RMB10,757.7 million, RMB7,649.1 million and RMB11,104.7 million for the years ended December 31, 2008, 2009 and 2010, respectively. We anticipate a significant expansion of our business operations over the next few years. However, our growth will depend on a number of factors, many of which are beyond our control, including but not limited to global economic conditions, macroeconomic policies of the PRC government, the level of competition in the curtain wall industry, and changes in market demand. We cannot assure you that we will be able to maintain our historically high growth rate and, to the extent that we experience any significant decrease in demand for our products or increase in competition, our growth, financial condition and results of operations may be materially and adversely affected. You should not rely on our past growth rate of our new contract value in the Track Record Period as an indication of our growth rate of our new contract value in the future.

If we are unable to successfully manage our working capital or acquire adequate funding to finance our expansion, our operations could be adversely affected

We receive a certain percentage, normally 10% to 30%, of the total contract price from our customers upon signing the contract, and then receive further payments in stages upon achieving certain project milestones. In addition, 3% to 5% of the total contract price is normally retained by our customers after completion of the relevant project for one to two years to ensure that we perform our work satisfactorily. We incur costs associated with a project on an ongoing basis from the beginning of the project, which may be before we receive the corresponding payments from our customers. Our customers may also default on their payment obligations to us.

Although we seek to manage our working capital, we cannot assure you that we will be able to match the timing and amounts of our cash inflows with the timing and amounts of our payment obligations and other cash outflows. As a result, there could be a period during which we experience net cash outflow for a particular project. Moreover, we had negative operating cashflow for the year ended December 31, 2010 and had net current liabilities as of December 31, 2009 and 2010. We currently fund our working capital requirements through a combination of cash inflow from our operations, bank borrowings and capital contributions from our Shareholders. Our gearing ratio, as calculated by dividing our interest bearing debts by our total equity, was relatively high during the Track Record Period, amounting to 73.3%, 70.7% and 210.9% as of December 31, 2008, 2009 and 2010, respectively. For more details, please see the section entitled "Financial Information – Indebtedness and Contingent Liabilities – Borrowings" in this prospectus. As we further expand our business, our requirements for working capital and other payments, such as capital expenditures, will increase. We cannot assure you that we will be able to generate sufficient cash inflow from our operations or obtain adequate debt or equity financing at reasonable costs, or at all, to meet such requirements. If we fail to successfully manage our working capital or acquire adequate funding to finance our expansion, our ability to pay our suppliers and employees and otherwise fund our operations and expansion could be impaired, and our business, financial condition and results of operations may be materially and adversely affected.

We are subject to extensive government regulation and are required to obtain various permits, licenses, approvals, certificates and qualifications to conduct our curtain wall business

It is a prerequisite for us to obtain certain permits, licenses, certificates and qualifications from various governmental or regulatory authorities in order to conduct our business. In order to acquire or maintain such permits, licenses, certificates and qualifications, we must comply with the conditions imposed by the governments in various jurisdictions where we operate. These permits, licenses, certificates and qualifications are subject to periodic review and renewal by the relevant government authorities. In addition, if there are any subsequent modifications of, or additions or new restrictions to, the current compliance standards, this would impose an additional burden on us to maintain our compliance status. If we fail to meet any of the conditions required to maintain our permits, licenses, certificates and qualifications, or if we are found to be in non-compliance by such authorities, they could be temporarily suspended or even revoked, or their renewal could be delayed, and we could be subject to fines or other sanctions. Any of such events occurring in the future may have a material and adverse effect on our operations.

We face risks associated with our international operations and, if we are unable to effectively manage these risks, they could impair our ability to operate our business in overseas markets

We have been providing curtain wall products and services in numerous countries and regions outside of China, including in countries and regions that are subject to rapid changes in the economic, political and regulatory environment, which are beyond our control. For the years ended December 31, 2008, 2009 and 2010, our revenue generated from overseas markets accounted for approximately 33.2%, 38.6% and 35.4%, respectively, of our total revenue.

We intend to continue exploring the overseas market and expect our revenue from overseas to continue to increase. As a result, we are exposed to various risks associated with changes in the economic, political and regulatory environment in the countries or regions in which we operate. In particular, we face a number of challenges as a result of our international operations and overseas expansion strategy, including:

- fluctuations in currency exchange rates;
- inflation in markets in which we procure labor and materials locally;
- our limited track record and client referral network in new markets;
- difficulties in identifying, and establishing good business relationships with local installation service providers and other business partners who are knowledgeable about, and can function effectively in, overseas markets;
- difficulties in recruiting and managing skilled labor, particularly given language and cultural barriers, applicable labor laws and varying market practices;
- increased liabilities and risks associated with quality control for our overseas projects, particularly if any assembly activities need to be performed at the project site;
- increased costs and complexities associated with the logistics of transporting our products overseas, as well as managing and coordinating projects simultaneously in different countries;
- difficulties and costs relating to obtaining requisite licenses and regulatory approvals, and complying with the different commercial and legal requirements of the overseas jurisdictions in which we operate;
- increased litigation risk in litigious jurisdictions that our business expanded or will expand into;
- inability to obtain, maintain or enforce our contractual and intellectual property rights; and
- trade barriers such as tariffs, taxes and other restrictions and expenses, which could increase our costs and expenses and make us less competitive in some countries.

If we are unable to effectively manage the above-mentioned risks, such failure could impair our ability to operate or expand our business and could adversely and materially affect our business, financial condition and results of operations.

We rely on certain key personnel and recruit professionals from a limited pool of qualified candidates who have experience in our business, and loss of these key personnel or failure to recruit and retain qualified professionals could have a material and adverse effect on our results of operations

Our future success heavily depends on the continuing services of our executive directors and members of our senior management team. Most members of our senior management team have over 13 years of experience in the curtain wall industry and have been with us since 1997. As competition for experienced senior management and key personnel in the curtain wall industry is intense, we cannot assure you that we will be able to retain the services of our senior executives or key personnel, or attract and retain high-quality senior executives or key personnel in the future. If one or more of our senior executives or other key personnel are unable or unwilling to continue in their present positions, we may not be able to replace them easily or at all, and our business may be disrupted and our financial condition and results of operations may be materially and adversely affected. Moreover, if any member of our senior management team or any of our other key personnel joins a competitor or begins a competing business, we may lose customers, other key professionals or staff members.

Furthermore, as our business continues to grow, we will need to recruit and train additional qualified personnel. There is a limited pool of qualified candidates who have the skills, know-how and experience required for our business. As the quality of our design and engineering is a key differentiating factor when we compete with our competitors, we face intense competition for qualified candidates from our competitors. We cannot assure you that we will be able to retain our existing designers, technicians and project managers and recruit additional qualified professionals to support our future operations and growth. Any failure to do so may adversely affect our business and growth.

In addition, as a large part of our operations is labor intensive, we require a large number of skilled workers. Due to the skills required in operating some of our equipment and the installation of curtain wall products, it takes time for a new worker to attain the necessary skills. Skilled workers are not easily replaceable. Occasionally in the past, we have experienced constraints in this regard. Although we have not sustained material loss of profits or customers as a result of labor constraints in the past, we cannot assure you it will not occur in the future. We may have to offer better compensation and other benefits to hire or contract and retain sufficient skilled workers to sustain or grow our business operations, which will increase our costs and may materially and adversely affect our results of operations.

We may be unable to successfully expand our production facilities as we have planned, or such expansion may result in over-capacity

To support our growing operations, we intend to construct new production facilities both in China and overseas. We are currently in the process of expanding our existing production bases and plan to construct new production facilities in Tianjin, China, and the Middle East. Both our Tianjin production facility and the Middle East production facility are expected to commence operations by 2013. For further details of our processing capacity expansion plans, see the section entitled "Business — Production Facilities" in this prospectus.

Our processing capacity expansion plans described above involve the installation of new equipment and assembly of new production lines. We cannot assure you that our processing capacity expansion plans will be successfully implemented without delay or at all. Any failure or delay in implementing any part of these plans may result in a lack of processing capacity to support our growth and market expansion, which in turn could materially and adversely affect our business, financial condition and results of operations.

