

FUTURE PLANS AND [REDACTED]

FUTURE PLANS

See “Business — Our Strategies” in this document for a detailed description of our future plans.

[REDACTED]

The [REDACTED] from the [REDACTED] that we will receive, after deducting the [REDACTED] and other estimated expenses paid and payable by us in connection with the [REDACTED] will be:

	[REDACTED] (in HK\$ million)	
	(a) Assuming the [REDACTED] is not exercised at all	(b) Assuming the [REDACTED] is exercised in full
Assuming an [REDACTED] of HK\$[REDACTED] per H Share (being the [REDACTED])	[REDACTED]	[REDACTED]
Assuming an [REDACTED] of HK\$[REDACTED] per H Share (being the mid-point of the [REDACTED])	[REDACTED]	[REDACTED]
Assuming an [REDACTED] of HK\$[REDACTED] per H Share (being the [REDACTED])	[REDACTED]	[REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per H Share (being the mid-point of the [REDACTED] of between HK\$[REDACTED] and HK\$[REDACTED] per H Share) and that the [REDACTED] is not exercised, in line with our strategies, we intend to use our [REDACTED] from the [REDACTED] for the purposes and in the amounts set forth below:

- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used to enhance our R&D capabilities. Such [REDACTED] are intended to support the strengthening of our R&D platform, including facilities, equipment, personnel and supporting resources, as well as the development and commercialization of battery products for miniaturized terminal devices and higher-power [REDACTED] scenarios. In relation to the aforementioned purposes, we expect to utilize the allocated [REDACTED] by 2030. In particular:
 - approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used for the construction and fitting-out of our R&D headquarters and related staff accommodation for R&D personnel. We expect the centralized R&D facilities to enhance our operational efficiency, bring together R&D talents across different technology disciplines and facilitate cross-disciplinary collaboration. We will equip the laboratories with advanced equipment and testing systems to support materials research, electrochemical analysis, cell design, prototyping and performance validation of battery products. We believe our investment in the R&D headquarters will make it a core platform to advance our frontier technologies and accelerate new product incubation, which is expected to strengthen our technological barriers. As the Group’s R&D headcount increased significantly from 235 persons in 2024 to 411 persons in 2025, our existing R&D workspace and staff accommodation are insufficient to support the enlarged R&D team and our future R&D expansion plan. As of the Latest Practicable Date, all of our R&D facilities and related staff accommodation at both the Huizhou and Ganzhou locations are situated on leased premises. The purpose of constructing self-owned R&D headquarters and staff accommodation is not merely to add new R&D sites, but to address our

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reliance on leased properties at both locations, thereby improving asset stability, optimizing the R&D and living environment for personnel, and enhancing employee engagement and retention. The constraints associated with the current leased premises may present certain challenges to the recruitment and retention of R&D personnel. The proposed R&D headquarters and accommodation will improve R&D collaboration efficiency, support staff retention, reduce reliance on external leases and provide the necessary infrastructure for further expansion of the Group's R&D capabilities. We also intend to use part of such [REDACTED] to support the recruitment, retention and accommodation of R&D personnel required for the operation of such facilities. We expect the centralized R&D platform to facilitate coordination across different technical functions and to support the development and validation of battery products in our target application areas.

The aforementioned is expected, on the one hand, to enhance R&D collaboration efficiency, support talent recruitment and retention, reduce reliance on external leases, and provide a solid infrastructure foundation for our continued expansion of its R&D capabilities; on the other hand, part of such [REDACTED] will also be used for related facility ancillary works and the recruitment and settlement of R&D personnel. We expect the centralized R&D platform to facilitate coordination across different technical functions and to support the development and validation of battery products in our target application areas, thereby continuing to strengthen our technological barriers;

- o approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used for the development of mini-size batteries for AI-powered terminals. The relevant [REDACTED] are expected to be used mainly for product design, materials and electrochemical development, process optimization, prototyping, testing and validation, customer sample preparation and related commercialization activities. We intend to develop ultra-thin batteries capable of delivering high energy within extremely limited size and space constraints. We believe such innovations have significant potential to meet the increasing demand for miniaturized smart wearables such as smart rings, a market which is experiencing immense growth and which requires sustained, high-intensity R&D investment to address evolving requirements for slim form factor, bendability, high energy density and long cycle life. As of the Latest Practicable Date, we have commenced batch shipment of our ultra-thin bent batteries to leading smart ring manufacturers. We may prioritize specific product categories in light of customer demand and product development progress from time to time. As part of the plan for this purpose, we may also strengthen the relevant R&D and engineering team, acquire or upgrade supporting testing and prototyping equipment, and carry out certification and qualification work necessary for customer onboarding and commercialization; and
- o approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used to develop high-power battery solutions for emerging, high-value sectors such as industrial drones, robots and other devices requiring higher power output and greater operational reliability. We intend to apply such [REDACTED] primarily toward the development and validation of battery products with enhanced power performance, safety, structural stability and application-specific adaptability, including work relating to materials and electrochemical systems, cell and structural design, process

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development, testing and reliability verification. We may also use part of such [REDACTED] to strengthen the relevant R&D and engineering capabilities, acquire or upgrade testing and validation equipment and support customer sample and qualification work for these application scenarios. We will focus on improving battery materials and advancing electrochemical technologies to tailor our offerings to the specific needs of these sectors, providing a new avenue of growth for our Company.

- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used to expand our production capabilities through the construction of new production lines. We plan to increase production capacity to meet the increasing market demand. Such proposed expansion is not solely for increasing nominal capacity. It is also intended to upgrade production lines, improve production efficiency and yield, support new product specifications and enhance automation. Certain existing equipment has partially aged and is expected to face concentrated renewal needs within the next two to three years. In addition, the rapid development of the AI industry has created new demand for battery capacity that cannot be met by our current production capacity. Upgraded and new production lines are therefore required to support the Group's competitiveness, production quality and delivery capability going forward. In addition, although revenue growth in 2025 was 6.1%, the Group has secured orders from customers for products used in certain new application scenarios, including drones, smart sports cameras, robots and other high-power stacked battery applications, and expects demand from these application areas to continue to grow. In relation to the aforementioned purposes, we expect to utilize the allocated proceeds by the end of 2030. In particular:

- o approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used for the construction of production lines in Huizhou for our new generation button batteries. The relevant [REDACTED] are expected to be used mainly for production line set-up, equipment procurement and installation, trial production and related engineering and quality support, with a view to supporting the commercialization of our new-generation button battery products for miniaturized application scenarios.

The aforementioned is intended to complement the operational coordination among our production bases in Huizhou and Ganzhou and to support the Group's broader manufacturing, supply chain and business development strategies;

- o approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used for the construction of production lines for our various mini-size irregular battery solutions. The relevant [REDACTED] are expected to be used mainly for specialized production equipment, tooling, testing and inspection systems, and related engineering and production support for mini-size irregular battery products intended for compact and space-constrained devices;
- o approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used for the construction of a production line for replaceable hard-case batteries. The relevant [REDACTED] are expected to be used mainly for the establishment and optimization of production capability for replaceable hard-case battery products, including production equipment, tooling, testing support and related implementation resources; and
- o approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used for the establishment of a production

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line for our high-power stacked battery solutions. The relevant [REDACTED] are expected to be used mainly for the establishment and enhancement of production capability for high-power stacked battery solutions, including equipment procurement and installation, line adaptation, trial production and quality and engineering support, in order to facilitate commercialization for higher-power application scenarios.

- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used to repay existing bank borrowings. Specifically, we intend to repay a loan with a principal amount of RMB20.0 million and an interest rate of 2.34% per annum, which matures in January 2029. Such loan was obtained from a commercial bank and is used to finance our daily operations. We expect to complete the aforementioned repayment by 2028.
- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used for working capital and general corporate uses. Such [REDACTED] are expected to support the overall implementation of our development strategies, including customer and market development, overseas business development, supply chain coordination, talent and organizational support, and other general corporate purposes incidental to the execution of such strategies. In relation to the aforementioned purposes, we expect to utilize the allocated [REDACTED] by the end of 2027.

The Group does not currently intend to designate a separate standalone portion of the net [REDACTED] solely for the advancement of its global sales strategy. Rather, such strategy is expected to be advanced through R&D facilities and R&D personnel ancillary facilities which enhance our technological capabilities and R&D team stability, and principally through the [REDACTED] allocated to production capability expansion and, to a lesser extent, working capital and general corporate purposes, as these are expected to support the Group's broader global sales expansion.

In the event that the [REDACTED] is set at the [REDACTED] or the [REDACTED] of the indicative [REDACTED], the [REDACTED] of the [REDACTED] will increase or decrease by approximately HK\$[REDACTED], respectively. If we make an upward or downward [REDACTED] adjustment to set the final [REDACTED] to be above or below the mid-point of the [REDACTED], we will increase or decrease the allocation of the [REDACTED] to the above purposes on a pro rata basis.

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

To the extent that the [REDACTED] from the [REDACTED] (including the [REDACTED] from the exercise of the [REDACTED]) are either more or less than expected, we may adjust our allocation of the [REDACTED] for the above purposes on a pro rata basis.

We will only place the [REDACTED] of the [REDACTED] that are not immediately required for the above purposes in short-term interest-bearing accounts at licensed commercial banks and/or 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 appropriate disclosure requirements under the Listing Rules.