

FUTURE PLANS AND [REDACTED]

FUTURE PLANS

Please refer to the section headed “Business — Our Strategies” in this document for a detailed discussion of our future plans.

[REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the indicative [REDACTED]), we estimate that we will receive [REDACTED] of approximately HK\$[REDACTED] million from the [REDACTED] after deducting the [REDACTED] commissions and other estimated [REDACTED] in connection with the [REDACTED], and assuming the [REDACTED] and the [REDACTED] are not exercised. In the event the [REDACTED] and the [REDACTED] are exercised in full and assuming an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the [REDACTED] stated in this document), we will receive additional [REDACTED] of approximately HK\$[REDACTED] million.

In alignment with our strategies and development plans, we intend to allocate the [REDACTED] for the following purposes:

- (i) approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be allocated to our product research and development, focusing primarily on upgrading our existing product lines, including intelligent pool cleaning robots and lawn mowing robots, and advancing the development of Garden AI Agents and smart garden management systems.

(a) Garden AI Agents

Approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be allocated to the research and development of our Garden AI Agents. Built on our Garden Intelligent Agent, the core objective of the Garden AI Agent project is to develop an intelligent and user-friendly AI-driven management system that can realize autonomous perception, intelligent decision-making, coordinated control and personalized service for the entire garden scenario. Specifically, the objectives include: (i) integrating AI technology into the existing central control system to build an upgraded AI perception and control platform, which retains the existing device connection function and further realizes seamless data interaction and collaborative operation of all connected devices; (ii) developing advanced AI algorithms for scene recognition, equipment scheduling, and task automation, so as to realize intelligent decision-making without excessive manual intervention, reducing user operation costs; and (iii) ensuring the compatibility and stability of the AI-upgraded system with the existing central control hardware and iGarden App, while enhancing its scalability, laying a foundation for the future expansion of our smart garden equipment ecosystem.

The research and development project of the Garden AI Agent is expected to span a period of three years, with capital expenditures to be incurred in phases in line with the project’s research and development progress.

	Key research and development progress	Expected server purchase	Expected personnel recruitment	Expected [REDACTED]
2027	Establishment of the computing power center and data collection platform	5 sets of CPU computing servers and 1 set of storage server	30	[REDACTED]% of the total funds (approximately HK\$[REDACTED] million)
2028	Delivery of the initial algorithm demonstration and preliminary implementation	5 sets of CPU computing servers and 1 set of storage server	12	[REDACTED]% of the total funds (approximately HK\$[REDACTED] million)

FUTURE PLANS AND [REDACTED]

	<u>Key research and development progress</u>	<u>Expected server purchase</u>	<u>Expected personnel recruitment</u>	<u>Expected [REDACTED]</u>
2029	Systematic and performance optimization and formal deployment and launch of the Garden AI Agents	5 sets of CPU computing servers and 1 set of storage server	8	[REDACTED]% of the total funds (approximately HK\$[REDACTED] million)

This phased [REDACTED] arrangement is designed to ensure the efficient and rational use of funds, matching the research and development progress and resource needs of each stage. The funds allocated to this project will be primarily used for: (i) the procurement of research and development equipment, services and related intellectual property rights, such as modules, storage servers, high-speed switching and network equipment, edge inference and testing services, development and testing workstations, data collection and experimental equipment, as well as distributed training and scheduling platforms; and (ii) the recruitment and training of research and development personnel, who will be responsible for the full-cycle development of the Garden AI Agent. The recruited personnel shall possess expertise in key fields including artificial intelligence, algorithm development, embedded systems, smart garden equipment integration and system integration, with relevant work experience in AI technology and smart central control system research.

(b) Intelligent pool cleaning robots

Approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be allocated to the research and development of our intelligent pool cleaning robots. This continuous research and development initiative is aimed at optimizing the performance, improving the functional experience and enhancing the market competitiveness of our existing intelligent pool cleaning robots, so as to meet the evolving user demands for smart pool maintenance and consolidate our market position in the global smart pool equipment sector.

