## FUTURE PLANS

Please refer to "Business — Our Strategies" in this document for a detailed discussion of our future plans.

## USE OF [REDACTED]

We estimate that we will receive net **[REDACTED]** from the **[REDACTED]** of approximately HK$**[REDACTED]**, after deducting **[REDACTED]**, fees and estimated expenses payable by us in connection with the **[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per Share, being the mid-point of the **[REDACTED]**. We currently intend to apply these net **[REDACTED]** for the following intended purposes in the amounts set forth below:

- approximately HK$**[REDACTED]**, representing **[REDACTED]**% of the net **[REDACTED]**, is expected to be used for expanding and upgrading our Suzhou and Huangshi production plants, and setting up the production facilites at our new Kunshan production plant for production, and thereby expanding our production capacity for FCBGA Substrates.

  According to Frost & Sullivan, the market size of IC substrates in Chinese Mainland has demonstrated an overall growth trend with continued structural differentiation. FCBGA Substrates have recorded the most significant growth, with its market size increasing from RMB4.1 billion in 2021 to RMB7.7 billion in 2025, representing a CAGR of 17.0% from 2021 to 2025. It is expected to further increase to RMB23.9 billion by 2030, with a CAGR of 25.4% from 2026 to 2030, becoming the core growth driver for the overall market expansion.

  Our revenue attributable to the sales of FCBGA Substrates for FY2023, FY2024 and FY2025 amounted to RMB1,635.5 million, RMB2,130.3 million and RMB2,229.0 million, respectively. The sales of our FCBGA Substrates have consistently contributed over 50% of our revenue during the Track Record Period. During the Track Record Period, the production capacity of our FCBGA Substrates production facility increased significantly from over 50% to nearly 80%. We consider that our success and growth will depend on our ability to capture the growing demand for FCBGA Substrates based on the purchase plan and forecast of our customers, which in turn lies in the expansion our production capacity.

  The net **[REDACTED]** expected to be used to expand and upgrade our Suzhou and Huangshi production plants and establish our new production plant in Kunshan, is expected to be applied as follows:

  (i) approximately HK$**[REDACTED]**, representing **[REDACTED]**% of the net **[REDACTED]**, will be used as part of the fund required for setting up production area with cleanroom facilities in our Kunshan production plant with a total area of 46,000 sq.m., with the remaining fund being sourced from our internal resources;

  (ii) approximately HK$**[REDACTED]**, representing **[REDACTED]**% of the net **[REDACTED]**, will be used for the purchase and set up of supporting facilities (such as electricity supply, compressed air machines, purified water and wastewater treatment etc.) for our newly established production area with cleanroom facilities of approximately 8,000 sq.m. in our Suzhou production plant.

(iii) approximately HK$**[REDACTED]**, representing **[REDACTED]**% of the net **[REDACTED]**, for procurement of equipment for the copper electroplating process and other equipment which could alleviate us from certain production bottle neck in enable us to meet our existing and potential customers' demands. Other equipment ("**Other Equipment**") includes laser drilling equipment, stepper imaging equipment, high-precision laminating and film-pressing equipment and electrical testing equipment.

We intend to purchase and set up one set of copper electroplating equipment and 46 sets of Other Equipment in 2027, one set of copper electroplating equipment and 36 sets of Other Equipment in 2028 and one set of copper electroplating equipment and 27 sets of Other Equipment in 2029;

(iv) approximately HK$**[REDACTED]**, representing **[REDACTED]**% of the net **[REDACTED]**, for the enhancement of our smart manufacturing and digital management system;

The above amount will be applied for (a) the iterative development of an in-house manufacturing execution system, in order to enhance end-to-end production traceability and optimise scheduling; (b) functional expansion of our ERP system, supply chain digitalisation and the development of a quality management platform; and (c) automation retrofitting of production processes and the procurement of automated equipment such as robotic arms and automated guided conveying machines.

We intend to incur approximately HK$**[REDACTED]**, HK$**[REDACTED]**, HK$**[REDACTED]** and HK$**[REDACTED]** in 2027, 2028, 2029 and 2030, respectively, for the enhancement of our smart manufacturing and digital management systems.

With the above progressive upgrade of our existing production plants and establishment of our new Kunshan production plant, we expect that we can produce an additional of around 200 million units of FCBGA Substrates for each year from 2028 to 2030.

Based on the above, we intend to apply approximately HK$**[REDACTED]**, HK$**[REDACTED]**, HK$**[REDACTED]** and HK$**[REDACTED]** in 2027, 2028, 2029 and 2030, respectively, for upgrading our Suzhou and Huangshi production plants and setting up our production plant in Kunshan, and thereby our expanding production capacity for FCBGA Substrates.