On the other hand, we cannot assure you that our expanded processing capacity will meet our anticipated production objectives due to factors beyond our control, such as natural disasters, inadequate infrastructures and changes in demand. Our sales may not grow at the same rate as the increase in our processing capacity, which may result in over-capacity in our production facilities. Any such over-capacity could increase our cost of sales and also materially and adversely affect our business, financial condition and results of operations.

We may be unable to keep up with the changes in the market needs or technological developments in the curtain wall industry

Our competitiveness in the curtain wall market depends in large part on our ability to develop new curtain wall products and techniques so that we are able to continuously tailor our products to meet our customers' needs. We devote significant financial and human resources to the research and development of new products and techniques, which are subject to continuous evolution and changes. There is no assurance that such products or techniques developed will be well accepted by the market, or such products or techniques can be developed and put into market in a timely manner or at all. In the event that we are unable to develop new products and techniques that meet the needs of our customers or that our competitors have developed new and more advanced products and techniques, our business, financial condition and results of operations may be materially and adversely affected.

We may not be able to protect our trademarks and other intellectual property rights, which could have a material and adverse impact on our business

We have registered our trademarks in a number of countries and regions. As of the Latest Practicable Date, we had registered 58 patents in China or overseas relating to our curtain wall products which are still in force. We are also in the process of applying for registration of additional patents in China. We believe our trademarks and other intellectual property rights are important to our success. Existing laws in China offer limited protection for our intellectual property rights. We rely upon a combination of patents, copyrights and trademarks, trade secrets, confidentiality policies, non-disclosure and other contractual arrangements to protect our intellectual property rights. We cannot assure you that we will be able to detect any unauthorized use of, or take appropriate, adequate and timely actions to enforce, our intellectual property rights. Consequently, we may not be able to effectively prevent unauthorized use of our trademarks or patents in other countries where such trademarks and patents are not registered. Historically, China has not protected intellectual property rights to the same extent as has the United States or Hong Kong. The measures we take to protect our intellectual property rights may not be adequate and monitoring and preventing unauthorized use is difficult. The protection of our intellectual properties may be compromised as a result of (i) expiration of the protection period of our registered intellectual property rights, (ii) infringement by others of our intellectual property rights including counterfeiting our products, or (iii) refusal by relevant regulatory authorities to approve our pending patent applications. Furthermore, the application of laws governing intellectual property rights in China and abroad is uncertain and evolving, and could involve substantial risks to us. If we are unable to adequately protect our trademarks and other intellectual property rights, this may have a negative impact on our reputation and our business may be materially and adversely affected.

Failure to maintain our reputation and brand names could materially and adversely affect our business, financial condition and results of operations

We believe that the reputation and brand name that we have built up over the years play a significant role in enabling us to attract customers and secure projects. The promotion and enhancement of our reputation and brand name depend largely on our ability to provide quality and timely service to our customers. If we fail to do so or our customers no longer perceive our products and services to be of high quality, our brand name and reputation could be adversely affected which will in turn materially and adversely affect our business, financial condition and results of operations.

Due to the nature of our operations, our employees or contract workers may be involved in accidents resulting in casualties from time to time. In the past, there were accidents which occurred in connection with the construction of our curtain wall projects, which resulted in a total of 14 fatalities during the Track Record Period and up to the Latest Practicable Date. We were subject to certain administrative penalties imposed by the relevant governmental authorities in connection with these accidents, including the suspension from participating in the tendering process in Beijing for one month and a fine of RMB130,000 as a result of an accident in May 2010 that led to one fatality. For more information, see the section entitled "Business – Labor, Health and Safety Matters" in this prospectus. Past, existing and future negative publicity, media coverage or allegations on such accidents, whether or not accurate, may have a material adverse effect on our reputation and brand name. Although we have implemented safety policies, measures and procedures which we deem adequate on our construction sites, we cannot assure you that there will not be any further negative publicity, media coverage or allegations related to our safety management, which could materially and adversely affect our business, financial position and results of operations.

The trust arrangement between Mr. Kang and Goldenwin in relation to the 25% equity interest in Shengyang Yuanda which was transferred to us is not documented by any formal legal agreement

In June 2002, Yuanda Singapore acquired a 25% equity interest in Shenyang Yuanda from Goldenwin Company Limited ("Goldenwin"), which was subsequently transferred to us in November 2010 pursuant to the Reorganization. Goldenwin was a company incorporated in Hong Kong by two individuals (the "Goldenwin Shareholders") who are not related to our Group, and who were the only shareholders and directors of Goldenwin at all material times. Goldenwin subscribed for a 25% equity interest in Shenyang Yuanda in April 1993 which it held on trust for Mr. Kang based on and as evidenced by various correspondence and communications between Mr. Kang and the Goldenwin Shareholders. There was however no formal written agreement between Mr. Kang and Goldenwin documenting this trust arrangement.

Due to Goldenwin's failure to submit annual returns and pay the requisite annual registration fees, Goldenwin was struck off in August 1997 and was eventually dissolved. Not aware of this dissolution, Mr. Kang procured Goldenwin to transfer its 25% equity interest in Shenyang Yuanda to Yuanda Singapore in June 2002.

Under Hong Kong laws, all property and rights whatsoever vested in or held on trust for Goldenwin immediately before the dissolution, excluding property held by Goldenwin on trust for a third party, shall be deemed to be bona vacantia. Mr. Kang, after consultation with his retained senior counsel, considered that, on a balance of probabilities, (i) Goldenwin at all material times held the 25% equity interest in Shenyang Yuanda as trustee for Mr. Kang, (ii) Goldenwin's interest in Shenyang Yuanda should not be deemed to be bona vacantia, and (iii) the dissolution of Goldenwin would not affect Mr. Kang's beneficial ownership in the relevant interest. Based on Mr. Kang's views following consultation with his retained senior counsel as noted above, the confirmation provided by Mr. Kang that there was a bona fide intention to transfer the equity interests in Shenyang Yuanda, and the confirmation letter issued by the Shenyang Dongling District Commission of Foreign Trade and Economic Cooperation dated January 11, 2011, which states that the various changes of the 25% equity interest originally held by Goldenwin following its dissolution in 1997 (including the transfer from Goldenwin to Yuanda Singapore in 2002) is legal and valid, our PRC legal counsel has confirmed that the transfer of the 25% equity interest in Shenyang Yuanda from Goldenwin to Yuanda Singapore would not be affected by the dissolution of Goldenwin and will continue to be effective.

However, we cannot assure you that our ownership in the 25% equity interest in Shenyang Yuanda initially held by Goldenwin will not be challenged by any third parties in the future. Such challenge, if successful, would materially and adversely affect our corporate structure and results of operations. For further details on the 25% equity interest in Shenyang Yuanda initially held by Goldenwin and indemnities given by Mr. Kang and Best Outlook, please refer to the section entitled "History and Reorganization – Reorganization – Transfer of interest in Shenyang Yuanda by Goldenwin" and the section entitled "D. Other Information – 2. Tax and other indemnities" in Appendix VII to this prospectus.

We are currently involved in certain material legal proceedings and may be a party to various other legal proceedings and investigations from time to time and we cannot assure you that such legal proceedings and investigations will not have a material adverse impact on our business

We are currently involved in a number of legal proceedings, including four material legal proceedings arising out of the curtain wall projects we undertook in the ordinary course of our business in India, the United States, Kuwait and Germany. In each of the legal proceedings in India, the United States and Germany, we are subject to claims of up to approximately 1,410.8 million Indian Rupees (approximately RMB207.1 million), US$2.0 million (approximately RMB13.1 million), and 6.1 million Euros (approximately RMB57.8 million), respectively, excluding interests, attorney fees and costs. In the legal proceeding in Kuwait, we are sued for our termination of an agreement, which could potentially expose us to liabilities amounting to approximately 11.2 million Kuwaiti dinar (approximately RMB264.7 million). Further details pertaining to the above-mentioned material legal proceedings are set out in the section entitled "Business — Legal Proceedings and Material Claims" in this prospectus. As of the Latest Practicable Date, our aggregate exposure to liabilities as a result of the legal proceedings in which we were involved, including the above four material legal proceedings, was approximately RMB548.8 million, representing approximately 63.3% of our net assets value as of December 31, 2010, for which no provision had been made. There is no assurance that any of these proceedings will be resolved in our favor.

