FUTURE PLANS

For a detailed description of our future plans, see "Business — Our Strategies."

[REDACTED]

We estimate that the [**REDACTED**] from the [**REDACTED**] will be approximately [**REDACTED**], assuming an [**REDACTED**] of [**REDACTED**] per Share, being the mid-point of the [**REDACTED**] of [**REDACTED**] per Share to [**REDACTED**] per Share, after deducting [**REDACTED**] and estimated [**REDACTED**] expenses paid and payable by us in the [**REDACTED**], taking into account any additional discretionary incentive fee.

We intend to use the [**REDACTED**] from the [**REDACTED**] for the following purposes:

	From January 1, 2026 to December 31, 2026	From January 1, 2027 to December 31, 2027	From January 1, 2028 to December 31, 2028	After January 1, 2028	Total	Approximate Percentage of the Total
					(HK$ million)	
1. Expand R&D platform and enhance R&D capabilities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2. Expand product lines and enrich downstream applications	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
3. Improve our domestic and overseas sales and technical support network	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4. Strategic investments and/or M&A to achieve our long-term expansion strategy	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
5. Working capital and general purposes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

- Approximately [**REDACTED**]%, or [**REDACTED**], will be used for the expansion of our R&D team and capabilities in the next three years, of which:
  - Approximately [**REDACTED**]%, or [**REDACTED**], will be used for personnel recruitment which will primarily cover salaries and benefits for new hires, aiming at expanding our R&D team with experienced cross-disciplinary talent. Our recruitment plans include:
    - [one to three] senior technical managers to lead key R&D projects;
    - [20 to 25] AI engineers and researchers focusing on the creation and optimization of AI algorithms;
    - [five to ten] members of IC design process team. We plan to establish a design process team to optimize chip design and improve manufacturing yield through advanced process integration, thereby lowering our manufacturing costs and enhancing product quality;

      - [15 to 25] chip R&D engineers. We plan to recruit chip R&D engineers to support chip R&D process, thereby enhancing our core design capabilities and ensuring our overall product development;

      - [two to five] members of computer-aided design team. We plan to form a dedicated computer-aided design team to implement advanced electronic design automation tools, enhance design efficiency, and streamline the chip development workflows; and

      - [45 to 55] members of software development team. We plan to expand our software development team to improve operating system support, customization, and optimization of IC application software.

   - Approximately [**REDACTED**]%, or [**REDACTED**] will be used to provide performance-based incentives for our employees, ensuring the stability and continuity of our business and particularly, our technical expertise.

   - Approximately [**REDACTED**]%, or [**REDACTED**], will be allocated to the upgrade of our R&D infrastructure to support our expanding R&D activities. Among this amount:

      - Approximately [**REDACTED**] will be used to purchase advanced equipment, including simulation acceleration tools, chip verification and testing instruments, and for leasing servers for AI training;

      - Approximately [**REDACTED**] will be used to acquire EDA tools and other software licenses to facilitate our daily operations after the expansion of our working personnel; and

      - Approximately [**REDACTED**] will be allocated to purchase essential electronic components like PCBs for prototype design and engineering samples in chip testing. These upgrades should greatly improve our R&D efficiency and technology.

- Approximately [**REDACTED**]%, or [**REDACTED**], will be allocated to expanding our product portfolio and enriching applications in the next three years, of which:

   - Approximately [**REDACTED**]%, or [**REDACTED**], will be allocated to smart video segment. Specifically, approximately [**REDACTED**] will be used to support research, development, and tape-out of edge AI chips with mid-to-high computing power, as well as the engineering cost and procurement or licensing of key IP modules in relation to the edge AI chips; approximately [**REDACTED**] will be used to expand product lines, such as NVR SoCs and other related solutions, to address market demand for intelligent video applications;

   - Approximately [**REDACTED**]%, or [**REDACTED**], will be allocated to the smart IoT segment. Specifically, approximately [**REDACTED**] will go towards developing platform-based vision intelligence terminal chips and supporting their software and hardware ecosystem; [**REDACTED**] will be allocated for AI wearable visual chips for products such as action cameras; and [**REDACTED**] will support smart IoT IPC SoC chip development to boost integration and market presence in security and smart home applications; and

  - ◦ Approximately [**REDACTED**]%, or [**REDACTED**], will be allocated to the smart mobility segment, with an emphasis on R&D as well as the commercialization of new automotive-grade ISP chips. The funds will support progress toward functional safety certification and automotive-grade product registration, positioning us to capitalize on opportunities in the rapidly growing smart vehicle market and further enhance our technological capabilities and competitive standing in the automotive vision processing market.

- Approximately [**REDACTED**]%, or [**REDACTED**], will be used to expand our domestic and overseas marketing and technical support in the next three years starting with Southeast Asia. These funds will help set up R&D and marketing centers abroad and improve regional technical services to drive global growth.

  Our strategy includes setting up overseas R&D and marketing centers, expanding localized technical support teams, and launching targeted promotional initiatives, including but not limited to international advertising campaigns and participation in major industry exhibitions, to enhance our global visibility and brand recognition. We plan to expand our marketing center in Singapore to cover Southeast Asia and Taiwan in 2026, followed with, establishing a marketing center in Japan or Korea to cover East Asia in 2027, and a marketing center in Latin America to cover North and South America 2028.

  In addition, we intend to recruit experienced professionals with international backgrounds and overseas market expertise to broaden our sales network coverage, improve sales and marketing efficiency, and strengthen our relationships with major global customers. These initiatives are expected to further reinforce our global presence and customer engagement capabilities.

- Approximately [**REDACTED**]%, or [**REDACTED**], will be allocated for strategic investments and acquisitions over the next three to five years, targeting core video, audio, and transmission technologies that complement our existing portfolio. These funds may support further investment in current portfolio companies or the acquisition of assets or businesses with synergistic technologies, intellectual property, products, or solutions relevant to emerging applications. These actions aim to create synergies in technology, intellectual property, product integration, supply chain, customer base, and sustainable growth, reinforcing our position in intelligent vision technology.

  According to Frost & Sullivan, it is estimated that there are over 50 available targets in the markets.

  As of the Latest Practicable Date, we have not identified any specific acquisition or investment targets. Any potential opportunities will be carefully evaluated and pursued in an orderly manner, taking into account market conditions, technological alignment, and potential investment returns.

- Approximately [**REDACTED**]%, or [**REDACTED**], will be used for working capital and general corporate purposes.

In the event that the [**REDACTED**] is set at the [**REDACTED**] or the [**REDACTED**] of the indicative [**REDACTED**], the [**REDACTED**] of the [**REDACTED**] will increase or decrease by approximately [**REDACTED**], respectively.

The additional [**REDACTED**] that we would receive if the [**REDACTED**] is exercised in full would be (i) HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the [**REDACTED**]), (ii) HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the mid-point of the [**REDACTED**]) and (iii) HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the [**REDACTED**]).

To the extent that the [**REDACTED**] from the [**REDACTED**] (including the [**REDACTED**] from the exercise of the [**REDACTED**]) are either more or less than expected, we may adjust our allocation of the [**REDACTED**] for the above purposes on a pro rata basis.

To the extent that the [**REDACTED**] from 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 will only deposit such funds 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) for so long as it is deemed to be in the best interests of our Company. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.