
FUTURE PLANS AND [REDACTED]

FUTURE PLANS

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

[REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per H Share, we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED] after deducting the [REDACTED] and other estimated expenses in connection with the [REDACTED] (assuming the [REDACTED] is not exercised). We intend to use our [REDACTED] for the purposes and in the amounts set forth below.

- Approximately [REDACTED]% (or approximately HK\$[REDACTED]) of the net [REDACTED] will be used for the construction of an Integrated Mining-Chemistry Project for New Battery Materials in Guizhou. We believe the project will support our planned capacity expansion to meet the anticipated long-term growth in demand for new energy battery materials. According to the Frost & Sullivan Report, the sales volume of phosphate-based cathode materials in the global market is expected to increase from approximately 4.0 million tons in 2025 to approximately 13.5 million tons in 2030, representing a CAGR of approximately 27.3%, primarily driven by the continued growth of the NEV and ESS markets, as well as the increasing adoption of new energy batteries in emerging applications, including embodied artificial intelligence, electric vessels and construction machinery. Guizhou possesses abundant mineral and energy resources, including phosphate ore, pyrite and electricity, which provide favorable conditions for the development of an integrated phosphate-based new energy battery materials industry chain. We expect the project to further strengthen our vertically integrated operation by improving our access to upstream resources and our manufacturing capabilities, thereby enhancing our supply chain resilience and our cost competitiveness.

The project is intended to establish a vertically integrated industry chain for phosphate-based new energy battery materials and is expected to encompass phosphate-based cathode material production and its upstream industry chain, including iron phosphate production; phosphorus-related operations, such as phosphate mining, ore beneficiation, phosphochemical processing and sulfuric acid production for phosphoric acid manufacturing; iron source processing (including pyrite); lithium carbonate processing; and lithium-ion battery recycling. The project is expected to take five years to complete construction. Upon completion, the project is expected to increase our annual designed production capacities for phosphate-based cathode materials and iron phosphate by 800,000 tons and 1,000,000 tons, respectively. The total planned investment for the project is expected to be approximately RMB24.0 billion; and

- Approximately [REDACTED]% (or approximately HK\$[REDACTED]) of the net [REDACTED] will be used for working capital and general corporate purposes.

If we set the final [REDACTED] below the maximum [REDACTED], we will reduce the allocation of the net [REDACTED] to the above purposes on a pro rata basis.

The additional net [REDACTED] that we would receive if the [REDACTED] were exercised in full would be HK\$[REDACTED]. We intend to apply the additional net [REDACTED] to the above uses on a pro rata basis.

FUTURE PLANS AND [REDACTED]

To the extent that the net [REDACTED] of 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 may hold 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 jurisdictions). In such event, we will comply with the applicable disclosure requirements under the Listing Rules.

If any part of our future development plans does not proceed as intended for reasons such as changes in government policies that would hinder the development of any of our projects, or the occurrence of force majeure events, the Directors will carefully evaluate the situation and may reallocate the net [REDACTED] from the [REDACTED].