Due to the nature of our business, we may become involved in claims, legal proceedings and investigations relating to, among other things, warranty, indemnification or liability claims, contractual disputes with customers or subcontractors, labor disputes, workers' compensation, and safety, environmental or other legal requirements. In particular, we may have disputes with local subcontractors we engage for installation of our curtain products overseas due to various factors beyond our control. We may also be subject to claims for personal injury and property damage arising from our projects. Legal proceedings and investigations can be time-consuming, expensive, and may divert our management's attention away from the operation of our business. Moreover, we may be involved in legal proceedings and investigations in foreign jurisdictions where our projects are located and we may not be familiar with the judicial procedures in such jurisdictions. Legal proceedings and investigations in foreign jurisdictions may be more expensive and unpredictable as compared with Hong Kong. The legal proceedings and investigations to which we are a party or may in the future become a party may have a material and adverse impact on our business. For example, we are involved in an anti-dumping investigation conducted by the U.S. Department of Commerce on the aluminium extrusions imported from China. In the event we are found to have breached any anti-dumping regulation pursuant to the anti-dumping investigation, we may be subject to antidumping and countervailing duties. For more information, see the section entitled "Business – Legal Proceedings and Material Claims" in this prospectus.

We have not obtained the land use rights certificates or building ownership certificates for some of our properties and have not completed the required procedures for some of our facilities or properties under construction, and may be required to seek alternative premises for some of our leased properties

As of February 28, 2011, we owned 14 parcels of land with a total site area of approximately 1,346,141 square meters and 113 buildings or units with a total GFA of approximately 699,406 square meters. Among these properties, we do not have the relevant title certificates for two parcels of land with an aggregate site area of approximately 82,149 square meters and 24 buildings or units with an aggregate GFA of approximately 103,253 square meters due to various title defects or for other reasons. In addition, among the buildings and units for which we have building title certificates, 23 buildings or units with a total GFA of 45,595 square meters are located on land for which we have not obtained land use rights. For detailed information, please refer to the section entitled "Business – Properties" in this prospectus. We are in the process of applying for the relevant land use rights and building ownership certificates for the properties we hold and we plan to cooperate closely with the local land and property management authorities to expedite such applications. In addition, we intend to complete construction of a new production base in Chengdu by May 2013 and dispose all of our properties in Dongling district, Shenyang in the near future. However, we may not be able to obtain certificates for all of these properties and we may not be able to complete the construction of the new Chengdu production base or dispose our properties in Dongling district as planned. If we are required to relocate our operations on the affected properties, we may incur additional costs as a result of such relocation.

As of February 28, 2011, we leased five parcels of land with a site area of approximately 90,740 square meters and 14 buildings or units with a total GFA of approximately 12,677 square meters in China for residential, production and office purposes. Among these properties leased in China, the land and nine buildings or units leased in China with a total GFA of approximately 10,442 square meters were leased from lessors who were not able to provide the title certificates or documents evidencing the authorization or consent of the owners of such properties. As of February 28, 2011, we leased one parcel of land with a site area of approximately 740 square meters and 57 buildings or units with a total GFA of approximately 32,181 square meters overseas for residential, warehouse and office purposes. Among these properties leased overseas, 18 buildings or units with a total GFA of approximately 6,226 square meters were leased from lessors who were not able to provide the title certificates or documents evidencing the authorization or consent of the owners of such properties. In addition, our lease agreements for a parcel of land with a site area of approximately 7,333 square metres and 11 buildings or units with a total GFA of approximately 4,377 square meters have expired and are in the process of being renewed. As a result, some of our leases may be invalid. If any of our leases is terminated as a result of challenges by third parties or if we fail to renew them, we may be forced to relocate our operations on the affected properties and incur additional costs associated therewith.

As of February 28, 2011, we had three buildings under construction, occupying a total site area of approximately 85,601 square meters with an estimated total aggregate GFA of approximately 48,035 square meters upon completion. We currently do not have the land use right certificates or construction works planning permit for these properties. We are currently in the process of applying for the relevant land use right certificates and have applied to the relevant authorities in order to complete all the procedures required for the application of the relevant construction works planning permit. However, the failure to complete any of these procedures in a timely manner may subject us to the risks of suspension of construction, fines, demolition of properties, and forfeiture of properties and related income. As a result, our results of operations and financial position may be adversely affected.

We may be subject to tax adjustments imposed by the relevant overseas tax authorities

We conduct our curtain wall business around the world through our subsidiaries located in many countries and regions. In the ordinary course of our business, our subsidiaries in China produce curtain wall products in our production bases in China and sell such products to our overseas subsidiaries which undertake curtain wall projects in their respective markets.

Under the laws and regulations of many jurisdictions, the tax authorities typically require intra-group transactions to be carried out on an arm's length basis. While we endeavor to comply with all relevant laws and regulations, we cannot assure you that all relevant tax authorities will deem all our intra-group transactions as being conducted on an arm's length basis by relevant government authorities. If any tax authority challenges any of our intra-group transactions and holds that such intra-group transaction was not conducted on an arm's length basis, we may be subject to tax adjustments imposed by such tax authority. As a result, our business, financial position and results of operation may be adversely affected.

We may not be able to detect and prevent fraud or other misconduct which may be committed by our employees or third parties

Fraud and other misconduct which may be committed by our employees or third parties can be difficult to prevent or deter despite our internal controls and corporate governance practices. Such illegal actions could subject us to financial losses and harm our business and operations. In addition to potential financial losses, improper acts of our employees or third parties could subject us to third party claims and regulatory investigations, in relation to the investigation as described below or otherwise.

One of our employees together with three employees of Yuanda Group are currently involved in an investigation on suspected bribery, infringement of commercial secrets and unfair competition offences in Beijing. This investigation, which commenced in March 2010, is still ongoing and had not led to any formal prosecution or charges against any of these individuals, our Directors, or our Group and its other employees as of the Latest Practicable Date. Liaoning Jingheng Law Firm, the PRC legal counsel to the above four individuals under investigation, has advised that the investigation is not related to our Company or any of our Directors. Nevertheless, we cannot assure you that this investigation or a similar investigation in the future will not expand to include investigations against us, our Directors or senior management. Further details of this investigation are set forth in the section entitled "Business — Legal Proceedings and Material Claims — Investigation against an employee" in this prospectus. Any fraud or other misconduct committed by our employees or third parties, whether involving past acts or future acts, could have an adverse effect on our reputation, business, financial condition and results of operations.

We rely on contract workers sourced from labor agencies and installation services providers for the installation of curtain walls and may be adversely affected by their availability, performance and implementation of relevant safety and environmental protection measures

We usually engage contract workers sourced from labor agencies for projects in China, and outsource installation services in the countries or regions which do not allow import of labor, for the installation of curtain walls. We may face difficulties in completing our projects if we are unable to engage qualified contract workers or installation services providers. If contract workers or installation services providers deliver substandard work, the quality of our project and our reputation may be materially and adversely affected and we may be exposed to litigation and damages claims.

If our contract workers or installation services providers violate any laws, rules or regulations or their actions or omissions cause property damage or personal injuries, we may be exposed to prosecution by the relevant government authorities and may be liable to claims for personal injury and damage to properties. Although we supervise our contract workers and conduct regular visits to our installation services providers, working sites, we cannot assure you that there would not be any violation of laws, rules and regulations by our contract workers or installation services, including the relevant safety and environmental protection measures.

