

## APPENDIX 1

### UPDATE ON THE USE OF PROCEEDS RAISED FROM INITIAL PUBLIC OFFERING OF THE COMPANY PURSUANT TO RULE 1207(19) OF THE LISTING MANUAL OF SGX-ST

The Company has raised HK\$66 million from its initial public offering (“IPO”) through issuance of 88 million new shares at HK\$0.75 each on 23 June 2008.

As at the date of the Annual Report, the total net proceeds of HK\$92.7 million (after deducting IPO expenses as disclosed on page 35 of the Company’s Prospectus dated 11 June 2008) were utilised as follows:-

	Amount Allocated HK\$' million	Amount Utilised HK\$'million	Balance HK\$'million
Plant, Machinery and production facilities	22.8	22.8	-
Research and development	11.4	5.7	5.7
Sales and marketing network	5.7	2.8	2.9
Manufacturing facilities for the production of automobile parts	22.8	-	22.8
General working capital	30	30	-
	<u>92.7</u>	<u>61.3</u>	<u>31.4</u>