We expect to allocate HK\$[REDACTED] million, HK\$[REDACTED] million and HK\$[REDACTED] million respectively over 2027 to 2029 to support the continuous launch of new technologies and product models of intelligent pool cleaning robots. The funds allocated to this project will be primarily used for: (i) the procurement of research and development and testing equipment, such as high and low temperature humidity test chambers, insulation resistance testers and infrared thermal imagers; and (ii) the recruitment, training and remuneration of professional research and development personnel. The recruited personnel shall possess expertise in key fields such as mechanical design, electronic engineering, software development and intelligent control, with rich experience in the research and development and optimization of intelligent pool cleaning equipment, so as to effectively promote the development and launch of new technologies and product models.

(c) Intelligent lawn mowing robots

Approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be allocated to the research and development of our intelligent lawn mowing robots. This initiative is aimed at optimizing the performance of our existing intelligent lawn mowing robots, developing new technologies and product models, and enhancing their market competitiveness, to further consolidate our position in the intelligent garden equipment market and expand our business scope into the lawn management scenario.

We expect to allocate HK\$[REDACTED] million, HK\$[REDACTED] million, and HK\$[REDACTED] million respectively over 2027 to 2029 to support the continuous

FUTURE PLANS AND [REDACTED]

research and development of our intelligent lawn mowing robots. The funds allocated to this project will be primarily used for: (i) the procurement of research and development and testing equipment, such as battery performance test cabinets, high-speed oscilloscopes, spectrum analyzers and vector network analyzers; and (ii) the recruitment, training, and remuneration of professional research and development personnel. These recruited personnel shall possess expertise in key areas such as mechanical design, electronic engineering, software development, and intelligent control, along with rich experience in the development and optimization of intelligent lawn mowing equipment.

(d) Smart Garden Assistant (庭院智能管家)

Approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be allocated to the development of our Smart Garden Assistant. The Smart Garden Assistant represents an integrated solution for our smart garden ecosystem. As a mobile, embodied intelligent hardware platform, it is engineered for deep integration with the software capabilities of our Garden AI Agent, delivering an intelligent ecosystem experience featuring environmental perception, autonomous decision-making, coordinated execution, continuous learning and user-centric interaction. On the software front, the Smart Garden Assistant incorporates our proprietary Garden AI Agent architecture, with core functions including contextual intent recognition, cross-device intelligent scheduling and decision-making, and user preference learning. On the hardware side, its embodied design supports autonomous patrol and movement, multi-modal environmental sensing, and natural-language human-machine interaction across garden environments. This allows our smart garden management system to transcend the constraints of traditional screen-based interfaces and deliver accessible, responsive and interactive physical services. Furthermore, as the unified access and control hub for our full suite of smart garden equipment products, the Smart Garden Assistant possesses adaptive and evolutionary capabilities. It continuously learns user habits and behavioral patterns to refine service offerings, and iterates hardware and software functions based on real-time user feedback, reflecting our commitment to a user-centric product development and service philosophy.

We expect to allocate HK\$[REDACTED] million, HK\$[REDACTED] million, and HK\$[REDACTED] million respectively over 2027 to 2029 to support the development of the Smart Garden Assistant. The funds will be primarily used for: (i) the procurement of research and development software and hardware, such as high-performance computing servers to support the operation of multi-layer AI models, multi-modal sensor modules for environmental perception in embodied intelligent hardware, as well as modeling and simulation testing platforms for human-machine interaction and scenario simulation; and (ii) establishment and recruitment of a cross-disciplinary research and development team covering mechanical design, electronic engineering, AI algorithms, software system development, intelligent control and other related fields. The team will focus on the deep integration of hardware and software, optimization of multi-device scenario linkage logic, enhancement of natural language interaction experience, and development of data-driven continuous learning capabilities, so as to maintain our technological competitiveness.

- (ii) approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be allocated to our marketing initiatives and sales channel development. This strategic [REDACTED] is aimed at enhancing the global brand recognition of our smart garden equipment products, expanding overseas market coverage, and establishing a comprehensive, efficient sales and after-sales support system to drive long-term market growth and strengthen our market competitiveness.