In addition, we face a number of further challenges relating to our installation services providers. We may be unable to identify suitable installation services providers in particular markets, or to agree on mutually satisfactory terms with them, which would limit our ability to execute projects in those markets. By outsourcing a portion of our work, we also assume responsibility for the performance of our installation services providers in the relevant projects. We may also be required to indemnify our customers for any damages caused by our installation services providers. As our installation services providers are independent entities, we may not be able to monitor their performance as thoroughly and effectively as our own operations.

If any of our installation services providers fails to carry out their contractual obligations for any reason, including insolvency or labor disputes, we could be forced to incur significant additional costs to perform their obligations. Moreover, any defective work carried out by our installation services providers could have a negative impact on our reputation, even if we are not at fault, and could hinder our ability to win future contracts. If any of the foregoing events occurs, our business, financial condition and results of operations could be adversely and materially affected.

We directly or indirectly engage labor for the production and installation of curtain walls, and such laborers may launch industrial action or strikes to demand higher wages or shorter working hours

As we directly or indirectly engage labor for the production and installation of curtain walls, we may be subject to labor disputes which are beyond our control. Construction work is usually split into various different trades. Each trade requires highly skilled labor of its own and may not be substituted by labor of other trades. We are therefore exposed to the risk that some trade unions may launch industrial actions or even strikes to demand higher wages and shorter working hours. If we meet their demands, we will incur additional labor costs or, if not, there is a risk that the labor strikes may potentially led to claims against us by our customers for the delays in completion of our contracts. In either case, these industrial actions or strikes may have a material and adverse impact on our profitability and results of operations.

The continued fluctuations of the exchange rates of foreign currencies against Renminbi could adversely impact our profitability and results of operations

We conduct our curtain wall business both in China and overseas. For overseas projects, our contract prices are normally denominated and settled in foreign currencies. Our installation work is generally carried out by contract workers and, to a lesser extent, installation services providers. A majority of these contract workers and installation services providers are hired from China and paid in Renminbi. In addition, a majority of the raw materials are procured from China and paid for in Renminbi. As such, our revenue or expenses for our overseas operations are subject to the risks of continued fluctuations in the exchange rates of foreign currencies, which may have a material and adverse effect on our business, financial condition and results of operations.

The value of Renminbi depends, to a large extent, on domestic and international economic, financial and political developments and the PRC government's policies, as well as supply and demand in the local and international markets. The Renminbi exchange rates could fluctuate significantly against the U.S. dollar or any other foreign currency. For example, the Renminbi had appreciated against the U.S. dollar by 25.4% from July 21, 2005, the date on which the PRC government introduced a managed floating exchange rate system to allow the value of Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies, to December 31, 2010. Appreciation of Renminbi against foreign currencies could result in less revenue and cashflow from our overseas projects in terms of Renminbi and depreciation of our assets dominated in foreign currencies, which could in turn lead to significant foreign exchange losses. Depreciation of Renminbi against foreign currencies could decrease the value of dividends and other distributions payable by our PRC subsidiaries in foreign currency terms. For the year ended December 31, 2009, our foreign exchange gains amounted to RMB36.7 million. For the years ended December 31, 2008 and 2010, our foreign exchange losses amounted to RMB40.7 million and RMB5.2 million, respectively. We cannot predict future exchange rate fluctuations. Although we started to hedge against the risk of appreciation of the Renminbi against the U.S. dollar in 2009, we cannot assure you that such hedging measures will be effective or fully protect us. The appreciation of the Renminbi against the U.S. dollar and other foreign currencies may have a material and adverse impact on our business, financial condition and results of operations.

Extraordinary events such as epidemics, natural disasters, political unrest and terrorist attacks could significantly delay, or even prevent us from completing, our projects

Certain regions in the world, including the cities where we operate, are susceptible to epidemics such as Severe Acute Respiratory Syndrome, or SARS, avian influenza or swine influenza. Past occurrences of epidemics, depending on their scale of occurrence, have caused different degrees of damage to the national and local economies in various countries and regions. A recurrence of SARS, avian influenza or swine influenza or an outbreak of any other epidemics, especially in the cities where we have operations, may result in material disruptions to our curtain wall projects, and our sales and marketing, which in turn could materially and adversely affect our financial condition and results of operations.

Other extraordinary events, including political unrest, terrorist attacks and natural disasters such as earthquakes, snowstorms and hurricanes, could significantly delay our project progress if they occur at a location near to that of our projects, our suppliers or our curtain wall production facilities. Such events may cause personnel casualties, loss of inventory, work disruptions and delays and damages to the buildings under construction or our production facilities. We typically remain obligated to perform our services after a natural disaster or terrorist action unless the contract contains a clause that relieves us of our contractual obligations upon the occurrence such extraordinary events. If we are not able to react quickly upon the occurrence of these types of extraordinary events and our operations are disrupted significantly, and the insurance policies we maintained for the contracts are not adequate to cover all the losses, our business, financial condition and results of operations may be materially and adversely affected.

Our operations in the Middle East and adjacent countries are subject to the risks arising from the political instability and other uncertainties that could impair our ability to operate or expand our business in these areas

We conduct an increasing portion of our business in the Middle East, which has been an important market for us outside China. For the years ended December 31, 2008, 2009 and 2010, we derived 10.3%, 14.2% and 14.8% of our revenue from projects in the Middle East, respectively. Our operations and earnings may be affected to varying degrees in the future by the political instability and other uncertainties in the Middle East and adjacent countries, including war or other armed conflict, civil unrest, acts of terrorism, imposition of exchange controls, sanctions relating to specific countries, forced divestiture of assets, restrictions on production, governmental activities which limit or disrupt markets, expropriation, nationalization, renegotiation or nullification of existing contracts, changes in law or tax policy, and lack of a well-developed legal system which makes it difficult to enforce our contractual rights.

In particular, mass protests against the government have spread from Tunisia to other Middle East and adjacent African countries since December 2010. Such protests, which have led to riots in some of the affected countries, as well as regime change in Tunisia and Egypt and civil war in Libya, may further exacerbate the level of political instability in this region. As of the Latest Practicable Date, our only curtain wall project in Libya had been suspended, but not terminated, and our on-site workers for this project in Libya had been evacuated and brought back to China. We provide curtain wall products for this project without undertaking any installation works. As of December 31, 2010, we had completed 19% of this project, which has a total contract value of approximately 16.3 million Euros (approximately RMB154.4 million). As of the Latest Practicable Date, we had not incurred any losses as a result of the suspension of the project, but had accumulated inventories and delivered curtain wall products for this project with costs amounting to approximately RMB1.1 million for which we had not received payment. If the current situation in Libya continues or exacerbates, we may be unable to collect the above payment and may thus incur losses of up to a maximum amount of approximately RMB1.1 million.

Although none of our other projects in the Middle East and adjacent countries have been delayed or suspended due to the current political situation in these countries, we cannot assure you that they will not occur in the future. As of December 31, 2010, the total net assets of our subsidiaries and branch offices located in the Middle East and adjacent countries were approximately RMB73.4 million. To the extent that our business in these areas is affected by unexpected and adverse political developments or other conditions, we may experience further disruptions to our projects, losses of assets and personnel, and other indirect losses, which could materially and adversely affect our business and results of operations.

In addition, we currently conduct our curtain wall business in each of Kuwait and Qatar through joint ventures with local partners in which we hold a 49% equity interest as local laws do not allow foreign companies to own a majority interest in local operating companies. Through contractual arrangements with local partners in each of Kuwait and Qatar, we are able to control and operate the operating companies in Kuwait and Qatar and capture the economic interests from their operations. For detailed information about our arrangements with these local partners, see the section entitled "History and Reorganization – Reorganization – Arrangements in Kuwait and Qatar" in this prospectus. The total contract value of new contracts attributable to our operations in Kuwait and Qatar during the Track Record Period was RMB195.1 million and RMB311.8 million, respectively, representing approximately 0.7% and 1.1%, of the total contract value of new contracts of our Group during the Track Record Period respectively.

