
FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

See “Business—Our Strategies” for more details of our future business plans and strategies.

USE OF [REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED], after deducting estimated [REDACTED], fees and expenses payable by us in connection with the [REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the mid-point of the [REDACTED] of HK\$[REDACTED] to HK\$[REDACTED] per H Share, and assuming the [REDACTED] is not exercised.

In line with our strategies, we intend to use the [REDACTED] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), is expected to be used to enhance our R&D capabilities and expand our product portfolio over the next five years. We believe such investment will enable us to capture the core trends and application scenarios driving the iteration and value growth of analog semiconductor technologies, such as automotive intelligence and electrification, networking & computing, industrial applications, embodied AI, and edge AI. We will continue to develop our product offerings covering the automotive, server, industrial energy, and consumer electronics sectors, further enrich our product portfolio, and strengthen our proprietary process R&D and iteration capabilities. Specifically, we will focus on R&D of automotive-grade ICs, server power management ICs, sensors, BMS, high-performance audio ICs, high-speed interface ICs, and driver ICs, while continuously advancing the development and upgrading of our proprietary process technologies.

In particular, over the next five years, our strategic R&D roadmap is aligned with the key focus areas and the [REDACTED] will be allocated accordingly. We will significantly expand our portfolio of automotive-grade ICs, targeting the development of approximately 800 new automotive-grade ICs. Concurrently, we will bolster R&D investment in our server power management ICs, focusing on R&D of multiphase power architecture, controllers, and DrMOS devices. We will continue to grow our existing sensor product portfolios while diversifying into new categories. Building on our existing battery management and ADC/DAC products, we will also develop multiple series of high-performance BMS ICs to address a wide range of application requirements, including electronic vehicles, energy storage systems, industrial, networking & computing, and consumer electronics. We will also intensify R&D investment in our proprietary process technologies. Our goal is for over 30% of our new products to adopt these optimized process technologies within this five-year period. Furthermore, we will accelerate the development and iteration of high-performance audio ICs, high-speed interface ICs, and driver ICs tailored for various application scenarios.

- (i) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used to retain, expand and strengthen our R&D team. According to Frost & Sullivan, the semiconductor industry is a talent-intensive industry. As of December 31, 2025, our R&D team comprised 1,335 research and engineering personnel, accounting for approximately 72.8% of our total number of employees. In response to the growing demand from downstream

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applications adopting our products and the ongoing advancement of analog semiconductor technologies, we plan to attract and retain over 500 R&D professionals annually with expertise in chip design and process development, thereby continuously enhancing our R&D capabilities as well as our proprietary process development capabilities. Specifically, we require our candidates to have a master’s degree or above, with at least five years of rich experience in R&D of automotive-grade ICs, server power management ICs, sensors, BMS, high-performance audio ICs, high-speed interface ICs, and driver ICs and process development;

- (ii) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used to cover wafer fabrication, packaging and testing costs and related expenses associated with R&D; and
 - (iii) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used to invest in R&D infrastructure. Specifically, we plan to purchase (i) R&D software tools, such as EDA software, and (ii) R&D-related equipment such as testing equipment and probe stations.
- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), is expected to be used for strategic investment and/or acquisitions aimed at integrating industry resources. We seek potential investment and acquisition opportunities worldwide to invest in or acquire companies in signal chain ICs, power management ICs, sensors and other synergistic companies to further enrich our product portfolio.

Our acquisition strategy primarily targets companies within the Analog and mixed-signal IC areas. We are seeking targets with expertise in areas that include, but are not limited to, (i) signal chain analog ICs, such as OPA, comparators, audio/video ICs, analog switches, AD/DA converters, small logic, AFE, RF, Clocks, PLLs, and high-speed interfaces, SerDes; (ii) power management ICs, such as AC/DC, DC/DC, LDOs, drivers, MOSFET, GaN/SiC, ESD/TVS, battery charger & production, protection ICs, and AMOLED power supplies; and (iii) temperature, pressure, magnetic, and other related sensors. According to Frost & Sullivan, it is estimated that there are over 50 available targets in the markets.

Beyond the targets’ product portfolio and technology, we place a critical emphasis on the core competence and stability of the targets’ R&D team and their corporate culture. Over the next five years, we will be actively pursuing investment and acquisition opportunities. We believe that such industry resource integration would strengthen our competitive edge, accelerate our growth and enhance our market position. As of the Latest Practicable Date, we have not negotiated with any specific acquisition targets nor identified any such targets.

- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), is expected to be used for expanding overseas sales network, particularly enhancing sales and marketing capabilities in Europe, Japan, South Korea, and Singapore over the next five years. Specifically:
 - (i) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used to strengthen our sales and marketing capabilities, expand our overseas customer base by enhancing overseas

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sales, and operation teams. This includes investing in sales and service efforts to deepen relationships with existing customers and expand our customer base overseas. We plan to recruit over 50 professionals for our sales, and operation teams in Europe, Japan, South Korea, and Singapore. Additionally, in overseas markets, our overseas sales team will execute promotional campaigns to directly connect with customers and participate in exhibitions, expos, and forums to directly engage with potential customers; and

- (ii) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used to expand and establish sales centers in Europe, Japan, South Korea, and Singapore to enhance our localized development and customer service capabilities.
- Approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be allocated to working capital and general corporate purposes.

If the [REDACTED] is set at HK\$[REDACTED] per H Share, being the high end of the [REDACTED], the [REDACTED] from the [REDACTED] will increase to approximately HK\$[REDACTED]. If the [REDACTED] is set at HK\$[REDACTED] per H Share, being the low end of the [REDACTED], the [REDACTED] from the [REDACTED] will decrease to approximately HK\$[REDACTED]. The above allocation of the [REDACTED] from the [REDACTED] will be adjusted on a pro-rata basis in the event that the [REDACTED] is fixed at a higher or lower level compared to the midpoint of the [REDACTED] stated in this document.

If the [REDACTED] is exercised in full, the [REDACTED] that we will receive will be approximately HK\$[REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per H Share (being the mid-point of the [REDACTED]). In the event that the [REDACTED] is exercised, we intend to apply the additional [REDACTED] to the above purposes in the proportions stated above.

To the extent that our [REDACTED] are not sufficient to fund the purposes set out above, we intend to fund the balance through a variety of means, including cash available on hands, bank loans and other borrowings.

If the [REDACTED] of the [REDACTED] are not immediately used for the purposes described above, to the extent permitted by the relevant laws and regulations, we will only deposit the [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 applicable laws and regulations in other jurisdictions, as long as it is deemed to be in the best interests of the Company. We will comply with all disclosure requirements under the Listing Rules if there is any change to the above proposed use of [REDACTED].