
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

Please see the section headed “Business – Business Strategy” in this prospectus for a detailed description of our future plans.

USE OF PROCEEDS

We estimate that the aggregate net proceeds to our Company from the Global Offering (after deducting underwriting fees and estimated expenses in connection with the Global Offering payable by us and assuming that the Over-allotment Option is not exercised and an Offer Price of HK\$7.80 per Share, being the mid-point of the indicative Offer Price range stated in this prospectus) will be approximately HK\$10,586.0 million. We currently intend to apply such net proceeds for the following purposes:

- approximately 35%, or HK\$3,705.1 million, for the expansion of our production capacity and penetration of the industrial market, particularly in the transportation sectors, by installing additional production lines for our industrial aluminum extrusion products. In addition, we may accomplish this goal by selectively acquiring reputable aluminum extrusion products manufacturers with growth potential in the production of industrial aluminum extrusion products. As of the date of this prospectus, we have not yet identified any suitable targets;
- approximately 35%, or HK\$3,705.1 million, to purchase manufacturing equipment and facilities for the production of downstream value-added industrial aluminum extrusion products which we expect will expand our product offerings and enhance our competitiveness;
- approximately 15%, or HK\$1,587.9 million, to repay existing debts due and payable in the next 12 months. Upon Listing, we will determine the priority of loans to be repaid based on the maturity dates of existing banking facilities and interest rates;
- approximately 5%, or HK\$529.3 million, for the enhancement of our research and development activities and facilities; and
- approximately 10%, or HK\$1,058.6 million, for working capital and general corporate purposes.

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.

Any additional net proceeds that we would receive from any exercise at any price within the stated Offer Price range, in full or in part, of the Over-allotment Option may be applied in the manner and the proportions stated above.

To the extent that our net proceeds are not immediately used for the above purposes and to the extent permitted by the relevant laws and regulations, we intend to deposit the net proceeds into short-term interest bearing deposits and/or money market instruments.