As our operations in Kuwait and Qatar are dependent on the cooperation of the local partners, we have undertaken and started to introduce further measures, including using our best efforts to amend the terms of the existing contractual arrangements, to better protect the interests of the Company in each of Kuwait and Qatar. We cannot assure you that we will be able to amend such agreements at commercial terms acceptable to us. If we fail to reach agreement with the respective local partners on such additional measures, or if our arrangements with these local partners for these joint ventures are terminated for any reason, or if the contractual arrangements with local partners are successfully challenged by third parties or local partners, our operations in these countries may be interrupted. In such event, we will need to find replacements in order to continue our operations. We cannot assure you that we will be able to find other local partners for replacements in a timely manner or at all. If we fail to find a replacement for our existing local partners, our results of operations may be adversely affected.

We are subject to inherent risks in the construction industry such as industrial accidents, fire, personal injury, and suspension of water and electricity supplies, which may adversely affect our reputation and results of operations

We usually commence the installation of curtain wall products after the main contractor has substantially completed the construction of the relevant building. We carry out our installation work when other subcontractors are still carrying out their respective work at the same construction site. We are subject to other construction risks such as industrial accidents, fire, personal injury, suspension of water and electricity supplies, which may not only affect our work progress but may also pose risks to our properties located on the construction site.

Due to the nature of our business, we engage or may engage in highly dangerous work at times, including operations conducted high above ground level. Despite compliance with the requisite safety requirements and standards, we are subject to practical risks surrounding these activities, such as the risk of equipment failure. These hazards can cause personal injury and loss of life, damage to or destruction of property and equipment, any of which could result in us being liable for damages to third parties.

We may also be subject to claims arising from defects in our certain wall products. If we fail to adequately protect ourselves against these potential liabilities, we may be forced to incur substantial costs which could have a material and adverse effect on our financial condition and results of operations. Furthermore, any harm caused by our operations could damage our reputation and relationships with regulators and other customers, which may materially hinder our ability to win new contracts.

We are exposed to environmental liabilities and may have to incur significant capital expenditure if additional or stricter laws and regulations are passed in relation to environmental protection

Under the relevant PRC environmental laws and regulations, the construction, expansion and operation of our production facilities are subject to certain environmental permits and other relevant PRC government environmental approvals. The failure to obtain such permits or approvals may subject us to fines and penalties imposed by the relevant PRC government and we may be required to suspend the use of production facilities or vacate the premises. In addition, as our production processes generate noise, waste water and other industrial wastes, we are also required to comply with applicable national and local environmental regulations. If we fail to comply with present or future applicable environmental regulations, we may be required to pay substantial fines, suspend production or cease operations. Any failure by us to control the use or to restrict adequately the discharge of hazardous substances could subject us to potentially significant monetary damages and fines or suspensions in our business operations, which would have a material adverse effect on our business and results of operations.

In addition, we cannot assure you that future changes in PRC environmental protection laws and regulations will not impose costly compliance requirements on us or otherwise subject us to future liabilities. As China is experiencing substantial issues with environmental pollution, it is likely that the national, provincial and local governmental agencies will adopt regulations setting forth stricter pollution controls and requirements in the future. Any such regulation applicable to the manufacture of our products may require us to incur significant capital expenditure and increase our operating costs.

Moreover, as we plan to establish production facilities overseas, any such production facilities will be subject to the applicable environmental laws and regulations of the relevant overseas jurisdictions. Any failure to comply with such laws and regulations may also subject us to sanctions by the relevant government, which may materially and adversely affect our business, financial condition and results of operations.

Our insurance coverage is limited and we may be required to bear all or a certain portion of the financial consequences of any successful defective product claims or workers' compensation claims made against us, which could have a material and adverse effect on our results of operations and financial condition

We generally do not maintain any defective product or business disruption insurance policies. We generally rely on the umbrella insurance policies for the buildings in which our curtain wall products are installed to cover matters such as workers' compensation claims and we only maintain separate workers' compensation policies in a limited number of instances where we are legally or contractually required to do so. We cannot assure you that the developers or main contractors for our projects will maintain or continue to maintain an umbrella workers' compensation policy that would adequately indemnify us for any related losses or liabilities that we may experience in connection with our work on that project. Moreover, we cannot assure you that we can successfully collect any payouts made under such umbrella insurance policies from our customers. If a defective product or workers' compensation claim is successfully made against us, or if we experience any business disruption, we may have to bear the full amount of any monetary damages ordered against us as well as the costs of any related litigation or arbitration proceedings, which could have a material and adverse effect on our reputation, business, financial condition and results of operations.

We may be exposed to infringement or misappropriation claims related to intellectual property rights by third parties

Our success largely depends on our ability to use and develop our technology, know-how and product designs without infringing the intellectual property rights of third parties. We may be subject to litigation involving claims of patent infringement or violation of other intellectual property rights of third parties. The holders of patents and other intellectual property rights potentially relevant to our product offerings may be unknown to us or may otherwise make it difficult for us to acquire a license on commercially acceptable terms. There may also be technologies licensed to and relied on by us that are subject to infringement or other corresponding allegations or claims by third parties which may damage our ability to rely on such technologies. In addition, although we endeavor to ensure that companies that work with us possess appropriate intellectual property rights or licenses, we cannot fully avoid the risks of intellectual property rights infringement created by suppliers of materials used in our products or by companies we work with in cooperative research and development activities. Our current or potential competitors, many of which have substantial resources and have made substantial investments in competing technologies, may have obtained or may obtain patents that will prevent, limit or interfere with our ability to make, use or sell our products in China or other countries. The defense of intellectual property claims, including patent infringement suits, and related legal and administrative proceedings can be both costly and time consuming, and may significantly divert the efforts and resources of our technical and management personnel. Furthermore, an adverse determination in any such litigation or other proceedings to which we may become a party could cause us to:

- pay damage awards;
- seek licenses from third parties;
- pay additional ongoing royalties;
- redesign our products; or
- be restricted by injunctions.

These factors could effectively prevent us from pursuing some or all of our business and result in our end-user customers or potential end-user customers deferring, cancelling or limiting their purchase or use of our products, which may have a material and adverse effect on our business, financial condition and results of operations.

Our Controlling Shareholders have substantial control over our Company and their interests may not be aligned with the interests of our other Shareholders

Immediately after the Global Offering, our Controlling Shareholders will own in aggregate approximately 70.1% of our Shares (assuming the Over-allotment Option is not exercised and no Shares are issued pursuant to the Share Option Scheme). The interests of our Controlling Shareholders may differ from the interests of our other Shareholders.

Our Controlling Shareholders could have significant influence in determining the outcome of any corporate transaction or other matter submitted to our Shareholders for approval, including mergers, consolidations and the sale of all or substantially all of our assets, election of directors and other significant corporate actions. Without the consent of our Controlling Shareholders, we may be prevented from entering into transactions that could be beneficial to us. In addition, such Controlling Shareholders are also the controlling shareholders of, or may otherwise participate in the management of, certain other companies that are outside of our Group. We cannot assure you that they will act in our interests or that conflicts of interest will be resolved in our favor.

Dividends declared in the past may not be indicative of our dividend policy in the future

For the years ended December 31, 2008, 2009 and 2010, we declared and settled dividends in the amount of RMB115.8 million, RMB818.2 million and nil, respectively. Dividends paid or declared by us in the past may not be indicative of our dividend policy in the future. Our Board has an absolute discretion to recommend any dividend for any year, subject to our Articles of Association, the relevant laws and regulations and our Shareholders' approvals at our general meeting. There is no assurance that dividends of any amount will be declared or distributed in any year.

RISKS RELATING TO CHINA

Our operations may be adversely affected by changes in the economic, political and regulatory environment in China

We conduct a majority of our curtain wall business in China. Accordingly, our results of operations, financial condition, and future prospects are linked to a significant degree to economic, political and social conditions in China. The PRC economy differs from the economies of most developed countries in many respects, for example:

- the amount and degree of government involvement;
- growth rate and degree of development;
- uniformity in the implementation and enforcement of laws;
- content and control of other capital investment;
- control of foreign exchange; and
- allocation of resources.

