
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS AND PROSPECTS

Please refer to the section “Business — Our Business Strategies” for details of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds from the Global Offering of approximately HK\$1,449.8 million, after deducting the underwriting fees and expenses payable by us in the Global Offering, and assuming the Over-allotment Option is not exercised and an Offer Price of HK\$1.33 per Share, being the mid-point of the Offer Price range stated in this prospectus. We intend to use these net proceeds for the following purposes:

- Approximately 60% of the net proceeds (approximately HK\$869.9 million, assuming an Offer Price of HK\$1.33, being the mid-point of the Offer Price range) will be used to finance the land acquisition, construction and development of our projects with MOUs signed. We plan to focus on five MOUs in Jiangsu, Shangdong, Liaoning, Henan and Chongqing that are more likely to materialize based on prevailing market conditions;
- Approximately 30% of the net proceeds (approximately HK\$434.9 million, assuming an Offer Price of HK\$1.33, being the mid-point of the Offer Price range) will be used to finance the construction and development of our projects other than projects with MOUs signed; and
- Approximately 10% of the net proceeds (approximately HK\$145.0 million, assuming an Offer Price of HK\$1.33, being the mid-point of the Offer Price range) will be used for working capital and other general corporate purposes.

In the event that the Offer Price per share is not finally determined to be HK\$1.33, the amount of proceeds for each use set out above will be increased or reduced, as the case may be, on a pro-rata basis.

In the event that the Over-allotment Option is exercised in full, we estimate we would receive additional net proceeds of approximately HK\$227.6 million, assuming an Offer Price of HK\$1.33 per Share, being the mid-point of the Offer Price range stated in this prospectus. We intend to use the additional net proceeds proportionately as stated above.

To the extent our net proceeds are not sufficient to fund the purposes set out above, we intend to fund the balance through a variety of means, including cash generated from operations and bank loans and other borrowings.