FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

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

USE OF [REDACTED]

Assuming an [REDACTED] of HK$[REDACTED] per H Share (being the midpoint of the range of the [REDACTED] stated in this document), we estimate that we will receive net [REDACTED] of approximately HK$[REDACTED] million from the [REDACTED] after deducting the [REDACTED] and other estimated expenses in connection with the [REDACTED] (assuming the [REDACTED] is not exercised). We intend to use our [REDACTED] for the purposes and in the amounts set forth below.

- approximately [REDACTED]%, or HK$[REDACTED], will be used for the R&D initiatives. See "Business — Our Strategies — Continuously upgrading and iterating our intelligent automotive solutions." and "— Further promoting the expansion of automotive-grade intelligent technology capabilities, and large-scale implementation in broader intelligent applications such as robovan and intelligent robots." In particular,

  - approximately [REDACTED]%, or HK$[REDACTED], will be used for the continuous R&D of intelligent driving, intelligent cockpits and cockpit-driving integrated solutions.

    With the continuous expansion and deepening of intelligent mobility requirements, the intelligent vehicle industry is increasingly demanding more advanced intelligent driving and intelligent cockpit solutions that can provide higher safety level and superior driving experience, and support richer personalization and more diversified customer needs in terms of functions, user experience and connectivity. We plan to further increase our R&D investment in intelligent cockpit and intelligent driving areas, primarily focusing on relevant technologies and products around domain controllers, in order to enhance their functionality and performance, to better accommodate the continuously evolving requirements for intelligent mobility.

    As the industry accelerating its pace towards cross-domain integration and more centralized computing, we intend to further invest in the R&D of integrated cockpit-driving solutions. We have developed "One-Chip" and "One-Box" solutions that integrate intelligent cockpit and intelligent driving functions within a unified architecture. We plan to continue investing in this area to upgrade and iterate "One-Chip" and "One-Box" solutions to enhance functionality and performance, so as to enhance system-level synergy and computing efficiency.

    To achieve this end, we plan to use (i) approximately [REDACTED]%, or HK$[REDACTED] to procure relevant R&D and testing services, licenses and R&D equipment, and (ii) approximately [REDACTED]%, or [REDACTED] to recruit additional R&D personnel with expertise in hardware and software design in the area of intelligent driving and intelligent cockpit.

  - approximately [REDACTED]%, or HK$[REDACTED], will be used for the continuous R&D of foundational hardware for intelligent robots — AI Cube. We launched the initial version of our foundational hardware for intelligent robots, AI Cube, in November 2025. According to Frost & Sullivan, the global market size of intelligent robots in terms of revenue is expected to grow from RMB158.6 billion in 2025 to RMB797.5 billion in 2030 at a CAGR of 38.1%. We plan to continue investing in R&D in this area, focusing on upgrading core functionalities, enhancing system reliability and standardization, so as to increase its compatibility with a broader range of intelligent robot applications. To achieve this end, we plan to use (i) approximately [REDACTED]%, or HK$[REDACTED] million to procure relevant R&D and testing services, licenses and R&D equipment, and (ii) approximately [REDACTED]%, or HK$[REDACTED] million to recruit additional R&D personnel with expertise in hardware and software design in the area of intelligent robots;

- approximately [REDACTED]%, or HK$[REDACTED], will be used for the expansion of our production capacity.

  Intelligent cockpits and intelligent driving have become the two core engines driving the restructuring of vehicle value. According to Frost & Sullivan, the global intelligent cockpit solution market size is expected to grow at a CAGR of 20.3% from RMB370.5 billion in 2025 to RMB935.0 billion in 2030. The global intelligent driving solution market size is expected to grow at a CAGR of 21.2% from RMB458.3 billion in 2025 to RMB1,197.0 billion in 2030. We plan to expand our production capacity by establishing phase II production plant in Chengdu to meet increasing market demand. Such new production facility is intended to enhance our regional manufacturing and delivery capabilities in China, support coordinated capacity deployment across multiple sites and better serve customer delivery requirements nationwide. It is expected to be engaged mainly in the production of intelligent cockpit and intelligent driving products. The new facility is expected to be equipped with cutting-edge automated lines, high-precision machining equipment, and auxiliary tools that will enable us to achieve greater production efficiency and scalability.

  In particular, we plan to use (i) approximately [REDACTED]%, or HK$[REDACTED] to procure advanced manufacturing equipment, such as SMT machines, high-temperature furnaces, dispensing/assembly machines, lamination equipment for displays and testing equipment, and relevant software, and (ii) approximately [REDACTED]%, or HK$[REDACTED] to construct new production plant. We expect to commence operating of the phase II production plant in Chengdu by 2030, subject to the progress of planning and subsequent implementation; and

- approximately [REDACTED]%, or HK$[REDACTED], will be used for the strategic and industry-related investment and acquisition. Alongside organic growth, we aim to continue to selectively pursue strategic and industry-related partnerships, investments and acquisitions in both that can enhance our overall competitiveness and fuel our sustainable growth. The focus of our strategic investments and acquisitions would be (i) the upper side of the value chain of intelligent automotive solution industry, such as key raw material and components suppliers, and (ii) the targets with technologies or products in the broader range of intelligent applications. We intend to select potential targets capable of demonstrating synergies with our existing business, enhancing our supply chain stability and strengthening our technological capabilities. According to Frost & Sullivan, the suitable targets are generally available in the market.

- approximately [REDACTED]%, or HK$[REDACTED], will be used for working capital and other 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$[REDACTED] million (assuming an [REDACTED] of HK$[REDACTED] per H Share, being the maximum [REDACTED] of the indicative [REDACTED] range), (ii) HK$[REDACTED] million (assuming an [REDACTED] of HK$[REDACTED] per H Share, being the mid-point of the indicative [REDACTED] range) and (iii) HK$[REDACTED] million (assuming an [REDACTED] of HK$[REDACTED] per H 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, we will only deposit such [REDACTED] 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.