FUTURE PLANS

See "Business — Our Business Strategies" for a detailed description of our future plans.

USE OF [REDACTED]

We estimate that we will receive **[REDACTED]** of approximately HK$**[REDACTED]** (equivalent to approximately RMB**[REDACTED]**) from the **[REDACTED]**, assuming that the **[REDACTED]** is not exercised, after deducting the **[REDACTED]** commissions and other estimated **[REDACTED]** expenses payable by us and assuming the initial **[REDACTED]** of HK$**[REDACTED]** per Share, being the mid-point of the indicative **[REDACTED]** range.

In line with our strategies, we intend to use the **[REDACTED]** from the **[REDACTED]** for the purposes and in the amounts set forth below:

- approximately **[REDACTED]**%, or HK$**[REDACTED]**, is expected to be used for the automation upgrade for mining operations and production of ammonium phosphates products, of which:

  (i) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, is expected to be used for the procurement of intelligent mining robots, specifically tunneling robots, self-driving forklifts, and autonomous underground hauler; and complementary automation software systems such as fundamental information platform and integrated dispatch platform;

  (ii) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, is expected to be used for the procurement of intelligent manufacturing equipment for ammonium phosphate production, including automated conveying system, automatic palletizing system; and distributed control system;

- approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, is expected to be used for the investments for the phosphogypsum-based acid by-product cementitious admixture circular economy project, including:

  (i) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, is expected to be used for procurement of automation hardware equipment for phosphogypsum-to-sulphuric acid production, particularly, vertical grinding mill, acid pump and sulfur dioxide blower;

  (ii) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, is expected to be used for the procurement of general-purpose equipment, such as dedusting and filtration equipment.

- approximately **[REDACTED]**%, or HK$**[REDACTED]**, is expected to be used for strategic alliances and collaboration on potential mining operations. We aim for a mature resource site that has relatively sufficient reserves and proximity to transportation. As of the Latest Practicable Date, we have not identified any target;

- approximately **[REDACTED]**%, or HK$**[REDACTED]**, is expected to be used for the research and development, including the upgrading and enhancement of our existing products and R&D for new products and auxiliary materials. In terms of the upgrading and enhancement of our existing products, it mainly includes (a) the R&D of electronic-grade MAP as an iterative upgrade from technical-grade MAP; and (b) desilication research on the Yulinxi Phosphate

Mine to enhance phosphate ore purity. In terms of R&D for new products and auxiliary materials, it mainly includes (a) the research of an anti-caking additive for water-soluble monoammonium phosphate; (b) a formulation research project for auxiliary materials used in production; and (c) the PPA project. Specifically:

(i) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, is expected to be used for the procurement of laboratory equipment, experimental apparatus supplies and consumables;

(ii) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, is expected to be used for the establishment and construction of R&D infrastructure, including an R&D building with laboratories; and the recruitment and training of R&D personnel; and increasing our cooperation with renowned domestic and international research institutions in our research and development efforts;

- approximately **[REDACTED]**%, or HK$**[REDACTED]**, is expected to be used for repayment of bank loans, of which:

(i) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, is expected to be used to repay loans from Hubei Yuan'an Rural Commercial Bank which will become due in 2027 and 2028, respectively;

(ii) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, is expected to be used to repay loans from the Yichang Branch of Shanghai Pudong Development Bank which will become due in 2027; and

- approximately **[REDACTED]**%, or HK$**[REDACTED]**, is expected to be used for working capital purposes.

The above allocation of the **[REDACTED]** will be adjusted on a pro rata basis in the event that the **[REDACTED]** is fixed at a higher or lower level compared to the mid-point of the estimated **[REDACTED]** range of HK$**[REDACTED]** to HK$**[REDACTED]** per **[REDACTED]**.

To the extent our **[REDACTED]** are either more or less than expected, we will increase or decrease the allocation of the **[REDACTED]** to the above purposes on a pro-rata basis.

In addition, to the extent that the **[REDACTED]** of the **[REDACTED]** are not immediately applied to the above purposes and to the extent permitted by the relevant law and regulations, the unused **[REDACTED]** will only be held in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions). We will make an appropriate announcement if there is any material change to the above proposed use of **[REDACTED]**.

If the **[REDACTED]** is fully exercised, we will receive additional net **[REDACTED]** of approximately HK$**[REDACTED]** for **[REDACTED]** additional Shares to be allotted and issued upon the full exercise of the **[REDACTED]** based on the **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the mid-point of the **[REDACTED]** range, and after deducting the **[REDACTED]** fees, commissions SFC transaction levy, AFRC transaction levy and the expenses payable by us. The additional amount raised will be applied to the above areas of use of **[REDACTED]** on pro-rata basis. We expect to finance the shortfall if the net **[REDACTED]** of the **[REDACTED]** are less than our expected expenditure by using our internal funds and/or funds to be obtained from other financing activities, as appropriate.