

---

## FUTURE PLANS AND [REDACTED]

---

### REASONS FOR [REDACTED]

Our Directors believe that the [REDACTED] will benefit our Group as it will (i) allow our Group to gain access to equity capital market funding; and (ii) increase the profile of our Group and enable our Group to be considered more favourably by our customers, suppliers and bankers, given that a [REDACTED] company is subject to ongoing regulatory compliance for announcements, financial disclosure and corporate governance. In addition, we intend to implement our business strategies and future plans as detailed in this section and the paragraph headed “Business – Business strategies” in this document, which require funding and are intended to be financed by the proceeds from the [REDACTED].

Our Directors had considered and evaluated different [REDACTED] venues including Hong Kong and Singapore and have concluded that Hong Kong is the suitable venue to pursue a [REDACTED] after taking into account the liquidity of the stock market in Hong Kong. Our Directors consider that the level of trading activities on a stock exchange is one of the key factors indicating the ease of conducting secondary fund raising exercises after a [REDACTED]. For instance, a secondary fund raising exercise such as a secondary [REDACTED] of shares would generally be easier and more attractive to investors if there is a more liquid market, because a more liquid market generally means that there are more ready and willing buyers (who may invest in the shares under the fund raising exercise) and sellers (who may realise their investment subsequently) in the market.

According to the data compiled by the World Bank, in 2016, the turnover ratio of stocks traded in the Hong Kong stock market was 42.2% while the turnover ratio of stocks traded in the Singapore stock market was 31.9%. Based on the information from the Stock Exchange, the average daily turnover of stocks in Hong Kong was approximately HK\$105.6 billion (S\$18.4 billion) and HK\$66.9 billion (S\$11.6 billion) for each of the two years ended 31 December 2016 respectively. By comparison, according to the Singapore Exchange Limited, the average daily turnover of stocks in Singapore was only approximately HK\$6.3 billion (S\$1.1 billion) and HK\$6.3 billion (S\$1.1 billion) for each of the two years ended 31 December 2016 respectively.

Based on the higher average daily turnover of stocks in Hong Kong compared to Singapore, our Directors consider that the Hong Kong stock market has a higher liquidity than the Singapore stock market. It would therefore be easier for us to conduct secondary fund raising in the Hong Kong stock market, if necessary, for our further expansion in the future, than in the Singapore stock market.

### NO [REDACTED] APPLICATION MADE IN SINGAPORE

Our Directors confirmed that we have not applied for [REDACTED] in Singapore in the past and at present, and to the best of their knowledge and belief, there would have been no impediments to our [REDACTED] application if we were to apply for [REDACTED] in Singapore.

---

## FUTURE PLANS AND [REDACTED]

---

### FUTURE PLANS

Please refer to the paragraph headed “Business – Business Strategies” in this document for our Group’s business strategies and future plans.

[REDACTED]

The net proceeds to be received by us from the [REDACTED] based on the [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] per [REDACTED] to HK\$[REDACTED] per [REDACTED], after deducting related expenses of approximately HK\$[REDACTED] million in connection with the [REDACTED], are estimated to be approximately HK\$[REDACTED] million. Our Directors presently intend that the net proceeds will be applied as follows:

- (i) approximately HK\$[REDACTED] million (equivalent to approximately S\$[REDACTED] million), representing approximately [REDACTED]% of the estimated net proceeds, for the acquisition of an additional property with gross floor area of approximately 900 to 1,000 sq. ft. for workshop and office use by the year ending 30 June 2019 to (i) accommodate the planned expansion of our manpower; and (ii) secure more spaces for the fabrication of our radiation shielding products;
- (ii) approximately HK\$[REDACTED] million (equivalent to approximately S\$[REDACTED] million), representing approximately [REDACTED]% of the estimated net proceeds, for strengthening our manpower by recruiting additional staff (including project management staff, site supervisors, quantity surveyors, interior designers, skilled workers for ACMV and carpentry works and site workers) to (a) reduce our needs for subcontracting services and the associated expenses incurred therefrom; and (b) increase our in-house capacity in undertaking more integrated design and building services projects.

The following table sets out the intended amount, nature and timing of our plan to recruit additional staff:

<b>For the year ending 30 June</b>	<b>Additional staff to be employed by positions</b>	<b>Number of additional staff to be employed during the year</b>
2018	– Project management staff	2
	– Site supervisor	1
	– Site worker	2
	– Skilled worker for ACMV and carpentry works	6
	– Administration and finance staff	3

Total: 14

---

**FUTURE PLANS AND [REDACTED]**

---

<b>For the year ending 30 June</b>	<b>Additional staff to be employed by positions</b>	<b>Number of additional staff to be employed during the year</b>
2019	– Project management staff	2
	– Site supervisor	1
	– Quantity surveyor	1
	– Site worker	2
	– Skilled worker for ACMV and carpentry works	3
	– Interior designer	2
		Total: 11
2020	– Skilled worker for ACMV and carpentry works	5
	– Administration and finance staff	1
		Total: 6

For the year ending 30 June 2018, 2019 and 2020, approximately HK\$[REDACTED] million (equivalent to approximately S\$[REDACTED] million), HK\$[REDACTED] million (equivalent to approximately S\$[REDACTED] million) and HK\$[REDACTED] million (equivalent to approximately S\$[REDACTED] million) will be allocated for recruiting and retaining the additional staff, respectively.

- (iii) approximately HK\$[REDACTED] million (equivalent to approximately S\$[REDACTED] million), representing approximately [REDACTED]% of the estimated net proceeds, for increasing our reserve for financing the issue of performance guarantees in favour of our customers;
- (iv) approximately HK\$[REDACTED] million (equivalent to approximately S\$[REDACTED] million), representing approximately [REDACTED]% of the estimated net proceeds, for financing the acquisition of (i) additional motor vehicles to accommodate the increase in our transportation needs; and (ii) additional machinery to carry out lifting and carpentry works.

---

## FUTURE PLANS AND [REDACTED]

---

The following table sets out the intended amount, nature and timing of our plan to acquire additional machinery and motor vehicles:

For the year ending 30 June	Type of motor vehicles and machinery	Number of units	Amount
2018	- Motor vehicle	2	HK\$[REDACTED] million
	- Lifting machinery	1	(equivalent to approximately S\$[REDACTED] million)
2019	- Motor vehicle	2	HK\$[REDACTED] million
	- Machinery for carpentry works	1	(equivalent to approximately S\$[REDACTED] million)
	- Lifting machinery	1	S\$[REDACTED] million)
2020	- Motor vehicle	2	HK\$[REDACTED] million
	- Machinery for carpentry works	1	(equivalent to approximately S\$[REDACTED] million)
	- Lifting machinery	1	S\$[REDACTED] million)

- (v) approximately HK\$[REDACTED] million (equivalent to approximately S\$[REDACTED] million), representing approximately [REDACTED]% of the estimated net proceeds, for increasing our marketing efforts by promoting our brand awareness and market presence in the medical-related construction industry in Singapore; and
- (vi) approximately HK\$[REDACTED] million (equivalent to approximately S\$[REDACTED] million), representing approximately [REDACTED]% of the estimated net proceeds for use as our general working capital.

To the extent that the net proceeds are not immediately applied to the above purposes and to the extent permitted by applicable laws and regulations, we intend to deposit the net proceeds into short-term interest-bearing deposits or treasury products with authorised financial institutions and/or licensed banks in Singapore or Hong Kong.

We will issue an announcement in the event that there is any material change in the [REDACTED] of the [REDACTED] as described above.