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]

We estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK$[REDACTED] million, after deducting [REDACTED] fees and commissions and other estimated [REDACTED] expenses paid and payable by us in relation to the [REDACTED], based on an [REDACTED] of HK$[REDACTED] per Share and assuming that the [REDACTED] is not exercised.

We currently intend to use these net [REDACTED] for the purposes and in the amounts set forth below, subject to adjustments based on business needs and market conditions:

(i) approximately [REDACTED]%, or HK$[REDACTED] million, will be allocated to advancing product innovation and diversifying our product portfolio. Specifically:

- approximately [REDACTED]% , or HK$[REDACTED] million, will be allocated to product iteration and the introduction of new models and product lines, such as e-MTBs, and folding e-bikes;
- approximately [REDACTED]%, or HK$[REDACTED] million, will be allocated to hardware development, including development of proprietary technologies for core e-drive systems, including advanced mid-drive motor systems, battery management systems and electronic control systems;
- approximately [REDACTED]%, or HK$[REDACTED] million, will be allocated to software, upgrade with an emphasis on upgrading digital features and building up an ecosystem. This includes improving the TENWAYS App user experience, expanding digital services (such as OTA updates, GPS tracking, and digital anti-theft), developing integrated intelligent applications, and strengthening data compliance and security for users; and
- approximately [REDACTED]%, or HK$[REDACTED] million, will be used for establishing research and development centers and product testing facilities.

(ii) approximately [REDACTED]%, or HK$[REDACTED] million, will be used for expanding our global brand presence in the following areas:

- funding online-offline integrated marketing campaigns, including seasonal and product launch campaigns, as well as localized market-specific campaigns;
- enhancing our brand image and visibility through updated visual materials, high-impact advertising, sponsorships, brand events, and initiatives aimed at eco-conscious consumers; and
- expanding our marketing and community engagement efforts, which include building partnerships with influencers, strengthening PR and media presence, enhancing social media and community management, and developing multilingual content to support brand awareness and customer engagement.

(iii) approximately [REDACTED]%, or HK$[REDACTED] million, will be used for deepening our sales and distribution network in the following areas:

- expanding into additional European countries, expanding local sales teams, and developing partnerships with distributors and service centers to support local sales, after-sales service and market penetration in such markets; and
- acquiring equity stakes in selected European retail chains to strengthen partnerships and broaden sales channels.

(iv) Approximately [REDACTED]%, or HK$[REDACTED] million, will be used for strengthening our supply chain and production capabilities in the following areas:

- forming joint ventures for developing and manufacturing battery, motor and controller components for e-bikes; and
- continuing to upgrade production infrastructure and equipment at the JV Factory; and
- expanding production capacity by forming new joint ventures for e-bike production.

(v) Approximately [REDACTED]%, or HK$[REDACTED] million, will be allocated towards developing a multi-brand portfolio and acquiring or investing in companies that strengthen our capabilities, particularly those with strong technical expertise.

As of the Latest Practicable Date, we had not entered into any legally binding agreements in respect of the above acquisitions or investments, nor had we identified any specific acquisition targets.

(vi) Approximately [REDACTED]%, or HK$[REDACTED] million, will be allocated to upgrading our digital IT architecture, and implementing AI to streamline operations and support data-driven decisions across all sales channels.

(vii) Approximately [REDACTED]%, or HK$[REDACTED] million, will be used for working capital and other general corporate purposes.

In the event that the [REDACTED] is exercised in full, the additional net [REDACTED] that we would receive would be HK$[REDACTED] million based on an [REDACTED] of HK$[REDACTED] per Share, after deduction of [REDACTED] fees and commissions and other estimated expenses paid and payable by us in relation to the [REDACTED]. Additional net [REDACTED] received due to the exercise of any [REDACTED] will be used for the above purposes accordingly on a pro-rata basis if the [REDACTED] is exercised.

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

If the net [REDACTED] of the [REDACTED] are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we will deposit the net [REDACTED] into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the 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 and make an appropriate announcement if there is any change to the above proposed use of [REDACTED].