
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

Please see the sections headed “Business – Our Business Strategies” in this document for further information regarding our future plans.

PROPOSED USE OF NET PROCEEDS FROM THE [REDACTED]

We estimate that the aggregate net proceeds from the [REDACTED] (after deducting underwriting fees and estimated expenses payable by us in connection with the [REDACTED]), assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the proposed [REDACTED] of HK\$[REDACTED] to HK\$[REDACTED] per Share, will be approximately [REDACTED].

We currently intend to apply these net proceeds for the following purposes:

- approximately [REDACTED] or HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million) will be used to finance the expansion of our manufacturing facilities to increase our production capacity to over 80 units of asphalt mixing plants per year, of which:
 - approximately [REDACTED] or HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million) will be used for the acquisition of land;
 - approximately [REDACTED] or HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million) will be used to finance the development and construction of the manufacturing facilities; and
 - approximately [REDACTED] or HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million) will be used for the purchase of equipment for the manufacturing facilities;
- approximately [REDACTED] or HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million) will be used to fund our research and development activities, including the upgrades on computer software and hardware and investment in research and development projects;
- approximately [REDACTED] or HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million) will be used to finance the development of our new businesses, including the manufacturing components of asphalt mixing plants and asphalt mixtures for sale;
- approximately [REDACTED] or HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million) will be used to fund the expansion of our sales and distribution networks, including increasing the head counts of our sales personnel and setting up overseas service centres, as well as promotional activities;

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- approximately [REDACTED] or HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million) will be used for working capital and other general corporate purposes.

To the extent that the net proceeds from the [REDACTED] are not sufficient to fund the uses set forth above, we intend to fund the balance through a variety of means including cash generated from our operations and bank financing. We currently believe that the net proceeds from the [REDACTED], when combined with such alternate sources of financing, are sufficient for the uses set forth above.

If the [REDACTED] is finally determined at HK\$[REDACTED] per [REDACTED], being the high-end of the stated [REDACTED], the net proceeds will be increased by approximately HK\$[REDACTED] million. If the [REDACTED] is finally determined at HK\$[REDACTED] per [REDACTED], being the low end of the stated [REDACTED], the net proceeds will be reduced by approximately HK\$[REDACTED] million. To the extent our net proceeds are either more or less than expected, we will adjust our allocation of the net proceeds for the above purposes on a pro rata basis.

In the event that the [REDACTED] is exercised in full and based on the mid-point of the indicative [REDACTED], we estimate that we will receive additional net proceeds from the [REDACTED] of HK\$[REDACTED] million, deducting underwriting fees and estimated expenses payable by us. The additional proceeds received from the exercise of the [REDACTED] will be applied pro rata to the abovementioned purposes.

To the extent that the net proceeds from the [REDACTED] are not immediately applied for the above purposes, we will deposit the net proceeds into interest-bearing bank accounts. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.