FUTURE PLANS

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

[REDACTED]

Assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share (being the [**REDACTED**] of the [**REDACTED**] Range of between HK$[**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 [**REDACTED**], is expected to be used for deepening our global presence by expanding overseas production capacity and establishing our international sales network, thereby enhancing our overall production capabilities and global presence, of which approximately [**REDACTED**], [**REDACTED**] and [**REDACTED**] is expected to be used in 2026, 2027 and 2028, respectively.

  (i) approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be [**REDACTED**] to investments in production capacity for components for humanoid robots at our manufacturing facility in Thailand, in order to meet the rapidly growing demand from the leading global robotics companies, of which approximately [**REDACTED**], [**REDACTED**] and [**REDACTED**] is expected to be used in 2026, 2027 and 2028, respectively. Specifically, (a) approximately [**REDACTED**] of the [**REDACTED**], or HK$[**REDACTED**] million, will be [**REDACTED**] to production base modification for humanoid robots business at our Thailand manufacturing facility; (b) approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be allocated to the acquisition of five automated production lines for humanoid robot components designed with a total production capacity of 500,000 units; and (c) approximately [**REDACTED**] of the [**REDACTED**], or HK$[**REDACTED**], will be allocated to recruitment of production management personnel and production staff to facilitate the production implementation of humanoid robot component products.

  (ii) approximately [**REDACTED**] of the [**REDACTED**], or HK$[**REDACTED**], will be [**REDACTED**] to expansion of our production capacity for e-drive systems and other products for NEV at our manufacturing facility in Thailand, in addressing the growing global demand for NEV components, including the renovation of manufacturing facility, acquisition of automated production lines, and recruitment of production and management personnel, of which approximately [**REDACTED**], [**REDACTED**] and [**REDACTED**] is expected to be used in 2026, 2027 and 2028, respectively. Specifically, (a) approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be allocated to production base modification for NEV business at our Thailand manufacturing facility; (b) approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be allocated to the acquisition of two automated production lines for NEV e-drive systems designed with a total production capacity of 320,000 units; and (c) approximately [**REDACTED**] of the [**REDACTED**], or HK$[**REDACTED**], will be allocated to recruitment of production management personnel and production staff to facilitate the production implementation of NEV e-drive system products.

(iii) approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be allocated to the establishment of our international sales network, strengthen our brand presence, reinforce distribution capabilities across overseas markets, of which approximately [**REDACTED**], [**REDACTED**] and [**REDACTED**] is expected to be used in 2026, 2027 and 2028, respectively. Including:

- deployment of dedicated sales and marketing teams and after-sales service support in key overseas markets such as Thailand, Europe, and North America, to strengthen relationships with our core customers. Specifically, we plan to recruit approximately two, two, and three sales personnel for Thailand, Europe, and North America respectively to establish localized sales teams in each region. Concurrently, we will develop local after-sales service network in these markets to drive further sales growth and enhance our regional sales and service supporting to enable faster response to customer requirements.

- development of high-quality local distributors, including the expansion of distributor networks in key countries and regions such as Thailand, North America and Europe. We plan to implement training programs, annual distributor events, and joint marketing initiatives to strengthen and expand the distributor network in new sales territories.

- global branding initiatives through participation in international exhibitions, promotional campaigns, technical forums, and customer engagement activities, to enhance our brand visibility and strengthen our industry-specific recognition.

- Approximately [**REDACTED**] of the [**REDACTED**], or approximately [**REDACTED**], will be used for industrial-scale investments in emerging fields, primarily include core components of humanoid robots and NEVs in China, of which approximately [**REDACTED**], [**REDACTED**] and [**REDACTED**] is expected to be used in 2026, 2027 and 2028, respectively.

  (i) approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be [**REDACTED**] to the scaled production of core humanoid robot components, including reverse planetary roller screws, ball screws for dexterous bionic robotic hands, linear modules, rotary joint modules, coreless motors of dexterous bionic robotic hands, cross roller bearings, and integrated dexterous bionic robotic hand assemblies, of which approximately [**REDACTED**], [**REDACTED**] and [**REDACTED**] is expected to be used in 2026, 2027 and 2028, respectively. We plan to construct and lease production facilities, procure automated production lines and auxiliary equipment, implement digital infrastructure across production facilities, as well as recruit technical and management personnel in China.

  According Frost & Sullivan, China's intelligent humanoid robot joint module market is expected to grow considerably, with sales value expected to surge from RMB0.8 billion in 2024 to RMB11.0 billion by 2029, representing a CAGR of 69.2% mirrors the explosive development of China's overall intelligent humanoid robot industry, which is projected to grow from RMB2.2 billion to RMB24.3 billion during the same period. According to the same source, the planetary roller screw segment dominates China's intelligent humanoid robot screws market, projected to grow from RMB111.9 million in 2024 to RMB3,331.3 million by 2029 with a remarkable CAGR of 97.1%.

