
FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

For a detailed description of our future plans, see “Business — Our Growth Strategies.”

USE OF [REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per H Share (being the midpoint of the range of [REDACTED] stated in this document), we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED] after deducting the [REDACTED] and other estimated expense paid and payable by us in connection with the [REDACTED] (assuming the [REDACTED] Option is not exercised). In line with our strategies, we intend to use our [REDACTED] for the purposes and in the amounts set forth below.

- Approximately [REDACTED]%, or approximately HK\$[REDACTED], is expected to be used to construct new facilities and upgrade our existing production facilities and lines, including:
 - Approximately [REDACTED]%, or approximately HK\$[REDACTED], is expected to be used to support capacity expansion across both high-speed EML chips and optical modules in order to capture market demand driven by the build-out of AI infrastructure. Through capital support for our optical transceiver business, we will strengthen its business operations and supply chain, enhance its capacity build-out and large-scale delivery capabilities, and consolidate its leading position in the high-end optical module market.
 - Approximately [REDACTED]%, or approximately HK\$[REDACTED], is expected to be used to construct new production facilities for Multek in Zhuhai focusing on high-end PCBs. We expect to purchase new manufacturing equipment for our infrastructure enhancement effort, primarily including drilling machine, exposure machine and plating machine, to support the manufacturing of advanced PCBs. The investment is expected to be deployed by approximately [REDACTED]% in each year over a two-year period. We expect to complete the rollout of the additional capacity in two phases, with phase I commencing production in the third quarter of 2026 and phase II in the second quarter of 2027. Based on current orders from key customers, as well as our assessment of market demand, we expect the new capacity to achieve a 100% utilization rate upon reaching full ramp-up.

This investment will address supply gaps and further enhance our portfolio by growing the proportion of advanced PCBs such as high-layer count RPCB and high-build-up HDI, consistent with our commitment to high-end manufacturing capabilities. We believe this will enable us to satisfy medium- to long-term market demand and customers’ needs in high-density, high-speed PCBs and optimize our product portfolio to satisfy the increasing demand for AI computing.

We have obtained the approvals required for the project and are in compliance with applicable industry regulatory requirements. Phase I has obtained all key approval documents and is ready to commence construction, and we will proceed to obtain the remaining approvals and complete the required registrations for Phase II in accordance with applicable laws and regulations. As of the Latest Practicable Date, we have invested approximately HK\$777.8 million in the land acquisition, factory construction and equipment procurement for Phase I of the project.

- Approximately [REDACTED]%, or approximately HK\$[REDACTED], is expected to be used to upgrade and enhance our production facilities in China. Specifically, we plan to improve our manufacturing execution and quality management systems and implement

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additional software upgrades to support our intelligent manufacturing system in production facilities in China.

We expect to purchase smart CNC machine tools, industrial robots, vision inspection systems and 5G industrial modules, to further improve our manufacturing efficiency and level of automation for high-layer-count RPCB. Specifically, approximately [REDACTED]%, or approximately HK\$[REDACTED], is expected to be used for hardware upgrades, including production equipment, data collection systems and infrastructure facilities; approximately [REDACTED]%, or approximately HK\$[REDACTED], is expected to be used for software and service investments, including core software, technical services and supporting services. We expect to deploy these investments over a two-year period on a phased basis, using approximately [REDACTED]% of the total amount in the first year and approximately [REDACTED]% in the second year. Based on our current assessment of market demand, we expect these initiatives to further increase our production capacity and manufacturing capabilities in AI PCBs. These improvements will enable greater data integration throughout production, increase operational efficiency and improve yield management. Ultimately, these initiatives will strengthen supply chain resilience and enhance our service capabilities.

These investments will enable us to stay aligned with customer needs, expand our portfolio in step with AI-driven demand by concentrating resources on high-growth products and secure positions in tier-one global customers’ supply chains. Upon completion of the full investment and achievement of full ramp-up, our PCB production is expected to reach a designed annual production capacity of approximately 636.0 thousand square meters.

- Approximately [REDACTED]%, or approximately HK\$[REDACTED], is expected to be used for potential strategic investments or acquisitions to strengthen our technological leadership and leading market position in our core businesses. We may selectively pursue equity investments or acquisitions across the value chain in the PCB, precision component and optical transceiver industries. In assessing potential targets, we would primarily focus on factors including: (i) strategic fit with our core product lines and end markets and the extent to which the target can enhance our key capabilities; (ii) the existence of strong technical moats, including proprietary know-how, differentiated process capabilities, patents or other barriers to entry; (iii) clear product-market fit supported by a competitive and scalable product roadmap; (iv) demonstrable and sustainable customer demand, evidenced by established customer relationships or validated qualification status with reputable customers, which is expected to facilitate cross-selling and deepen our customer penetration; (v) operational quality and scalability, including manufacturing maturity, yield and quality systems, supply chain resilience and capacity expansion potential; and (vi) integration feasibility and execution risk, including cultural fit, management depth and the ease of integrating operations, systems and governance.

As of the Latest Practicable Date, we have not identified any specific targets nor entered into any definitive agreements.

- Approximately [REDACTED]%, or approximately HK\$[REDACTED], is expected to be used for repayment of a portion of our existing indebtedness, including:
 - (i) outstanding balance of RMB[REDACTED] under a loan used to finance Phase I construction of Yancheng Dongchuang’s precision component production facility in Yancheng, with a maturity date of December 20, 2027 and interest rate of one-year LPR minus 45 basis points per annum;

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- (ii) outstanding balance of RMB[REDACTED] under a loan used to finance the Phase II construction of Yancheng Dongchuang’s precision manufacturing production facility in Yancheng, with a maturity date of December 21, 2028 and interest rate of one-year LPR minus 45 basis points per annum;
 - (iii) outstanding balance of RMB[REDACTED] under a loan used to finance the Phase I construction of Suzhou Dongyue’s precision manufacturing production facility in Suzhou, with a maturity date of April 6, 2030 and interest rate of over-five-year LPR minus 100 basis points per annum; and
 - (iv) outstanding balance of RMB[REDACTED] under a loan used to finance the Phase II construction of Suzhou Dongyue’s precision manufacturing production facility in Suzhou, with a maturity date of June 4, 2034 and interest rate of over-five-year LPR minus 110 basis points per annum.
- Approximately [REDACTED]%, or approximately HK\$[REDACTED], is expected to be used for working capital and general corporate purposes.

In the event that the [REDACTED] is set at the maximum [REDACTED] or the minimum [REDACTED] of the indicative [REDACTED], the net [REDACTED] of the [REDACTED] will increase or decrease by approximately HK\$[REDACTED], respectively (assuming the [REDACTED] is not exercised). We intend to apply the additional or reduced net [REDACTED] to the above uses on a pro rata basis.

The additional net [REDACTED] that we would receive if the [REDACTED] was exercised in full would be (i) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the maximum [REDACTED]), (ii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the mid-point of the [REDACTED]) and (iii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the minimum [REDACTED]). To the extent that the net [REDACTED] from the [REDACTED] (including the net [REDACTED] from the exercise of the [REDACTED]) are either more or less than expected, we may adjust our [REDACTED] of the net [REDACTED] for the above purposes on a pro rata basis.

In the event that certain parts of our development plans are hindered due to factors such as changes in government policies or force majeure events, our directors will carefully evaluate the situation and may [REDACTED] the net [REDACTED] from the [REDACTED]. Should there be any significant changes to the intended use of [REDACTED], we will make appropriate disclosures in accordance with the Hong Kong Listing Rules.

To the extent that the net [REDACTED] from the [REDACTED] are not immediately used for the above purposes or if we are unable to effect any part of our future development plans as intended, we will only deposit such funds 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 applicable laws and regulations in other jurisdiction). In such event, we will comply with the appropriate disclosure requirements under the Hong Kong Listing Rules.