FUTURE PLANS

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

USE OF [REDACTED]

Assuming an [REDACTED] of HK$[REDACTED] per H Share (being the low-point of the range of the [REDACTED] stated in this Document), we estimate that we will receive net [REDACTED] of approximately HK$[REDACTED] from the [REDACTED] after deducting the [REDACTED] commissions and other estimated expense paid and payable by us in connection with the [REDACTED] (assuming that the [REDACTED] 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 expand our automotive-grade IC packaging and testing capacity to increase our market share in response to robust demand from the smart vehicle intelligent cabin and in-vehicle display markets, including:

  - Approximately [REDACTED]%, or approximately HK$[REDACTED], is expected to be used to procure production equipment, including equipment for bumping, CP, COG and COF processes, to support our expanded automotive-grade ICs production lines.

  - Approximately [REDACTED]%, or approximately HK$[REDACTED], is expected to be used to procure ancillary equipment and tools, including packaging tools, reliability testing equipment and other testing equipment and related hardware, to ensure our production lines meet the stringent reliability and quality requirements for in-vehicle applications.

  - Approximately [REDACTED]%, or approximately HK$[REDACTED], is expected to be used for personnel expenditures, including the recruitment and remuneration of R&D personnel, process engineers and equipment engineers to support technology development and process optimization of our automotive-grade production lines; and

  - Approximately [REDACTED]%, or approximately HK$[REDACTED], is expected to be used for materials and components, mainly including bumping materials and substrates required for our automotive-grade ICs packaging and testing.

  We believe investments will enable us to scale our automotive-grade IC packaging and testing capabilities in line with the accelerating electrification and digitalization in vehicles, strengthen our position as a preferred supply chain partner for leading automotive OEMs and suppliers and capture a greater share of the fast-growing in-vehicle IC market.

- Approximately [REDACTED]%, or approximately HK$[REDACTED], is expected to enhance our R&D capabilities through our process technologies and proprietary R&D platform: HITS. The HITS platform is our advanced packaging technology platform for high-end mobile devices and AI-driven applications. It is designed to leverage an organic interposer-based architecture to enable wafer-level planar integration of multiple chips, including logic SoCs, DRAM, LPDDR and connectivity components such as Wi-Fi within a single package. This provides higher performance, smaller form factor and strengthened thermal efficiency. The [REDACTED] will be applied as follows:

  - Approximately [REDACTED]%, or approximately HK$[REDACTED], is expected to be used for R&D projects under the HITS platform, including the procurement of production equipment and packaging materials. These projects will cover integration development, process development and stacking development, with a goal to build up our capabilities in next-generation advanced packaging.

  - o Approximately [REDACTED]%, or approximately HK$[REDACTED], is expected to be used to invest in R&D infrastructure in packaging process under the HITS platform. Specifically, we plan to procure (a) tools for photomask design, substrate design and packaging simulation; and (b) intelligent software systems, such as ERP, MES and other data analytics software.

  - o Approximately [REDACTED]%, or approximately HK$[REDACTED], is expected to be used to maintain and expand our R&D team. We plan to recruit R&D managers, R&D engineers, process engineers and equipment engineers who will be responsible for the planning, implementation and optimization of our R&D projects under the HITS platform.

  These investments are intended to reinforce our leadership in advanced packaging and testing, accelerate time-to-market for next-generation products and further strengthen the technical barriers that differentiate our offerings from those of our competitors.

- Approximately [REDACTED]%, or approximately HK$[REDACTED], is expected to be used for potential investments and acquisitions. In addition to the organic growth of our core packaging and testing business, we intend to selectively pursue strategic collaborations, investments and acquisition opportunities within the semiconductor assembly and testing industry to enhance our overall competitiveness in high-end advanced packaging and testing services.

  Our strategic investments and acquisitions will focus on memory IC, high-performance computing chips or other IC packaging and testing companies in the AI and consumer electronics sectors, in response to the structural opportunities arising from AI infrastructure buildout and the surging demand for advanced memory ICs. See "Business — Our Growth Strategies".

  We will target companies capable of generating synergies with our existing business and technology, enriching our product portfolio and leveraging our customer relationships and management strengths. The valuation of potential targets is expected to range from approximately RMB500 million to RMB5,000 million, with annual revenue of approximately RMB200 million to RMB1,200 million, subject to market conditions. In assessing potential targets, we will primarily consider: (i) whether the target possesses advanced technologies or intellectual property consistent with our strategy; (ii) the experience and stability of its management and research and development team; and (iii) the sustainability of its business model and its competitive position within its target sector. As of the Latest Practicable Date, we have not identified any specific acquisition targets nor entered into any definitive or binding agreements in respect of any potential acquisition.

- 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 median [REDACTED] of the indicative [REDACTED] range, the net [REDACTED] of the [REDACTED] will increase by approximately HK$[REDACTED] or HK$[REDACTED], respectively (assuming that the [REDACTED] is not exercised). We intend to apply the additional 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 Offer Price), (ii) HK$[REDACTED] (assuming an [REDACTED] of HK$[REDACTED] per H Share, being the mid-point of the [REDACTED] range) 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 more than expected, we may adjust our allocation 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 reallocate 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.