
FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

Please see the section headed “Business — Business Strategies” for a detailed description of our future plans.

USE OF [REDACTED]

We estimate the [REDACTED] of the [REDACTED] which we will receive, assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-end of the [REDACTED] range stated in this document), will be approximately HK\$[REDACTED], after deducting the estimated [REDACTED] and other fees and expenses payable by us in connection with the [REDACTED] and assuming the [REDACTED] is not exercised.

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

- approximately [REDACTED]% (or HK\$[REDACTED]) will be used to continually strengthen our R&D capabilities. In particular,
 - (i) approximately [REDACTED]% (or HK\$[REDACTED]) will be used to procure hardware products, such as servers and data storage devices, and cloud computing services, mainly from suppliers located in China, in order to strengthen our AI technological capabilities. With respect to the U.S.-origin hardware supplies, we expect to source alternative products through legitimate and compliant channels as there remains a range of Chinese suppliers that are not included on U.S. export control lists. See “Business — Relevant Activities with International Sanctions Exposure.” Specifically, over the next three years, leveraging our investments in advanced hardware and cloud computing, we expect to significantly entrench our technological strengths and enhance computing capacity. Enhanced R&D infrastructure will accelerate the iteration and advancement of core AI technologies, such as our Yan Di large model and the DUIX ONE. Through sustained model training and systematic R&D, we aim to continuously improve model generality and accuracy, progressively advancing toward the AI Autopilot outcome-based solutions;
 - (ii) approximately [REDACTED]% (or HK\$[REDACTED]) will be used to hire approximately 30 R&D employees, who will be responsible for further strengthening our technological capabilities. In particular, we expect to recruit R&D team leaders with strategic vision in AI technology research, cutting-edge AI applications, and AI commercialization, and R&D team management experience, senior R&D experts with expertise in large model training, algorithm optimization and other key fields of AI technology, and young R&D talent graduated from renowned universities embracing skills to execute on specific research tasks;
 - (iii) approximately [REDACTED]% (or HK\$[REDACTED]) will be used to fund external R&D collaborations. We expect to collaborate with universities and other academic institutions to enhance our R&D capabilities, focusing on two key areas: (i) pioneering research in next-generation AI technologies; and (ii) diversifying our offerings to address the evolving market demands and propel the commercial applications of digital human agents. We expect such attempt to accelerate technological advancement while improving overall R&D efficiency. We believe partnership with universities and other academic institutions will provide direct access to cutting-edge academic research and top-tier talent. This partnership merges academic research in foundational AI technologies with our expertise in solution development and market application. It cultivates the next-generation AI talent and steers the AI R&D practices toward greater transparency, inclusivity and social benefit;

See “Business — Business Strategies — Continuously investing in R&D to enhance our multimodal technological capabilities while integrating industry-specific insights from leading enterprises across industries to build a robust competitive moat.”

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- approximately [REDACTED]% (or HK\$[REDACTED]) will be used for marketing and promotion. In particular,
 - (i) approximately [REDACTED]% (or HK\$[REDACTED]) is expected to be used for our global business exploration, including media platform marketing and cooperating with industry-specific channel partners. Specifically, over the next three years, we plan to collaborate with multiple internet celebrities on live streaming platforms, short-video channels and other online channels to promote our GJ AI workforce solutions through their live streams and short videos. Additionally, we intend to collaborate with more industry-specific channel partners to drive sales of our solutions to enterprises in targeted industries, such as cross-border e-commerce, culture, education and tourism and pan-entertainment, in Hong Kong and countries in Southeast Asia, such as Thailand, Malaysia, Singapore and Vietnam;
 - (ii) approximately [REDACTED]% (or HK\$[REDACTED]) is expected to be used to recruit approximately 10 sales and marketing employees, who will be responsible for attracting customers, maintaining customer relationships and conducting marketing and promotion activities on media platforms. Apart from the domestic market, we also expect to recruit sales and marketing employees in our newly established subsidiary in Singapore to propel our global business expansion;

See “Business — Business Strategies — Accelerating worldwide business exploration and developing internationally competitive AI solutions under our global expansion strategy.”

- approximately [REDACTED]% (or HK\$[REDACTED]) will be used for global acquisitions and ecosystem partnerships. We plan to explore opportunities with solution providers along the AI industry chain when proper opportunities arise. We plan to pursue opportunities through multiple arrangements, such as minority equity investments and joint ventures. Where the target company has a relatively small asset and business scale but demonstrates strong synergies with our operations, we may also consider strategic acquisitions. We will mainly target companies with proven market recognition and brand influence and capable of creating synergies with our business operations. We will prioritize companies with market-based financing experience, capital market validation, annual revenue of over RMB100 million, and a valuation of no less than RMB500 million, demonstrating their technical capabilities, operational foundation, and growth potential. According to CIC, based on expert interviews and market research, there were sufficient potential targets in the industry that meet our selection criteria for our strategic acquisition as of the Latest Practicable Date. Through such collaborations or acquisitions, we expect to expand the application ecosystem for our solutions. We expect to generate synergies with the acquired companies in strengthening core technology barriers, algorithmic capabilities, and commercial rollout, boosting our technical strength and commercialization capabilities. For instance, for companies with hardware production and implementation expertise, we target collaborations or acquisitions that strengthen our supply chain and create mutual benefits. Furthermore, we seek to expand our business presence in the non-domestic markets, especially Europe, the United States and Southeast Asia, through minority equity investments or acquisitions. As of the Latest Practicable Date, we had not identified any definite acquisition targets.

We expect the depreciation and amortization costs with respect to the non-current assets and subsequent renovation cost of the above mentioned acquisitions may adversely affect our net loss. In addition, the consideration we paid for the acquisitions in excess of the fair value of identifiable net assets and liabilities acquired would be accounted for as goodwill, which might also adversely affect our net loss and financial position if impaired. Future acquisitions and the integration of new assets and businesses would require significant management attention and could divert resources from our existing operations. Acquisitions could also involve cash outlays, potentially dilutive equity issuances, debt incurrence, intangible asset amortization, and exposure to liabilities of the acquired business. See “Risk

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Factors — Risks Relating to Our Business and Industry — Acquisitions, investments or strategic alliances may fail and materially and adversely affect our reputation, business and results of operations;” and

See “Business — Business Strategies — Expanding strategic partnerships and pursuing targeted investments and acquisitions to complete our AI industrial layout.”

- approximately [REDACTED]% (or HK\$[REDACTED]) for working capital and other general corporate purposes.

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

The additional [REDACTED] that we would receive if the [REDACTED] were exercised in full would be (i) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the high-end of the [REDACTED] range stated in this document), (ii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-end of the [REDACTED] range stated in this document) and (iii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the low-end of the [REDACTED] range stated in this document). Additional [REDACTED] received due to the exercise of any [REDACTED] will be used for the above purposes accordingly on a pro rata basis in the event that the [REDACTED] is exercised.

To the extent that the [REDACTED] are not sufficient to fund the purposes set out above, we intend to fund the balance through a variety of means, including cash generated from operations, bank loans and other borrowings.

To the extent that the [REDACTED] are not immediately applied to the above purposes, or if we are unable to effect any part of our future development plans as envisaged, we will only deposit the [REDACTED] into short-term interest-bearing accounts with licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

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.