(a) Sales channel development

Approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be used to developing our overseas sales channel and supporting systems. These initiatives primarily comprise: (i) after-sale network development: we plan to establish a global call center to provide 24/7

FUTURE PLANS AND [REDACTED]

multilingual technical support to users worldwide. Meanwhile, we will set up regional spare parts and maintenance centers in major global markets, and expand authorized service centers, including “iGarden” brand-exclusive authorized service centers and multi-brand authorized service centers, to ensure timely and efficient after-sales services for end-users and improve user satisfaction; (ii) localized marketing and brand promotion: we will conduct brand and market communication activities tailored to the characteristics of different regional markets, participate in local industry exhibitions and offline experience events, and launch digital marketing and promotion initiatives adapted to local consumer habits, so as to deepen local market recognition of the “iGarden” brand and our products; and (iii) localization and support system development: we will lease local warehouses in Europe to optimize product delivery efficiency and shorten delivery cycles. In addition, we will establish “iGarden” offline experience stores in key regions, enabling customers to experience our products in person, thereby enhancing brand trust and purchase intent.

(b) Global marketing promotion

Approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be used for global marketing promotion initiatives. This portion of funds will be used to conduct multi-dimensional marketing activities to enhance brand influence and product visibility. Specific initiatives include: participating in international industry exhibitions and thematic events to showcase the advantages of our smart garden equipment products and engage with potential customers; launching targeted sponsorships and advertising campaigns across online and offline channels to expand brand exposure; and producing high-quality marketing materials and promotional items, including multilingual brochures, display materials and customer gifts, to support on-site promotion and brand communication.

(c) Recruitment of sales personnel

Approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be used to expanding our sales and marketing team. This team expansion will support the implementation of the aforementioned marketing and channel promotion initiatives, enhance our promotion capabilities in key markets, and strengthen the connection between our brand and customers.

- (iii) approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be allocated to potential acquisitions and strategic investments. This strategic initiative is intended to further expand our market share, strengthen our market position in the global smart garden equipment sector, and enhance our overall competitiveness through targeted acquisitions.

Specifically, we plan to use the funds for investing in overseas sales channels and enterprises in the upstream and downstream of the industrial chain through methods such as holding controlling stakes or taking equity stakes, where such investments align with our long-term development strategy and can bring synergistic effects to our existing business.

As of the Latest Practicable Date, we have not identified any specific acquisition targets. Any future acquisition will be subject to careful due diligence, internal approval procedures and compliance with relevant regulatory requirements. We will only pursue acquisitions that are expected to create value for us and shareholders.

- (iv) approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be used to repay certain of our interest-bearing bank borrowings with an aggregate principal amount of approximately RMB[REDACTED] million (approximately HK\$[REDACTED] million). These borrowings carry an effective annual interest rate of 2.90% and mature in early 2029, and were primarily utilized for general working capital requirements.
- (v) approximately [REDACTED]% of the [REDACTED] (equivalent to HK\$[REDACTED] million) will be reserved for general working capital and operational flexibility, allowing us to respond to strategic opportunities and unforeseen market shifts in a timely and prudent manner.

FUTURE PLANS AND [REDACTED]

In the event that the designated [REDACTED] are insufficient to fully fund the aforementioned purposes, we intend to utilize internal resources or equity debt financing to address any shortfalls. Conversely, should there be surplus funds, these will be applied toward other projects consistent with our strategic objectives.

In the event that the [REDACTED] is fixed below or above the mid-point of the indicative [REDACTED], the [REDACTED] allocated to the above purposes will be adjusted on a pro rata basis. Any additional [REDACTED] received from the exercise of the [REDACTED] and the [REDACTED] will be allocated to the above purposes on a pro rata basis.

If the [REDACTED] is fixed at HK\$[REDACTED] per [REDACTED] (being the high end of the [REDACTED] stated in this document) and assuming that the [REDACTED] and the [REDACTED] are not exercised, we will receive additional [REDACTED] of approximately HK\$[REDACTED] million. If the [REDACTED] is fixed at HK\$[REDACTED] per [REDACTED] (being the low end of the [REDACTED] stated in this document) and assuming that the [REDACTED] and the [REDACTED] are not exercised, the [REDACTED] we receive will be reduced by approximately HK\$[REDACTED] million.

In the event of any material change in our use of [REDACTED] of the [REDACTED] from the purposes described above or in our allocation of the [REDACTED] among the purposes described above, a formal announcement will be made.

To the extent that the [REDACTED] from the [REDACTED] are not immediately applied to the above purposes, we will only deposit such [REDACTED] into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions).