FUTURE PLANS

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

USE OF [REDACTED]

We estimate that we will receive net **[REDACTED]** from the **[REDACTED]** of approximately HK$**[REDACTED]** million, after deducting **[REDACTED]** fees and commissions and other estimated expenses paid and payable by us in relation to the **[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the mid-point of the **[REDACTED]** range from HK$**[REDACTED]** to HK$**[REDACTED]** per H Share, and that the **[REDACTED]** is not exercised.

We currently intend to use these net **[REDACTED]** for the purposes and in the amounts set forth below:

- approximately **[REDACTED]**%, or HK$**[REDACTED]** million, is expected to be used to advance our R&D efforts and enhance our technological capabilities and also enrich our product and solutions offerings. Specifically:
    - approximately **[REDACTED]**% or HK$**[REDACTED]**, is expected to be used for advancing our R&D efforts and enhancing our technological capabilities whereby we plan to focus deepening fundamental AI capabilities primarily towards: (a) building advanced large model training infrastructure with next-generation computing capabilities supporting low-precision training formats (such as FP8 and FP4), thereby enhancing the efficiency and reliability of large model pre-training, post-training, and reinforcement learning processes; and (b) optimizing large model inference efficiency by improving real-time processing capabilities, developing lightweight deployment solutions, and creating high-reliability transportation AI systems that enable safe and efficient intelligent traffic operations.
    - approximately **[REDACTED]**% or HK$**[REDACTED]**, is expected to be used for enriching our product and service offerings, achieve the upgrade and iteration of existing products, and roll out new features and solutions. Particularly, we currently plan to focus primarily on: (a) software-hardware integrated AI solutions featuring multi-modal perception and intelligent analysis capabilities, with hardware deployment including fixed terminal inspection robots for metro stations, trains, and urban roads to support full lifecycle service operations; (b) data-driven and model intelligence that break through traditional bottlenecks of isolated automation, data silos, and delayed decision-making in rail and urban traffic management; (c) AI-powered digital twin platforms enabling deep integration for urban multi-modal transportation governance, connecting cross-transport data and enabling large model-driven risk prediction and simulation for proactive traffic intervention; (d) OpenHarmony integrated products and solutions that overcome traditional transportation system fragmentation, data isolation and response delays; and (e) industrial control systems for rail and urban transportation that address core operational needs by overcoming current limitations of fragmented control technologies and slow response times.

In order to advance our R&D efforts, enhance our technological capabilities, and enrich our product and solution offerings,

- ◦ approximately [**REDACTED**]%, or HK$[**REDACTED**] million, is expected to be used to recruit, retain and cultivate research and development personnel particularly in positions such as AI data analysts, algorithm engineers, software architects, large model R&D specialists, OpenHarmony developers and industrial control engineers. We plan to recruit approximately 200 of such research and development personnel over the next five years. We expect such recruitment and increased compensation to (a) comprehensively enhance our research and development capabilities, with a focus on utilizing advanced technologies to iterate our products and solutions; and (b) enrich our product and solutions offerings to achieve better customer experience; and

- ◦ approximately [**REDACTED**]%, or HK$[**REDACTED**] million, is expected to be used for enhancing R&D infrastructure, including procurement and upgrades of hardware such as GPU-based intelligent computing servers, OpenHarmony adaptation testing equipment and data storage devices, and data governance software platforms, as well as for engaging in external R&D collaboration, over the next five years.

- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, is expected to be used for enhancing our customer service and support capabilities. Specifically, we intend to expand and enhance our network of localized customer operation centers and improve the operational capabilities of such centers. In Chinese mainland, we plan to enhance our localized customer operation centers in cities where we currently operate, including Shenzhen, Jinan and Tianjin, as well as establish new localized sales and service centers in cities and markets that are currently not within the coverage of our network, including Shijiazhuang, Xi'an and Ningbo etc. We select such locations based on a number of factors including regional coverage, customer base and strategic market opportunities.

  We also plan to extend our reach in certain markets outside of Chinese mainland, specifically Singapore and Hong Kong. With localized customer operation centers in these markets, we aim to enhance technological localization adaption, ecological integration, technology sharing, brand building as well as our responsiveness to local customers. Under the Belt and Road Initiative, regions such as Southeast Asia are experiencing a surge in rail infrastructure demand, creating significant opportunities for Chinese intelligent rail solutions. Leveraging our extensive project implementation experience and strong technological foundation, we believe we are well positioned to capture growth opportunities in international markets.