The PRC economy has been transitioning from a centrally planned economy to a more market-oriented economy. For approximately three decades, the PRC government has implemented economic reform measures to utilize market forces in the development of the PRC economy. In addition, the PRC government continues to play a significant role in regulating industries and the economy through policy measures. We cannot predict whether changes in PRC economic, political or social conditions and in PRC laws, regulations and policies will have any adverse effect on our current or future business, financial condition or results of operations.

In addition, many of the economic reforms carried out by the PRC government are unprecedented or experimental in nature and are expected to be refined and improved over time. Other political, economic and social factors may also lead to further adjustments of the reform measures. This refining and adjustment process may not necessarily have a positive effect on our operations and business development. These actions, as well as future actions and policies of the PRC government, could cause a decrease in the overall level of economic activity, and in turn have a material and adverse impact on our business and financial condition.

Changes in governmental policies, rules and regulations in China may have a significant impact on our business, financial condition and results of operations

Currently, our business and operations in the PRC entail the procurement of licenses and permits from the relevant authorities. Thus, our business and operations in the PRC are subject to the PRC government rules and regulations. Any changes in such government rules and regulations may have a negative impact on our business, financial condition and results of operations. Difficulties or failure in obtaining the required permits, licenses and certificates will result in our inability to continue our business in the PRC. Accordingly, our business, financial condition and results of operations will be adversely affected.

Interpretation of PRC laws and regulations involves uncertainty and the current legal environment in China may limit the legal protection available to you

Our business and operations in China are governed by the PRC legal system. The PRC legal system is based on the PRC constitution and is made up of written laws, regulations, rules and directives. In the event of a breach of any of the foregoing due to an act or omission by our PRC subsidiary, they will be subject to prescribed penalties.

The PRC legal system is a civil law system based on written statutes, and prior court decisions have little, if any, precedential value and can only be used as a reference. Additionally, PRC written laws are often principle-oriented and require detailed interpretations by the enforcement bodies to further apply and enforce such laws. The PRC government is still in the process of developing its legal system so as to meet the needs of investors and to encourage foreign investment. As a result, some degree of uncertainty exists in connection with whether and how existing laws and regulations will apply to certain events or circumstances. Some of the laws and regulations and the interpretation, implementation and enforcement thereof, are still at an experimental stage and are, therefore, subject to changes. Depending on the discretion of governmental agencies or how an application or case is presented to such agencies, we may receive less favorable interpretations of laws and regulations than our competitors. Further, precedents on the interpretation, implementation and enforcement of the PRC laws and regulations are limited, and previous court decisions in China do not have any binding effect on subsequent cases. Accordingly, the outcome of dispute resolutions may not be as consistent or predictable as in the other more developed jurisdictions and it may be difficult to obtain swift enforcement of the laws in China, or to obtain enforcement of a judgment by a court of another jurisdiction.

It may be difficult to effect service of process upon us or our Directors or executive officers who reside in mainland China or to enforce against them in mainland China any judgments obtained from non-PRC courts

We are incorporated in the Cayman Islands. Almost all of our executive Directors and executive officers reside within mainland China, and substantially all of our assets and substantially all of the assets of those persons are located within mainland China. Therefore, it may be difficult for investors to effect service of process upon us or those persons inside mainland China or to enforce against us or them in mainland China any judgments obtained from non-PRC courts.

China does not have treaties providing for the reciprocal recognition and enforcement of judgments of courts with the Cayman Islands and many other countries and regions. Therefore, recognition and enforcement in China of judgments of a court in any of these non-PRC jurisdictions in relation to any matter not subject to a binding arbitration provision may be difficult or impossible.

Our labor costs may increase with the enforcement of the Labor Contract Law and other labor-related regulations in China

The PRC Labor Contract Law (《中華人民共和國勞動合同法》) became effective and was implemented on January 1, 2008. This new labor law and its implementing rules have reinforced the protection for employees, who, under the existing PRC Labor Law, have certain rights, such as the right to have written labor contracts, the right to enter into labor contracts with no fixed terms under specific circumstances, the right to receive overtime wages when working overtime and the right to terminate or alter terms in the labor contracts. In addition, the Labor Contract Law and its implementing rules have amended the existing PRC Labor Law and added some clauses that could increase labor costs. As a result of the requirements imposed by the Labor Contract Law, our historical labor costs may not be indicative of our labor costs going forward.

As the Labor Contract Law and its implementing rules are relatively new, there remains certain uncertainty as to their interpretation and application by the PRC government. However, with the enforcement of the Labor Contract Law and other labor-related regulations in China, our labor costs may increase, which may materially and adversely affect our business and results of operations.

We rely principally on dividends paid by our subsidiaries to fund our cash and financing requirements, and any limitation on the ability of our PRC subsidiaries to pay dividends to us could have a material adverse effect on our ability to conduct our business

We are a holding company and rely principally on dividends paid by our subsidiaries for cash requirements, including the funds necessary to service any debt we may incur. If any of our subsidiaries incurs debt in its own name, the instruments governing the debt may restrict dividends or other distributions on its equity interest to us. Furthermore, applicable PRC laws, rules and regulations permit payment of dividends by our PRC subsidiaries on a consolidated basis only out of their retained earnings, if any, determined in accordance with the PRC accounting standards. Our PRC subsidiaries are required to set aside a certain percentage of their after-tax profit based on the PRC accounting standards each year for their reserve fund in accordance with the requirements of relevant laws and provisions in their respective articles of associations. As a result, our PRC subsidiaries may be restricted in their ability to transfer any portion of their net income to us in the form of dividends. Any limitation on the ability of our subsidiaries to pay dividends to us could materially adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our businesses, pay dividends or otherwise fund and conduct our business.

Under the new PRC Corporate Income Tax Law and its implementation regulations, PRC income tax at the rate of 10% is applicable to dividends paid by PRC enterprises to "non-resident enterprises" (enterprises that do not have an establishment or place of business in China, or that have such establishment or place of business but the relevant income is not effectively connected with such establishment or place of business) subject to the application of any relevant income tax treaty that China has entered into, which provides for a lower withholding tax rate. A company incorporated in Hong Kong may be subject to withholding tax at a rate of 5% (after obtaining approval from the relevant tax authorities) on dividends it receives from its PRC subsidiaries if it holds a 25% or more interest in the PRC subsidiary at the time of the distribution and is the beneficial owner of the dividend. If we or our non-PRC subsidiaries are considered "non-resident enterprises," any dividend that we or any such non-PRC subsidiary receive from our PRC subsidiaries may be subject to PRC taxation at the 10% rate (or the lower treaty rate).

Furthermore, pursuant to the Provisional Measures for the Administration of Withholding of Enterprise Income Tax for Non-resident Enterprises (《非居民企業所得稅源泉扣繳管理暫行辦法》), or the Measures, promulgated in January 2009, entities in China which have direct obligation to make the following types of payments to a non-resident enterprise must withhold income taxes for the non-resident enterprise: income from equity investment (including dividends and other return on investment), interest, rent, royalties, and income from assignment of property as well as other income subject to enterprise income taxes received by non-resident enterprises. The relevant tax withholder which enters a business contract or agreement relating to any income as prescribed in the Measures with a non-resident enterprise for the first time must apply to the competent tax authority for the withholding tax registration within 30 days of the date of conclusion of the contract and must also comply with other continuing filing and recording requirements subsequently. Where the relevant tax withholder fails to withhold tax according to the relevant rules or is unable to perform its obligation of withholding, the non-resident enterprise must, within seven days of the date of payment or due payment by the relevant tax withholder, file an enterprise income tax return with the competent tax authority of the place where the income is derived. Failure to perform the obligations of withholding or payment properly or at all by the relevant tax withholder or the non-resident enterprise may result in fines and other penalties.