  In light of these projections, we will allocate resources towards relevant verticals. Specifically,

- approximately [**REDACTED**] of the [**REDACTED**], or HK$[**REDACTED**], will be allocated to industrial-scale investment of reverse planetary roller screws with a designed annual production capacity of 200,000 units, supported by the construction of production facility, the implementation of high-performance, high-precision testing equipment and the enhancement of automated and digital intelligent infrastructure.

- approximately [**REDACTED**] of the [**REDACTED**], or HK$[**REDACTED**], will be allocated to the industrial-scale investment of linear joints with a designed annual production capacity of 500,000 units, supported by the procurement of two production lines for linear joints, other specialized equipment and materials for trial production and testing.

- approximately [**REDACTED**] of the [**REDACTED**], or HK$[**REDACTED**], will be allocated to the industrial-scale investment of humanoid robot dexterous hands ball screws with a designed annual production capacity of 1,000,000 units, supported by the construction of production facility, the implementation of high-performance, high-precision testing equipment, the research and development of production technologies, and the enhancement of automated and digital intelligent infrastructure.

- approximately [**REDACTED**] of the [**REDACTED**], or HK$[**REDACTED**], will be allocated to the industrial-scale investment of rotary joints with a designed annual production capacity of 500,000 units, supported by the procurement of two production lines for rotary joints, other specialized equipment and materials for trial production and testing.

- approximately [**REDACTED**] of the [**REDACTED**], or HK$[**REDACTED**] million, will be allocated to the industrial-scale investment of coreless motors for dexterous hands, cross roller bearings, and humanoid robot dexterous hands. We plan to [**REDACTED**] with the construction by procuring production lines and specialized equipment, renovating clean rooms, optimizing production processes, and overcoming technical bottlenecks to establish manufacturing lines for related products.

(ii) approximately [**REDACTED**] of the [**REDACTED**], or HK$[**REDACTED**] million, will be allocated to the commercialization and scaled production of core components of NEVs, including drive corner modules and automotive ball screws, of which approximately [**REDACTED**], [**REDACTED**] and [**REDACTED**] is expected to be used in 2026, 2027 and 2028, respectively. We plan to facilitate the initiatives through laboratory expansion, procurement of testing and inspection equipment, acquisition of automated production lines and auxiliary supporting equipment, implementation of digital infrastructure at production facilities, as well as recruitment of production management and technical personnel.

According to Frost & Sullivan, it is expected that by 2029, the global automotive corner module market size will reach to RMB trillion level. According to the same source, the market for intelligent humanoid robots in China is projected to experience explosive growth from 2024 to 2029, and the market for ball screws is expected to grow from RMB24.0 million to RMB555.2 million during the same period with a CAGR of 87.5%.

In light of these projections, we will allocate resources towards relevant verticals. Specifically, to facilitate the industrialization of NEV drive corner modules, we will focus on the continuous damping control ("**CDC**") electronically controlled damper technology, the EMB system technology, and the corner module assembly technology by procuring two automated production lines for electronically controlled dampers (inclusive of ECU) with a total designed annual capacity of 600,000 units, alongside one EMB assembly production line and one EMB controller production line with a total designed annual capacity of 200,000 units after completion. Additionally, we will establish a dedicated corner module production line incorporating automated manufacturing, calibration, and online detection equipment, with a designed annual capacity of 200,000 units. These initiatives will enable technological breakthroughs and enhance our ability to rapidly respond to the accelerated development and surge in market demand.

Furthermore, we will enhance digital capabilities across supply chain management, R&D, production, quality control, sales, and operational processes through the expansion and digital transformation of our automotive ball screw production facility. Additionally, we will establish and upgrade the production facility for EMB and EHB systems catering to steer-by-wire chassis through the procurement of four automated production lines for automotive ball screws with a total designed annual capacity of 2 million units, five sets of EHB/EMB testing equipment, and various laboratory instruments.

- Approximately [**REDACTED**] of the [**REDACTED**], or approximately [**REDACTED**], will be used for expansion of our production capacity and operational efficiency, of which approximately [**REDACTED**], [**REDACTED**] and [**REDACTED**] is expected to be used in 2026, 2027 and 2028, respectively.

  (i) approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be [**REDACTED**] to the capacity expansion of the new energy power systems manufacturing facility in China, in order to satisfy the increasing market demand for new energy vehicle products. Specifically, we plan to allocate resources for investment in construction and capacity expansion projects at our manufacturing facilities, including the procurement of production lines for stators, rotors, and stator insulation components to meet capacity requirements for both new and potential projects. Amongst which, our Hangzhou Bay production facility will procure one additional set of supporting equipment for testing, ancillary, and environmental protection, along with the renovation of cleanroom workshops. The facility is planned with a designed annual capacity of 1,000,000 units for manufacturing DHT motor rotor assemblies. The Chongqing electric drive production facility is planned with a designed annual capacity of 600,000 units, while the Shandong and Liuzhou plants are planned for a designed annual capacities of 500,000 units and 300,000 units respectively.