- approximately HK$**[REDACTED]**, representing **[REDACTED]**% of the net **[REDACTED]**, is expected to be used for further strengthening our technological R&D capability, as follows:

  (i) approximately HK$**[REDACTED]**, representing **[REDACTED]**% of the net **[REDACTED]**, for procurement of R&D equipment for the development of cutting-edge technologies and processes, such as high precision laser drill machine, copper surface pre-treatment line, ABF lamination line, high precision direct imaging exposure machine, solder ball mounters, solder ball planarisation (flattening) equipment, high uniformity lamination line, charged coupled device (CCD) alignment routing equipment, electroless copper deposition line, copper plating line, high uniformity stripping and etching line and high precision saw line, for details, please see "Business — Our strategies — Continue to invest in technology R&D to enhance long-term differentiating technological advantages".

  During the Track Record Period, we incurred RMB125.7 million, RMB224.4 million and RMB239.5 million for FY2023, FY2024 and FY2025, respectively, on R&D. Our Directors are of the view that, to maintain our leading marketing positioning in the PRC, it is crucial we keep ourselves abreast of the latest development in the industry and take lead in R&D of edge cutting technologies which may be applied to IC substrates in two to three years' time.

  It is intended these R&D initiatives will be conducted by us independently and we intend to apply HK$**[REDACTED]**, HK$**[REDACTED]**, HK$**[REDACTED]** and HK$**[REDACTED]** for 2027, 2028, 2029 and 2030, respectively, on R&D.

  With the above progressive strengthening in our R&D capability, we expect that the results of our research in cutting edge technologies and process development will enable us to enhance our production quality, yield and efficiency and develop new IC Substrate products.

  (ii) approximately HK$**[REDACTED]**, representing **[REDACTED]**% of the net **[REDACTED]**, for general enhancement of the our R&D centre, including procurement of more advanced high-precision testing equipment, ion milling equipment, X-ray and other physical and chemical property analysis and failure analysis equipment, equipment for process trials and rapid prototyping and upgrading the laboratories utilities and office facilities. We intend to apply HK$**[REDACTED]**, HK$**[REDACTED]**, HK$**[REDACTED]** and HK$**[REDACTED]** for 2027, 2028, 2029 and 2030, respectively, for this purpose.

(iii) approximately HK$**[REDACTED]**, representing **[REDACTED]**% of the net **[REDACTED]**, for recruitment of talents to support our R&D department. We intend to hire additional personnel in the manner set out below:

| | **Approximate number of personnel to be hired** | | | |
|---|---|---|---|---|
| | **2027** | **2028** | **2029** | **2030** |
| Recruiting talents including graduates with higher degree and engineers in the relevant fields for R&D team | [62] | [22] | [23] | [8] |

We intend to apply HK$**[REDACTED]**, HK$**[REDACTED]**, HK$**[REDACTED]** and HK$**[REDACTED]** for 2027, 2028, 2029 and 2030, respectively, for recruitment of talents to support our business operations.

- approximately HK$**[REDACTED]**, representing **[REDACTED]**% of the net **[REDACTED]**, is expected to be used as general working capital of our Group.

In the event that the **[REDACTED]** is set at the maximum **[REDACTED]** or the minimum **[REDACTED]** of the indicative **[REDACTED]** and the **[REDACTED]** is not exercised, the net **[REDACTED]** of the **[REDACTED]** will increase or decrease by approximately HK$**[REDACTED]**, respectively. To the extent that the net **[REDACTED]** from the **[REDACTED]** are either more or less than expected, we will adjust our allocation of the net **[REDACTED]** for the above purposes on a pro rata basis.

The net **[REDACTED]** that we would receive if the **[REDACTED]** were exercised in full would be (i) HK$**[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per Share, being the maximum **[REDACTED]**), (ii) HK$**[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per Share, being the mid-point of the **[REDACTED]** range) and (iii) HK$**[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per Share, being the minimum **[REDACTED]**).

In the event that the **[REDACTED]** is exercised in full, we intend to apply the additional **[REDACTED]** to the above purposes on a pro rata basis. In the event that the actual amount of net **[REDACTED]** is insufficient to cover our expenses for the above plans, we intend to fund the shortfall through various means, including cash generated from operations, bank loans, and other borrowings.

If any part of our plan does not proceed as planned for reasons such as changes in government policies that would render the development of any of our plans not viable, or the occurrence of force majeure events, we will carefully evaluate the situation and may reallocate the net **[REDACTED]** from the **[REDACTED]**. In the event of any material change in our use of net **[REDACTED]** of the **[REDACTED]** from the purposes described above, we will timely issue a formal announcement.

To the extent that the net **[REDACTED]** of the **[REDACTED]** are not immediately used for the purposes described above and to the extent permitted by the relevant laws and regulations, we will only deposit the net **[REDACTED]** into short-term interest-bearing accounts with licensed commercial banks and/or authorised financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.