FUTURE PLANS AND PROSPECTS

See "Business — Our Strategies" for a detailed description of our future plans and strategies.

[REDACTED]

We estimate that we will receive **[REDACTED]** from the **[REDACTED]**z of approximately **[REDACTED]** million, after deducting **[REDACTED]**, fees and estimated expenses payable by us in connection with the **[REDACTED]**, and assuming an **[REDACTED]** of **[REDACTED]** per Share. We currently intend to apply these **[REDACTED]** for the following purposes:

- Approximately **[REDACTED]**%, or **[REDACTED]** million, will be used to expand our production capacity. According to Frost & Sullivan, the global PCB market is expected to grow from RMB685.6 billion in 2026 to RMB1,088.0 billion in 2030. In addition, the fast growing high-value industries, such as ESS and AI PCB, will be another growth driver for our business, particularly our high-performance products. As a result, this investment is a core component of our growth strategy, designed to fortify our back-end infrastructure to support the growth of our expanding business operations, ensuring high-quality, efficient, and compliant production capabilities. See "Business — Our Strategies — Strengthen delivery capacity through manufacturing capacity and smart manufacturing upgrades." Specifically,

  - approximately **[REDACTED]**%, or **[REDACTED]** million, is expected to be used to purchase land for our new production base. This will serve as a major manufacturing facility for the development and production of our high-performance electrolytic copper foil products. This procurement will ensure our current manufacturing level remains competitive and adaptive to the evolving market demands and rapid adjustments to product portfolio. The land acquisition is expected to be completed by 2027.

  - approximately **[REDACTED]**%, or **[REDACTED]** million, is expected to be used for the construction of our new production base. This initiative is focused on the establishment of our manufacturing facility and other auxiliary facilities, such as offices. The construction phase is scheduled to take in 2027 and 2028, with an allocation of approximately [70]% in 2027 and [30]% in 2028.

  - approximately **[REDACTED]**%, or **[REDACTED]** million, is expected to be used for the procurement of equipment for production, office and other purposes. Our new production base is expected to be equipped with critical and advanced machines. These physical instruments consists of copper dissolving tanks, transformers, high and low voltage cabinets and other manufacturing equipment, which enable the high quality, stability, and cost-efficiency of our production, thereby maintaining our competitive edge in a dynamic market. Specifically, a significant part of this procurement budget, approximately HK$325.2 million, will be allocated to critical production machinery. This includes approximately 64 sets of foil-making machine systems, comprising cathode rollers, converters, and copper busbars, which are essential equipment for the production of ultra-thin lithium battery copper foils, one of our high-performance products. The procurement of this equipment is scheduled to begin in 2027 and continue into 2028, with approximately 20%, or HK$65.0 million, to be allocated for 2027 and approximately 80%, or HK$260.2 million for 2028. Additionally, engineering for the installation of equipment, production line as well as high and low voltage power supply will be constructed to ensure our manufacturing operations comply with applicable regulations and uphold our commitment to sustainable practices.

- approximately **[REDACTED]**%, or **[REDACTED]** million, is expected to be used for the initial fill for our copper foil manufacturing plant. This initial fill, which includes raw materials and production startup, is scheduled to commence in 2028.

This combined investment in scalable physical infrastructure and sophisticated production machinery is engineered to build a resilient, high-efficiency, and future-ready production ecosystem, which will reliably underpin our expanding business operations with consistent, high-quality and compliant outputs. The new production base is expected to have a designed production capacity of approximately 20,000 tonnes per annum of high-performance electrolytic copper foil products. This expanded capacity is intended to address the anticipated growth in demand for advanced copper foil products, particularly ultra-thin lithium battery copper foils, which aligns with our strategy to focus on high-performance, high-value-added products to capture growth in premium market segments. Our assessment of market demand takes into account the exponential growth in AI and high-performance computing, the projected proliferation of 5G/6G communication infrastructure, and the increasing adoption of electric vehicles, all of which require advanced copper foil solutions. These initiatives are strategically positioned to serve different customer geographies and product segments. The new production base funded by this **[REDACTED]** will further augment our overall capacity to meet the growing needs of our customers across various regions and applications.

- Approximately **[REDACTED]**%, or **[REDACTED]** million, will be used for continuous investment in our research and development activities to advance our technologies. This investment is aimed at improving our research and development capability to satisfy emerging industry trends and specific customer requirements. See "Business — Our Strategies — Continuously strengthen our research and development capabilities to enhance our products' competitive edge." Specifically,

  - approximately **[REDACTED]**%, or **[REDACTED]** million, is expected to be used to establish and build a new, modern research and development center. The establishment of the new research and development center is expected to solidify and extend our technological leadership, particularly as the current downstream markets evolve quickly and have different specific needs, requiring us to develop more advanced technologies and products and devote more research and development resources. Specific allocations include primarily site construction of the new research and development center. This will serve as a central hub for our research and development operations and innovation activities, equipped with various high-performance research and development laboratories, testing rooms and facilities for pilot-scale production, which will elevate our cutting-edge production systems and strengthen our market competitiveness. This will involve approximately 2,500 sq.m. of research and development facilities, with construction expenditure planned primarily for 2027 and 2028.

  - approximately **[REDACTED]**%, or **[REDACTED]** million, is expected to be used to purchase high-performance research and development hardware equipment and supporting system software for technological upgrades and new product development. This initiative is focused on integrating advanced equipment and precise engineering to significantly enhance process efficiency, precision, and control. Specific allocations include the procurement of: (i) research and development and testing equipment, such as devices for multi-metal anode current collectors for solid-state batteries and surface treatment of copper foil in electronic circuits. These equipment can accurately detect, recognize and process a wide range of materials, chemical elements and metal contaminants, enabling

the research and development center to pioneer sophisticated testing methods and enhance its overall scientific and technological capacity; and (ii) office equipment and electronic devices related to our research and development center.

- approximately **[REDACTED]**%, or **[REDACTED]** million, is expected to be used for our research and development activities, including (i) the recruitment at research and development talent to enhance our technological capabilities. These research and development staff, including research personnel, research project managers, testing personnel and engineering, will be focusing on the continuous improvement of our technological advancement throughout the whole research and development process; and (ii) conducting existing and future research and development projects. This includes the in-house and third-party testing fees, procurement of raw materials, energy consumption and other expenses. In order to further satisfy the high-growth market demands, especially for AI and high-performance computing, 5G/6G communication and consumer and automotive electronics, we will increasingly invest resources and staff in high-performance copper foil with various tensile strength grades, precisely controllable surface roughness and excellent electrical properties. We plan to continually launch multiple new product development projects based on main directions incorporating (i) high-frequency, high-speed electronic circuit copper foil (HVLP5 and other advanced electronic circuit copper foil products); and (ii) new anode current collector material for solid batteries using alloy foil.

This investment in a new research and development center, advanced equipment, talent acquisition, and market-responsive research projects will enhance our ability to adapt dynamically to expanding business scenarios and evolving consumer needs.

- Approximately **[REDACTED]**%, or **[REDACTED]** million, will be used for working capital and other general corporate purposes.

To the extent that the **[REDACTED]** from the **[REDACTED]** are not immediately used for the purposes described above, they will be placed 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 other applicable laws and regulations in other jurisdictions).