  (ii) approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be allocated to the development of high-precision numerical control grinding machines to support the development and mass production of internal and external thread grinders and external cylindrical follow-up grinders, thereby meeting the production requirements of ball screws. Specifically, we plan to expand our grinding machine production base, including the renovation and new construction of factory buildings. Concurrently, we will target high-precision CNC grinding machines, aiming to enhance the efficiency, accuracy, and stability of both internal and external thread grinding machines to meet the anticipated growth in the humanoid robot market. We plan to procure three production lines for second-generation grinding machine products, with an expected total designed annual production capacity of 1,000 grinding machines to be achieved by 2028.

- Approximately [**REDACTED**] of the [**REDACTED**], or approximately [**REDACTED**], will be used for forward-looking technology research in emerging fields, including investments in robotics, smart vehicles and low-altitude economy, of which approximately [**REDACTED**], [**REDACTED**] and [**REDACTED**] is expected to be used in 2026, 2027 and 2028, respectively. We intend to incubate new products that align with our core competencies and build key R&D capabilities in micro-motor control and precision transmission technologies to enhance synergies across all business segments.

  Specifically, we plan to implement certain initiatives encompassing the following:

  - Establishment of a Forward-Looking Technology Research and Application Center. We plan to construct and operate a national-level engineering technology center laboratory, focusing on cutting-edge technology fields such as steer-by-wire technology for corner modules and corner module chassis, and autonomous driving technology. We plan to establish a comprehensive steer-by-wire function integration test platform for corner modules, develop and manufacture core equipment such as performance test benches and endurance test rigs, and develop proprietary testing algorithms and software. We will also conduct research on technical standards, commercialization of technological achievements, and cultivation of high-end talent, thereby building a self-sufficient and controllable technological system to provide foundational innovation support for the development of China's high-end equipment industry. We anticipate that our technical personnel will reach 90 by 2028.

    We also plan to utilize funds for research into forward-looking, common de-hydraulization technologies, developing high-power-density electromechanical actuators, and setting up dedicated test platforms to advance technical standard research and collaborative industry-academia-research initiatives, aligning with the trends of electrification and intelligentization in the industrial sector. We plan to invest in one electric cylinder assembly and testing production line, with an annual designed capacity of 200,000 units.

  - Research and Application of Linear Module Frontier Technologies. Through dedicated research in force control and sensory integration, development of algorithms for precision motion control, applied studies of new materials, and optimization of fractional-slot winding frameless torque motors, we aim to establish technological barriers in the field of robotic dexterous hands and enhance product competitiveness. Concurrently, we plan to conduct application-oriented research on modules in smart automotives, advance precision transmission technologies for robotics, and explore novel applications in the low-altitude economy sector. These efforts will enable us to stay aligned with technological trends in new-quality productivity, incubate innovative products, and expand the application scope of our product portfolio. We also plan to establish a micro-motor control laboratory, set up a precision transmission testing platform, procure high-performance simulation software and precision measurement instruments in order to establish a world-class R&D platform to bolster core technology research and product development. We are committed to recruiting high-end technical talent, investing in training and interdisciplinary exchanges for our R&D team, and deepening industry-academia-research collaborations to maintain a high-caliber R&D team and sustain our technological leadership.

  - Research and Application of NEV Distributed E-drive Corner Module Chassis and Intelligent Driving Technologies. We plan to establish industry-academia-research collaborations with universities, which can accelerate the engineering implementation and scaled delivery of corner module technology, providing fully by-wire chassis solutions for NEV and intelligent robotics enterprises.

  - R&D of Electric Drive Systems for Aircraft. We plan to dedicate resources to the research and development of electric drive systems for small, medium, and large low-altitude aircraft, further diversifying our product portfolio. According to Frost & Sullivan, China's low altitude economy market experienced a sharp increase since 2020. The overall market size expanded to RMB671.8 billion in 2024 from RMB199.8 billion in 2020, representing a CAGR of 35.4% from 2020 to 2024, and the market size is expected to increase to RMB2,045.8 billion in 2029, with a CAGR of 24.9% from 2024 to 2029.

  - R&D of New NEV E-drive Products. We plan to invest in the development of NEV e-drive products including asynchronous three-in-one e-drive assemblies and matching stator and rotor components for 4WD electric vehicles; aluminum flat-wire motors and stator and rotor components to optimize cost efficiency; high-efficiency axial flux motors for range-extended vehicle generator systems; ultra-high-speed e-drive assemblies and stator and rotor components for next-generation e-drive systems; along with slot-oil-cooled motors and stator and rotor components technology, enhancing continuous power output for premium automotive e-drive applications.

- Approximately [**REDACTED**] of the [**REDACTED**], or approximately HK$[**REDACTED**], will be used for the working capital and general corporate purposes, of which approximately [**REDACTED**], [**REDACTED**] and [**REDACTED**] is expected to be used in 2026, 2027 and 2028, respectively.

In the event that the [**REDACTED**] is set at the maximum [**REDACTED**] or the minimum [**REDACTED**] of the indicative [**REDACTED**] range, the [**REDACTED**] of the [**REDACTED**] will increase or decrease by approximately [**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 [**REDACTED**]), (ii) HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the [**REDACTED**] 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 [**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.