
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

Please refer to the sections headed “Business — Business Strategies” and “Business — Future Plans for Ramping-Up Mining and Processing Capacities” in this Prospectus for a detailed discussion of our future plans.

USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately HK\$1,287 million from the Global Offering, after deducting the underwriting commissions and other estimated offering expenses payable by us and assuming the initial public Offer Price of HK\$2.80 per Share, being the mid-point of the indicative Offer Price range set forth on the cover page of this Prospectus.

We intend to use the proceeds from the Global Offering for the purposes and in the amounts set out below:

- approximately 70%, or HK\$901 million, is expected to be used from 2011 through 2014 to finance the construction of the main production facilities of the Zhangjiaba Mine and marble slab processing facilities, procure mining and processing equipment, and acquire land use rights. See “Business — Future Plans for Ramping-Up Mining and Processing Capacities”;
- approximately 20%, or HK\$257 million, is expected to be used from 2011 through 2015 to establish distribution channels and networks to sell our marble products and to build our brands. See “Business — Business Strategies — Establish a strong customer base and strengthen customer relationships”; and
- approximately 10%, or HK\$129 million, is expected to be used from 2012 through 2015 primarily to acquire and develop additional marble reserves, including the payment of considerations for the acquired exploration and mining rights and the financing of construction and development of the acquired reserves. See “Business — Business Strategies — Expand our marble resources through further expansion and selective acquisitions”.

To the extent that the net proceeds from the Global Offering are not immediately applied to the above purposes, we intend to deposit the proceeds into interest-bearing bank accounts, such as short-term savings accounts or basic short-term money market funds, with licensed commercial banks and/or authorized financial institutions in Hong Kong or China.

If the Offer Price is set above the mid-point of the proposed Offer Price range, we intend to increase the amount of net proceeds allocated for the acquisition and development of additional marble reserves. If the Offer Price is set below the mid-point of the proposed Offer Price range, we intend to decrease the amount of net proceeds allocated for general corporate purposes and the acquisition and development of additional marble reserves.

The Selling Shareholder will be selling a portion of its Shares in the Global Offering. The net proceeds of the Global Offering to the Selling Shareholder (after deducting underwriting commissions payable by the Selling Shareholder in connection with the Global Offering and assuming an Offer Price of HK\$2.80 per Share, being the mid-point of the indicative Offer Price range) will be approximately HK\$216 million, assuming the Over-allotment Option is not exercised. We will not receive any of the proceeds from the sale of the Sale Shares by the Selling Shareholder in the Global Offering or pursuant to the exercise of the Over-allotment Option.