We may be deemed a PRC resident enterprise under the new PRC Corporate Income Tax Law and related implementation rules, and be subject to PRC taxation on our worldwide income

We are a Cayman Islands holding company with a majority of our operations conducted through our operating subsidiaries in China. Under the new PRC Corporate Income Tax Law that took effect on January 1, 2008, enterprises established outside China whose "de facto management bodies" are located in China are considered "resident enterprises" for PRC tax law purposes and will generally be subject to the uniform 25% enterprise income tax rate as to their global income. Under the implementation regulations issued by the State Council relating to the new PRC Corporate Income Tax Law, a "de facto management body" is defined as the body that has the significant and overall management control over the business, personnel, accounts and properties of an enterprise. In April 2009, the State Administration of Taxation promulgated a circular to clarify the definition of "de facto management bodies" for enterprises incorporated overseas with controlling shareholders being PRC enterprises. It, however, remains unclear how the tax authorities will treat an overseas enterprise invested or controlled by another overseas enterprise and ultimately controlled by a PRC individual resident as is in our case. Although we have not been, and are currently not, treated as a PRC resident enterprise by the relevant PRC tax authorities, substantially all of our management is currently based in China and will remain in China. As a result, we may be treated as a PRC resident enterprise for PRC enterprise income tax purposes and subject to the uniform 25% enterprise income tax as to our global income in the future. You should also read the risk factor entitled "— Dividends payable by us to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under PRC tax laws" below. If we are treated as such a PRC resident enterprise under the PRC tax law, we could face adverse tax consequences.

Dividends payable by us to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under PRC tax laws

Under the new PRC Corporate Income Tax Law and its implementation regulations issued by the State Council, to the extent such dividends for earnings derived since January 1, 2008 are sourced within China and we are considered a "resident enterprise" for PRC tax law purposes, then PRC income tax at the rate of 10% is applicable to dividends payable by us to investors that are "non-resident enterprises" so long as any such "non-resident enterprise" investor does not have an establishment or place of business in China or, despite the existence of such establishment or place of business in China, the relevant income is not effectively connected with such establishment or place of business in China. A lower withholding tax rate may apply if such "non-resident enterprise" is incorporated in a jurisdiction that has entered into an income tax treaty or agreement with China that allows a lower withholding. Similarly, any gain realized on the transfer of the Shares by such "non-resident enterprise" investors is also subject to a 10% PRC income tax if such gain is regarded as income derived from sources within China and we are considered a "resident enterprise" in China. If we are required under the new tax law to withhold PRC income tax on our dividends payable to our foreign shareholders who are "non-resident enterprises," or if you are required to pay PRC income tax on the transfer of our Shares, the value of your investment in our Shares may be materially adversely affected. It is unclear whether, if we are considered a PRC "resident enterprise," holders of our Shares might be able to claim the benefit of income tax treaties or agreements entered into between China and other countries or regions.

Restriction on currency conversion may limit our ability to utilize our revenue and funds effectively

The PRC government imposes controls on the conversion of Renminbi into foreign currencies and, in certain cases, the remittance of foreign currencies out of China. Shortages in the availability of foreign currency may restrict the ability of our PRC subsidiaries to remit sufficient foreign currency to pay dividends or other amounts to us, or to satisfy their foreign currency denominated obligations.

Under existing PRC foreign exchange regulations, payments of current-account items, including profit distributions, interest payments and operation-related expenditures, may be remitted in foreign currencies without prior approval from the relevant foreign exchange administration authorities by complying with certain procedural requirements. However, we cannot assure you that the PRC government will not take further measures in the future to restrict access to foreign currencies for current account transactions. Strict control applies to capital account transactions. Pre-approval or registration is required where Renminbi is to be converted into foreign currency and remitted out of China to pay for capital expenses. We cannot assure you that we will be able to obtain these approvals on a timely basis, or at all.

Government control of foreign exchange transactions may affect our ability to finance our PRC subsidiaries

Subsequent to this Global Offering, we have the choice, as permitted by the PRC foreign investment regulations, to invest our net proceeds from this Global Offering in the form of registered capital of our PRC subsidiaries to finance our operations. Our choice of investment is affected by the relevant PRC regulations with respect to capital-account and current-account foreign exchange transactions in China. In addition, the transfer of funds from us to our subsidiaries in China is subject to registration with or approval by PRC governmental authorities. On August 29, 2008, SAFE promulgated Circular 142, a notice regulating the conversion by a foreign-invested company of foreign currency-denominated capital contribution into Renminbi by restricting how the converted Renminbi may be used. The notice requires that the Renminbi converted from the foreign currency-denominated capital contribution of a foreign-invested company may only be used for purposes within the business scope approved by the applicable governmental authority and may not be used for equity investments, nor, except in the case of foreign investment property enterprises, can the Renminbi be used for acquisition of non-self-occupied property in China unless otherwise provided by laws and regulations. In addition, SAFE strengthened its oversight of the flow and use of Renminbi funds converted from the foreign currency-denominated capital of a foreign-invested company. The use of such Renminbi may not be changed without approval from SAFE, and may not be used to repay Renminbi loans if the proceeds of such loans have not yet been used for purposes within the company's approved business scope. Violations of Circular 142 may result in severe penalties, including substantial fines as set forth in the related foreign exchange rules.

These limitations on the flow of funds from us to our PRC subsidiaries could restrict our ability to act in response to changing market conditions, which could adversely affect their liquidity and their ability to fund their working capital and expansion projects.

We face taxation uncertainty with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies.

Pursuant to the Notice on Strengthening Administration of Enterprise Income Tax for Share Transfers by Non-PRC Resident Enterprises (《關於加强非居民企業轉讓所得企業所得稅管理的通知》), or Circular 698, issued by the State Administration of Taxation on December 10, 2009 with retroactive effect from January 1, 2008, where a non-resident enterprise transfers the equity interests of a PRC resident enterprise indirectly through disposing of the equity interests of an overseas holding company, or Indirect Transfer, and such overseas holding company is located in a tax jurisdiction that: (i) has an effective tax rate less than 12.5% or (ii) does not tax foreign income of its residents, the foreign investor shall report this Indirect Transfer to the competent tax authority of the PRC resident enterprise. Using a "substance over form" principle, the PRC tax authority may disregard the existence of the overseas holding company if it lacks a reasonable commercial purpose and was established for the purpose of avoiding PRC tax. As a result, gains derived from such Indirect Transfer may be subject to PRC withholding tax at a rate of up to 10%. Circular 698 also provides that, where a non-PRC resident enterprise transfers its equity interests in a PRC resident enterprise to its related parties at a price lower than the fair market value, the relevant tax authority has the power to make a reasonable adjustment to the taxable income of the transaction.

There is uncertainty as to the application of Circular 698. For example, while the term "Indirect Transfer" is not clearly defined, it is understood that the relevant PRC tax authorities may have jurisdiction regarding requests for information over a wide range of foreign entities having no direct contact with China. Moreover, the relevant authority has not yet promulgated any formal provisions or formally declared or stated how to calculate the effective tax rates in foreign tax jurisdictions, and the process and format of the reporting of an Indirect Transfer to the competent tax authority of the relevant PRC resident enterprise. In addition, there are not any formal declarations with regard to how to determine whether a foreign investor has adopted an abusive arrangement in order to avoid PRC tax. Since January 1, 2008, we have been involved in one transaction which should be taxed under Circular 698, which is the transfer of 25% equity interest in Shenyang Yuanda from Yuanda Singapore to Yuanda Hong Kong in November 2010. In accordance with Circular 698, we withheld and paid tax, on behalf of Yuanda Singapore, amounting to a total of RMB5.2 million in connection with the transfer. In the future, we may become at risk of being taxed under Circular 698 if we carry out any overseas equity transfers which indirectly involves the transfer of equity interests in PRC resident enterprises in the future and we may be required to spend valuable resources to comply with Circular 698 or to establish that we should not be taxed under Circular 698, which may have a material adverse effect on our financial condition and results of operations.

