
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

Please see the section entitled “Business—Our Strategies” for a detailed description of our future plans.

USE OF PROCEEDS

Assuming an Offer Price of HK\$2.29 per H share (which is the mid-point of the indicative Offer Price range set forth on the cover page of the prospectus), we estimate that we will receive net proceeds of approximately HK\$4,511.7 million from the Global Offering after deducting the underwriting commissions and other estimated expenses of approximately HK\$248.2 million payable by us, if the Over-allotment Option is not exercised. If the Over-allotment Option is exercised in full, we estimate that the additional net proceeds to us from the offering of these additional H Shares will be approximately HK\$690.7 million, after deducting the underwriting commissions and other estimated expenses, assuming an Offer Price of HK\$2.29 per H Share. In line with our strategies, we intend to use the net proceeds from the Global Offering for the purposes and in the amounts set forth below (assuming that the Over-allotment Option is not exercised):

- Approximately 30% of the net proceeds, or HK\$1,353.5 million, will be used for our environmental protection and energy conservation solutions business, among which (i) approximately 25%, or HK\$1,127.9 million, is expected to be used for our desulfurization concession operations, of which, approximately 60%, or HK\$676.8 million, will be used in payment for equipment, approximately 30%, or HK\$338.3 million, will be used in construction and installation and approximately 10%, or HK\$112.8 million, will be used in design and technical services payments, and (ii) approximately 5%, or HK\$225.6 million, is expected to be used for our EMC operations, of which, on average, approximately 75%, or HK\$169.2 million, will be used in equipment procurement, approximately 15%, or HK\$33.8 million, will be used in construction, installation and testing of equipment, and approximately 10%, or HK\$22.6 million, will be used in technical services, management and miscellaneous administration; the specific proportion for each project may vary depending on the specific service scope of the EMC project;
- Approximately 30% of the net proceeds, or HK\$1,353.5 million, will be used for our renewable energy equipment manufacturing and services business, among which (i) approximately 10%, or HK\$451.2 million, is expected to be used in our wind power products and services business for technology upgrade, new model WTG production facilities construction and production capacity expansion of the core parts and components of WTGs, of which approximately 30%, or HK\$135.3 million, will be used in production equipment procurement, approximately 30%, or HK\$135.3 million, will be used in construction, installation and testing of production equipment, and the remaining will be used in land and technology acquisition and working capital of the production base, and (ii) approximately 20%, or HK\$902.3 million, is expected to be used in our solar power products and services business mainly for working capital used in strengthening and developing our solar power plant EPC business;

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- Approximately 5% of the net proceeds, or HK\$225.6 million, will be used to support our technical R&D projects in the areas of environmental protection and energy conservation, wind power and solar power products and services;
- Approximately 5% of the net proceeds, or HK\$225.6 million, will be used to increase the working capital of our overseas subsidiaries and develop our international sales and marketing network, in order to expand our international market shares in the areas of energy conservation, and wind power and solar power products and services;
- Approximately 20% of the net proceeds, or HK\$902.3 million, will be used for repayment of bank loans; and
- Approximately 10% of the net proceeds, or HK\$451.2 million, will be used for working capital and other general corporate purpose.

To the extent that our net proceeds are either more or less than expected (assuming that the Over-allotment Option is not exercised), we will adjust our allocation of the net proceeds for the above purposes on a pro rata basis.

If the Over-allotment Option is exercised in full, we intend to use the additional HK\$690.7 million in our environmental protection and energy conservation solutions business.

To the extent that the net proceeds of the Global Offering are not immediately required for the above purposes, the Directors currently intend that such proceeds will be placed on short-term deposits with licensed banks or financial institutions in Hong Kong or the PRC.