FUTURE PLANS

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

USE OF [REDACTED]

We estimate that we will receive [**REDACTED**] from the [**REDACTED**] of approximately [**REDACTED**], after deducting [**REDACTED**], fees and estimated expenses payable by us in connection with the [**REDACTED**], assuming no [**REDACTED**] is exercised and an [**REDACTED**] of [**REDACTED**] per [**REDACTED**], being the maximum [**REDACTED**] stated in this document.

In line with our strategies, we intend to use the [**REDACTED**] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

(a) approximately [**REDACTED**]%, or approximately [**REDACTED**], of the [**REDACTED**] will be used to expand and upgrade our production capacity for high value-added products to meet AI-driven demand and enhance our manufacturing capabilities. In particular:

(i) approximately [**REDACTED**]%, or approximately [**REDACTED**], of the [**REDACTED**] will be used to substantially increase production capacity in Jinwan production base (Zhuhai City, Guangdong Province) for HLC PCB and high-build-up HDI PCB, primarily for the procurement of next-generation high-precision automated equipment including laser drilling machines, PLB horizontal plating lines, CT penetration tester, and CCD back-drilling machines. Despite the procurement of automated equipment, our need for additional staff, particularly those with requisite expertise to operate various equipment, still sustains as we expand production capacity and some key production steps still require human operations. We also plan to hire approximately 2,000 staff for our Jinwan production base (Zhuhai City, Guangdong Province) in the following five years; and

(ii) approximately [**REDACTED**]%, or approximately [**REDACTED**], of the [**REDACTED**] will be used to upgrade production capacity in Longchuan production base (Heyuan City, Guangdong Province) for multilayer FPC for edge AI and smart device applications, primarily the purchase of high-precision equipment to serve lightweight, highly integrated multilayer FPC used in AI smartphones, premium wearables, smart home devices and displays, including roll-to-roll high-speed exposure machines, carbon dioxide laser drilling machines, ultraviolet laser drilling machines, and picosecond laser cutting machines. We also plan to hire approximately 900 staff for our Longchuan production base (Heyuan City, Guangdong Province) in the following five years.

(b) approximately [**REDACTED**]%, or approximately [**REDACTED**], of the [**REDACTED**] will be used to strengthen our research and development and technology reserves in next-generation electronic information technologies. In particular:

(i) approximately [**REDACTED**]%, or approximately [**REDACTED**], of the [**REDACTED**] is expected to be allocated to pursue breakthroughs in AI computing infrastructure and next-generation high-speed interconnect solutions, including R&D for HLC PCB and high-build-up HDI PCB, AI accelerator cards, Z-direction interconnect backplanes, and ultra-high-speed switch PCB (including 224G/448G, CPO/CPC), as well as application and mass-production processes for next-generation ultra-low-loss materials; and

(ii) approximately [**REDACTED**]%, or approximately [**REDACTED**], of the [**REDACTED**] is expected to advance our long-term oriented layout in high-end automotive electronics PCB technologies for intelligent connected vehicles, targeting automotive-grade PCB for millimeter-wave radar and domain controllers.

To facilitate the foregoing R&D initiatives, over the next five years, we plan to recruit 1,000 R&D talents, covering all levels, including more than 80 high-level talents focusing on tackling core technical challenges. We expect at least 95% of such R&D talents to have a full-time undergraduate degree, and at least 300 of them to have a master's degree or above. Moreover, the target candidates should possess R&D capabilities for high-end PCB products with expertise in electronic information engineering, materials or chemistry, and have more than five years of R&D experience in these areas.

(c) approximately [**REDACTED**]%, or approximately [**REDACTED**], of the [**REDACTED**] will be used to repay a portion of our existing interest-bearing bank borrowings. The bank loans to be repaid have maturity dates ranging from 2027 to 2034, with annual interest rates ranging from 2.4% to 4.5%. This is expected to optimize our capital structure, lower our asset-liability ratio, reduce interest expenses and free up cash flow for core business development, thereby strengthening our resilience against macroeconomic volatility.

(d) approximately [**REDACTED**]%, or approximately [**REDACTED**], of the [**REDACTED**] will be used for working capital and other general corporate purposes, including raw material procurement, employee compensation, logistics and other day-to-day operating needs to support our ongoing business expansion and globalization.

To the extent that our [**REDACTED**] are not sufficient to fund the purposes set out above, we intend to fund the balance through a variety of means, including cash available on hands, bank loans and other borrowings.

Any additional [**REDACTED**] received from the exercise of the [**REDACTED**] will also be allocated to the above purposes on a pro-rata basis. In the event that the [**REDACTED**] is exercised in full, we will receive [**REDACTED**] of [**REDACTED**] (after deducting the estimated [**REDACTED**] and other fees and expenses payable by us in connection with the [**REDACTED**] and assuming an [**REDACTED**] of [**REDACTED**] per Share, being the maximum [**REDACTED**] stated in this document).

To the extent that the [**REDACTED**] of the [**REDACTED**] are not immediately required for the above purposes or if we are unable to put into effect any part of our development plan as intended, we may deposit the [**REDACTED**] into 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 jurisdictions). In such event, we will comply with all applicable disclosure requirements as mandated by the Listing Rules.