  To improve the operational capabilities of these localized customer operation centers, we plan to recruit a total of approximately 129 qualified personnel, including approximately 38 experienced professionals dedicated to our operations outside of Chinese mainland. These personnel will receive comprehensive training programs covering our product technologies, service protocols, and local market requirements to ensure consistent service quality across all locations. For our expansion outside of Chinese mainland, we will specifically focus on recruiting personnel with proven track records in overseas market development and international project implementation experience, particularly those familiar with the regulatory environments, business practices, and cultural contexts of Singapore and Hong Kong. This talent acquisition and development strategy will enable us to provide timely, localized technical support, project delivery, and after-sales services that meet the specific needs of customers in each market, thereby strengthening our competitive position and supporting our international growth objectives.

Prior to formulating our expansion strategy, we conducted comprehensive feasibility analyses of potential markets outside of Chinese mainland, evaluating political, economic, social, and technological factors. Our assessment specifically covered market size and growth potential, industrial chain structure, key technology development trends, regional characteristics, profit structure dynamics, differentiated customer needs and behaviors, as well as the competitive landscape in target markets. Based on these analyses, we have developed a phased market entry plan: (i) focusing initially on core markets including Singapore and Hong Kong where we aim to secure 2-3 benchmark projects within the first year; and (ii) establishing deeper market presence through technical partnerships and joint ventures over the long term (3-5 years). Our approach emphasizes regional customization, including developing technology solutions tailored to local requirements (such as compliance with regional data protection regulations), obtaining relevant local certifications and standards compliance, and progressively increasing local employee ratios to 40-60% to ensure cultural integration and operational effectiveness. We will also establish localized supply chains and implement cross-cultural training programs to address language, religious, and business practice differences. To mitigate regulatory and operational risks, we will engage local legal advisors, adopt multi-currency settlement mechanisms, and prioritize markets with stable bilateral relations and participation in international cooperation frameworks.

- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, is expected to be used to over the next [five years] selectively pursue strategic investment and acquisition opportunities in intelligent urban rail and urban transportation fields and advanced AI technologies to enhance our core competitiveness and expand our market coverage. We plan to prudently evaluate and consider a wide array of potential investments in emerging businesses that can (i) enhance our technological capabilities in AI, big data analytics, intelligent transportation solutions (including rail transportation and urban transportation related AI and large model technologies) and enable forward-looking positioning in emerging technologies and next-generation transportation products; (ii) provide complementary products, solutions or technologies that enhance our integrated solutions, in power supply, signaling, and railway-related companies to achieve comprehensive coverage of the rail transit electromechanical industry chain; and (iii) offer synergistic business and strategic investment opportunities between the upstream and downstream of the industry chain and related infrastructure sectors. We evaluate potential targets based on a number of factors, including (i) business relevance and synergy with our existing operations; (ii) enhancement to our product and solutions and customer portfolio; (iii) technological capabilities and growth potential; and (iv) operational and financial track record. In addition to the foregoing considerations, we generally seek investment targets with an overall valuation in the range of RMB500 million to RMB5 billion and/or net profit levels of approximately RMB50 million to RMB200 million, with demonstrated growth potential and favorable growth prospects. These financial parameters serve as general guidelines and may be adjusted based on specific circumstances, including prevailing market conditions, industry development trends, and applicable valuation multiples at the time of transaction. According to Frost & Sullivan, based on the industry scale and profit matching degree, there are approximately 100 to 150 potential targets in the market that meet our selection criteria. We intend to make the aforementioned investments and acquisitions mainly through equity, both controlling or non-controlling, and may consider other forms of investment such as debt with convertible features if such is better suited for the need of the transaction, evaluated on the case-by-case basis. As of the Latest Practicable Date, we had not identified any specific investment or acquisition target.

- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, is expected to be used for our working capital and other general corporate purposes.

The above allocation of 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 mid-point of the **[REDACTED]** range stated in this document.

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

In the event that the **[REDACTED]** is exercised in full, the additional **[REDACTED]** that we would receive would be HK$**[REDACTED]** million assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the mid-point of the **[REDACTED]** range stated in this document, after deduction of **[REDACTED]** fees and commissions and other estimated expenses paid and payable by us in relation to the **[REDACTED]**. Additional **[REDACTED]** received due to the exercise of any **[REDACTED]** will be used for the above purposes accordingly on a pro-rata basis if the **[REDACTED]** is exercised.

If the **[REDACTED]** of the **[REDACTED]** are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we will 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 the applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules and make an appropriate announcement if there is any change to the above proposed use of **[REDACTED]**.