

FUTURE PLANS AND [REDACTED]

FUTURE PLANS

See "Business – Our Strategies" in this Document for a detailed description of our future plans.

[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 the [REDACTED] is not exercised, we estimate that we will receive [REDACTED] of approximately HK\$[REDACTED] from the [REDACTED] after deducting the [REDACTED] and other estimated expenses paid and payable by us in connection with the [REDACTED]. 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 further upgrade our SoC product portfolio. We plan to develop products with enhanced performance, greater efficiency, and stronger competitiveness, based on our existing and market-validated product. We intend to apply [REDACTED] to recruit R&D personnel (including experts in AI algorithms, AI chips and visual AI), third-party engineering costs (such as tape-out and packaging and testing services) and hardware and software procurement, in particular:
 - (i) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be allocated to the R&D of visual processing AI SoC products, primarily intended for smart wearables such as AR/AI glasses and other power-efficient camera-based applications. This will support the development and advancement of visual processing AI SoC products, including R&D of proprietary NPU, ISP and display-related IP, as well as chip tape-out, packaging and testing activities.
 - (ii) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be allocated to the R&D of our AI application processors, which is intended to deliver enhanced on-device AI inference capabilities for edge applications. Such AI application processor are designed to support efficient execution of both traditional convolutional neural network (CNN) models and large-scale AI models with improved energy efficiency. This will support the development of our proprietary large-model-oriented NPU IP, as well as the customization of memory devices such as DRAM.
 - (iii) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be allocated to the R&D of our wireless video transmission SoC products, which are primarily to be applied to UAVs and AIoT. Such products are designed to enhance wireless transmission performance, with a view to materially extending transmission range and improving link stability. This will support the design and verification of wireless baseband and SoC architectures, as well as engineering and manufacturing-related activities such as SoC tape-out, packaging and testing.

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- (iv) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be allocated to advance research in key frontier technologies, including next-generation in-memory computing AI SoC architectures. Such research is aimed at exploring architectural- and circuit-level optimization approaches to improve energy efficiency of AI processing. This will support the R&D of NPU based on next-generation in-memory computing architectures.
- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be applied to support product applications in our targeted usage scenario, including consumer and industrial UAVs, AIoT applications including cameras as well as consumers and industrial robotics, and smart wearables devices such as AR/AI glasses and smartwatches. Through targeted market investment and technical adaptation, we strive to strengthen the implementation capabilities of our products in end-user scenarios. Moreover, we plan to focus on expanding business development and technical support teams to penetrate into different industrial sectors and product areas. Specifically:
 - (i) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be allocated to support the expansion of our smart wearable product line. Building on our successful experience in AR/AI glasses, we plan to further expand our presence across smart wearable applications, including smartwatches. The relevant [REDACTED] will be primarily used to develop core reference designs centered on our AI SoCs, enabling integrated solutions covering power management, wireless connectivity and memory, as well as to expand the scale of our technical support teams to better serve industry leading customers and respond to the rapid market growth.
 - (ii) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be allocated to support the expansion of our UAV product applications. Building on our market position in the mid-to-high-end consumer market, we strive to enhance our market presence in the industrial and enterprise-grade sectors applied to the low-altitude economy. In addition, we aim to expand coverage across consumer UAVs, industrial UAVs and FPV drones, and to provide integrated allocation solutions including cameras, video transmission modules and FPV goggles. This allocation will support the development of allocation solutions based on our existing products and solutions, as well as the selective expansion of our technical support teams to better support customer deployment and allocation integration.
 - (iii) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be allocated to support the expansion of our AIoT product applications. Moreover, we aim to further expand our presence in the AIoT market across a range of allocation scenarios, including wireless security solutions, thumb-sized cameras, handheld gimbal cameras, as well as consumer and industrial robotics. This allocation will support the development of allocation reference designs based on our existing products and solutions, as well as to expand the scale of our solution development and technical support teams to facilitate product deployment and customer adoption.

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- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be applied for investment and acquisition activities. Building on our existing product lines and core application areas, we intend to invest in chip companies with proprietary core technologies and established products that demonstrate market traction, operational and financial soundness, and the potential to generate synergistic effects with our business. In assessing potential targets, we place particular emphasis on technological and product complementarity, as well as the ability to leverage our existing platforms, supply chain and go-to-market capabilities to support near-term collaboration and value creation. Through such investments, we seek to strengthen our technological capabilities, expand our solution offerings and create long-term strategic value.
- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], will be used for the working capital and general corporate purposes.

In the event that the [REDACTED] is set at the maximum [REDACTED] or the minimum [REDACTED] of the indicative [REDACTED], the [REDACTED] of the [REDACTED] will increase or decrease by approximately HK\$[REDACTED], respectively.

The additional [REDACTED] that we would receive if the [REDACTED] is exercised in full would be (i) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the maximum [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 minimum [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.

To the extent that the [REDACTED] of the [REDACTED] are not immediately used for the above purposes, we may only hold such funds in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or the applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.