
FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

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

USE OF [REDACTED]

The net [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]

Assuming an [REDACTED] of HK\$[REDACTED] per H Share (being the mid-point of the [REDACTED] range 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 net [REDACTED], or HK\$[REDACTED], will be used over the next five to ten years to invest in the research and development of key technologies, ensuring our continued leadership in advanced sensing technology, advanced display technology and analog solutions. We plan to further enhance our R&D by investing in fundamental research to strengthen our intellectual property and technological advantages while expanding our product portfolio to drive market penetration. In particular:
- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to recruit and retain R&D talents, including experienced semiconductor industry professionals and outstanding graduates in fields such as electronic engineering, microelectronics, materials engineering, algorithms, and software development, from across countries including China, Japan and South Korea. In addition, we will attract and retain top talent through comprehensive talent development programs and competitive incentive measures. We believe that our experienced R&D team is the foundation of our ability to continuously drive innovation in developing new technology solutions.

The key research areas of the relevant R&D personnel include fundamental research in advanced sensing technologies, advanced display technologies, and analog technologies, as well as product development in areas such as automotive and smartphones. For example, as part of our strategic focus on automotive, we will continue to develop high-performance image sensors for full-scenario applications in autonomous driving and smart cockpits, while continuously expanding our portfolio of automotive analog and display driver products.

FUTURE PLANS AND USE OF [REDACTED]

- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be primarily used for the continued construction of our R&D headquarters building in Lingang, Shanghai, China. This construction plan involves infrastructure development and facility renovation. Once completed, the project will be able to accommodate a larger number of R&D personnel and advanced facilities, enhancing our capabilities in core product development. It will provide strong support for maintaining leadership in our proprietary core technologies and transforming these technologies into product portfolios that meet broad market demand.
- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to cover wafer fabrication (tape-out) costs, purchase R&D materials and cover non-recurring engineering costs to support our product development.
- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to purchase R&D software tools, to support our IC design capabilities.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used over the next five to ten years to strengthen global market penetration and business expansion. We plan to deepen our presence in target markets, grow our customer base, and increase our market share across all of our participating verticals. We plan to recruit and retain sales, marketing, and FAEs worldwide. We plan to hire experienced professionals with a global perspective and overseas experience to broaden our sales network coverage, improve sales and marketing efficiency, and strengthen our relationships with key customers. Additionally, we plan to recruit experienced FAEs to provide enhanced pre- and post-sales support to customers, helping them reduce R&D costs and improving overall customer satisfaction and loyalty. We will also carry out promotional activities in the regions where we are expanding. These initiatives will include overseas advertising campaigns and participation in influential industry exhibitions aimed at increasing our visibility and brand recognition in global markets. We believe these activities will help us establish broader connections with customers, showcase the competitive advantages of our products, and ultimately enhance our market penetration.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for strategic investments and/or acquisitions, with a focus on investment and acquisition opportunities that offer synergies with our existing product portfolio and support horizontal expansion into emerging areas. Through strategic investments and/or acquisitions, we aim to create strong synergies across technology, intellectual property, products and solutions, supply chain, customer base, and long-term growth opportunities.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for working capital and general corporate uses.

In the event that the [REDACTED] is set at the maximum [REDACTED] or the minimum [REDACTED] of the indicative [REDACTED] range, the net [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] range, we will increase or decrease 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 (i) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per H Share, being

FUTURE PLANS AND USE OF [REDACTED]

the maximum [REDACTED]), (ii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the mid-point of the [REDACTED] range) and (iii) HK\$ [REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the minimum [REDACTED]).

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

We will only place the net [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 SFO or applicable laws and regulations in other jurisdictions so long as it is deemed to be in the best interests of our Company. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.