Regulations relating to offshore investment activities by PRC residents may limit our ability to contribute capital into or provide loans to our PRC subsidiaries, limit our subsidiaries' ability to pay dividends or distribute profits to us, or otherwise adversely affect us

Pursuant to SAFE's Notice on Relevant Issues Concerning Foreign Exchange Administration for Domestic Residents to Engage in Financing and Inbound Investment via Overseas Special Purpose Vehicles (《關於境內居民通過境外特殊目的公司境外融資及返程投資外滙管理有關問題的通知》) ("Circular No. 75"), issued on October 21, 2005, (i) a PRC resident, including a PRC resident natural person or a PRC company, must register with the local branch of SAFE before he establishes or controls an overseas special purpose vehicle ("SPV") for the purpose of overseas equity financing (including convertible debt financing); (ii) when a PRC resident contributes his assets of or equity interests in a domestic enterprise into a SPV, or engages in overseas financing after contributing such assets or equity interests into a SPV, such PRC resident must register his interest in the SPV and the change thereof with the local branch of SAFE; and (iii) when the SPV undergoes a material event outside of China, such as a change in share capital or merger and acquisition, the PRC resident must, within 30 days from the occurrence of such event, register such change with the local branch of SAFE.

SAFE subsequently provided further guidance to its local branches with respect to the operational process for SAFE registration under Circular No. 75, which standardized more specific and stringent supervision on the registration relating to Circular No. 75. If the PRC resident fails to make the required initial SAFE registration or update the previously filed registration, the PRC subsidiaries of the SPV established or controlled by the PRC resident may be prohibited from distributing their profits and the proceeds from any reduction in capital, share transfer or liquidation to the SPV, and the SPV may also be prohibited from injecting additional capital into its PRC subsidiaries. Our current Shareholders have already completed the relevant foreign exchange registrations required under Circular No. 75. In light of the changes in our shareholding structure due to the recent investment by the Financial Investor, our current Shareholders who are PRC residents have already applied for the relevant registrations for such changes in accordance with Circular No. 75. The Company's PRC legal counsel are not aware of any substantial legal impediments arising from such procedures. However, we cannot assure you that all of our Shareholders who are PRC residents will remain in compliance with the relevant SAFE regulations to make or update any applicable registrations or comply with other requirements required by these rules or other related rules in the future. The failure or inability of our PRC control persons to make any required registrations or comply with other requirements may limit our ability to contribute additional capital into or provide loans to our PRC subsidiaries (including using the proceeds from this offering), limit our PRC subsidiaries' ability to pay dividends or otherwise distribute profits to us, or otherwise adversely affect us.

Any changes in the PRC governmental policies regarding foreign investments in China may adversely affect our business, financial condition and results of operations

Foreign-invested enterprises are subject to foreign investment policies and laws in the PRC. Under the Foreign Investment Catalogue that came into effect on December 1, 2007, we do not fall under the prohibited or the restricted categories of business. There is no assurance that we will not fall under such categories subsequent to any change in the foreign investment policies and laws or that we will not be subject to more stringent restrictions on our operation and business, which may adversely affect our operational business, financial condition and results of operations.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior public market for our Shares and their liquidity and market price may be volatile, which could result in substantial losses for investors subscribing for or purchasing our Shares pursuant to the Global Offering

Prior to the Global Offering, there was no public market for our Shares. The initial issue price range for our Shares was the result of negotiations among us and the Joint Global Coordinators on behalf of the Underwriters, and the Offer Price may differ significantly from the market price for our Shares following the Global Offering. We have applied for listing of, and permission to deal in, our Shares on the Stock Exchange. A listing on the Stock Exchange, however, does not guarantee that an active trading market for our Shares will develop, or if it does develop, will be sustained following the Global Offering or that the market price of our Shares will not decline following the Global Offering. In addition, there can be no assurance that the Global Offering will result in the development of an active and liquid public trading market for our Shares. Furthermore, the price and trading volume of our Shares may be volatile. Factors such as the following may affect the volume and price at which our Shares will trade:

- actual or anticipated fluctuations in our results of operations;
- announcements of new curtain wall projects by us or our competitors;
- reduction of or restriction on financing for the construction and real estate industries;
- news regarding recruitment or loss of key personnel by us or our competitors;

- announcements of competitive developments, acquisitions or strategic alliances in our industry;
- changes in earnings estimates or recommendations by financial analysts;
- potential litigation or regulatory investigations;
- general market conditions or other developments affecting us or our industry;
- the operating and stock price performance of other companies, other industries and other events or factors beyond our control; and
- release of lock-up or other transfer restrictions on our outstanding Shares or sales or perceived sales of additional Shares by us, the Controlling Shareholders or other Shareholders.

You should note that the stock prices of companies in the construction and real estate industries have experienced wide fluctuations. Such wide market fluctuations may adversely affect the market price of our Shares.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are not related to the operating performance of particular companies. For instance, during the global economic downturn and financial market crisis begun around the middle of 2008, the global stock markets witnessed drastic price drops with heavy unprecedented selling pressure. Many stocks fell to a fraction of their highs in 2007. These market fluctuations may also materially and adversely affect the market price of our Shares.

As the Offer Price is higher than our net tangible book value per Share, you will experience immediate dilution and may experience further dilution if we issue additional Shares in the future

The Offer Price of the Shares is higher than the net tangible book value per share issued to existing holders of our Shares. Therefore, you and other purchasers of the Shares in the Global Offering will experience an immediate dilution in pro forma net tangible book value and existing holders of our Shares will receive an increase in net tangible book value per share of their Shares. If we issue additional Shares or equity-linked securities in the future, you and other purchasers of our Shares may experience further dilution in the net tangible assets book value per Share if we issue additional Shares at a price lower than the net tangible assets book value per Share at the time of their issuance.

We cannot guarantee the accuracy of facts, forecasts and other statistics derived from various official government publications with respect to various jurisdictions contained in this prospectus

Facts, forecasts and other statistics in this prospectus relating to various jurisdictions in which we have operations and the curtain wall industry have been derived from various official government publications. However, we cannot guarantee the quality or reliability of the source materials. They have not been prepared or independently verified by us, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Underwriters or any of our or their respective affiliates or advisors and, therefore, we make no representation as to the accuracy of such facts, forecasts and statistics, which may not be consistent with other information compiled. We have, however, exercised reasonable care in the reproduction and extraction of such facts, forecasts and statistics from the relevant official government publications for the purpose of inclusion in this prospectus. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the facts, forecasts and statistics in this prospectus may be inaccurate or may not be comparable to facts, forecasts and statistics produced with respect to other economies. Furthermore, there can be no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Therefore, you should not unduly rely upon the facts, forecasts and statistics with respect to such jurisdictions and the curtain wall industry contained in this prospectus.

You may face difficulties in enforcing your shareholder's rights because we are incorporated in the Cayman Islands, and the Cayman Islands laws relating to the protection of minority shareholders may differ in some respects from the laws of Hong Kong or other jurisdictions

Our corporate affairs are governed by our Memorandum of Association and the Articles and by the Companies Law and common law of the Cayman Islands. The laws of the Cayman Islands relating to the protection of the interests of minority shareholders differ in some respects from those established under statutes and judicial precedents in existence in Hong Kong and other jurisdictions. Such differences may mean that the remedies available to our minority shareholders may be different from those they would have under the laws of Hong Kong or other jurisdictions. Please see the section entitled "Summary of the Constitution of the Company and Cayman Islands Company Law" in Appendix VI to this prospectus.

Future issues, offers or sales of our Shares may adversely affect the prevailing market price of our Shares

Future issue of the Shares by our Company or the disposal of the Shares by any of our Shareholders or the perception that such issues or sale may occur, may negatively impact the prevailing market price of the Shares. Moreover, future sales or perceived sales of a substantial amount of our Shares or other securities relating to our Shares, could adversely affect our ability to raise capital in the future at a time and at a price which we deem appropriate. Our Shareholders may experience dilution in their holdings in the event we issue additional securities in future offerings. The Shares held by the Controlling Shareholders are subject to certain lock-up undertakings for a period of up to six months after the Listing Date. Details of such lock-up undertakings are set out in the paragraph entitled "Undertakings" in the section entitled "Underwriting" in this prospectus. We cannot give any assurance that they will not dispose of their Shares they may own now or in the future.