
FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

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

USE OF [REDACTED]

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

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

- **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for our ongoing R&D investment, including technology development and product upgrades.**
 - (i) **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for hardware design and product upgrades.**

We will continue to develop and upgrade the hardware aspects of our products across different price points and use scenarios, including extending spatial computing capabilities and expanding applications in productivity, gaming and enterprise scenarios, as well as integrating next-generation *X-series* edge processors. We also expect to incur expenses for product testing and verification, outsourced R&D services, patent applications and product certification.

- (ii) **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to recruit additional R&D personnel.**

We will recruit engineers and technical staff in optical engineering, algorithm development and software development, including individuals with relevant industry experience and strong academic backgrounds, to support our ongoing product development and iteration.

- (iii) **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for software development and on-device model deployment.**

We will procure and generate multimodal datasets and purchase cloud computing resources to train and fine-tune our models for different application scenarios, and to support on-device deployment. We will also develop and upgrade our software development tools and SDKs, including no-code or low-code toolkits, integration of open-platform APIs and cloud-based testing support services for developers. In addition, we will procure encryption solutions and security testing services to strengthen product-level data protection and on-device security.

- (iv) **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for optical and display technology development.**

We will continue to develop our *X-Prism* optical solution and next-generation near-eye display technologies, including enhancing display performance and expanding FoV. We will purchase R&D equipment to establish pilot lines for the development and testing of next-generation optical display solutions, and engage external institutions to support the development of optical and display technologies.

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- (v) **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to build computing infrastructure and R&D testing facilities.**

We will purchase GPU computing equipment, high-performance storage systems and specialized testing equipment to build in-house computing capabilities for AI and rendering. We will also establish R&D and testing facilities, including hardware testing, electromagnetic compatibility (EMC), radio frequency antenna and acoustics laboratories.

- **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for global brand building and the enhancement of our sales and distribution network.**

- (i) **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to expand our offline retail network and strengthen our operations in overseas markets.**

In China, we plan to enter major consumer electronics retail chains, establish branded stores in core commercial districts of Tier-1 and emerging Tier-1 cities, strengthen cooperation with regional distributors, and carry out in-store promotions and joint marketing campaigns. In overseas markets, we plan to collaborate with key retailers to develop new offline sales channels, expand coverage with our existing retail partners, and conduct localized marketing and promotional activities. We also plan to strengthen our presence in selected overseas markets, including Europe, Australia, Canada and Singapore, through product launches, digital marketing initiatives, cooperation with local media partners and offline experiential activities. In addition, we plan to expand third-party service centers in selected countries and regions and enhance local training and technical support capabilities.

- (ii) **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for brand promotion and marketing activities.**

We plan to carry out global brand promotion campaigns and develop localized content for social media platforms and our official website in key markets. We also plan to conduct public relations and media engagement activities, and collaborate with content creators and key opinion leaders across digital platforms. In addition, we plan to participate in international industry exhibitions, including Consumer Electronics Show (CES), Appliance & Electronics World Expo (AWE) and Internationale Funkausstellung (IFA), to enhance our brand visibility.

- (iii) **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to strengthen local marketing and sales teams in overseas markets.**

We plan to recruit marketing and sales personnel in key markets to support local market development, channel expansion and day-to-day operations.

- **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to construct new self-operated production lines and upgrade our existing production infrastructure.**

- (i) **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for constructing new self-operated production lines.**

We will construct approximately 10 new self-operated production lines for the manufacturing of our *X-Prism* optical engine to expand our overall production capacity and support the production needs of our existing products and future product generations. The new production lines are expected to be completed and commence operations by 2031. Upon completion, they are expected to provide an annual production capacity of approximately 810.0 thousand units, supporting our future production scale-up and expected demand.

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- (ii) **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to recruit production and operations personnel.**

We will recruit additional production and operations personnel, including technicians, process engineers and production management staff, to support production line ramp-up and ongoing operations.

- (iii) **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to upgrade our existing production infrastructure.**

We will upgrade our existing production facilities, including establishing additional cleanroom facilities meeting Class 1,000 and Class 100 standards required for precision optical module manufacturing. The upgrades will include improvements to electrical and low-voltage systems, air-conditioning and air purification systems, water supply and drainage systems, and fire protection systems. The renovation is expected to commence in the second quarter of 2028 and be completed and put into operation in 2029.

- **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to improve our management and operational efficiency through the deployment and upgrade of internal systems.**

We plan to upgrade our enterprise resource planning (ERP) system and procure product lifecycle management (PLM), human capital management (HCM) and customer relationship management (CRM) systems. These systems will be used to support our operations across key functions, including supplier and customer management, inventory and production management, R&D lifecycle management, human resources management, business intelligence and e-commerce operations.

- **Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for 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] range, the net [REDACTED] of the [REDACTED] will increase or decrease by approximately HK\$[REDACTED]. 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] was exercised in full would be (i) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the maximum [REDACTED] of the indicative [REDACTED] range), (ii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range) and (iii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the minimum [REDACTED] of the indicative [REDACTED] range). We intend to apply the additional net [REDACTED] to the above uses on a pro rata basis.

To the extent that the net [REDACTED] of the [REDACTED] are not immediately used for the above purposes or if we are unable to effect any part of our future development plans as intended, we may hold such funds in 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). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.