FUTURE PLANS

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

USE OF [REDACTED]

We estimate that the **[REDACTED]** of the **[REDACTED]**, after deducting the estimated **[REDACTED]** commissions and other fees and expenses paid and payable by us in connection with the **[REDACTED]**, will be approximately HK$**[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share (being the **[REDACTED]** of the indicative range of the **[REDACTED]** of HK$**[REDACTED]** to HK$**[REDACTED]** per H Share), and that the **[REDACTED]** is not exercised.

We currently intend to use the **[REDACTED]** from the **[REDACTED]** for the purposes and in the amounts as set out below:

(a) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]** for research and development. We intend to continuously invest in the research, development, and commercialization of core technologies to further strengthen our leading position in the new energy intelligent heavy-duty truck sector. More specifically:

   (i) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, for the research and development of autonomous driving technologies. We plan to continue to invest in and iterate on our autonomous driving technologies, with a focus on core areas including data accumulation, model capability enhancement, and training efficiency optimization. As our computing capabilities continue to improve and our data set continues to expand, we expect to further scale up our end-to-end MLLM to enhance overall performance. We will also actively explore more efficient training strategies, including the application of large-scale parallel training and simulation technologies, to continuously improve training efficiency and effectiveness. We aim to achieve the large-scale commercial application of autonomous driving in complex scenarios such as gravel pits, ports, dedicated transportation lines, and short-haul logistics.

   To this end, we expect to strategically expand our R&D team by recruiting professionals with extensive experience in artificial intelligence, autonomous driving, and safety redundancy systems for heavy-duty trucks. Additionally, we expect to increase cloud services related expenditures to support infrastructure upgrades and system enhancements. Through the continuous iteration and accumulation of these R&D capabilities, we are committed to developing RoboTruck solutions across multiple scenarios. We aim to form a replicable, low-cost, and standardized deployment model for our technologies.

   (ii) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, for the development of vehicle hardware technologies. We will continue our research and development of core vehicle technologies guided by our forward-engineering philosophy, including the development of our new-generation platform T, e-axle, power battery system, and core technologies related to electric controls, among others.

In particular, we plan to further strengthen our in-house R&D capabilities for core heavy-duty truck electric powertrain systems, including continuous iteration of our four-in-one integrated e-axle and development of our six-in-one high-power-density adopt modular design to continuously optimize the performance of e-axles in terms of energy efficiency, lightweighting, adaptability to complex working conditions, long-term operational reliability, and maintainability to meet the differentiated needs of various scenarios.

To maintain and further expand our competitive advantage in vehicle hardware technology, including e-axles, we expect to recruit senior researchers and engineers with leading industry experience and concurrently invest in our talents to enhance their capabilities. Furthermore, we will continue to invest in tooling, molds, and related professional testing and equipment required for vehicle technologies development. Additionally, we plan to further advance the development of autonomous driving-native heavy-duty truck models and continue to increase investment in core systems for the development of next-generation intelligent models, including intelligent by-wire chassis.

(b) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]** for expanding our sales and after-sales service network. Our goal is to expand our sales network and to build a full-lifecycle, comprehensive, and highly responsive after-sales service ecosystem for new energy intelligent heavy-duty truck customers, enhancing customer experience and brand reputation to support the continuous expansion of our business scale. Specifically:

(i) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, for expanding our sales network. Domestically, we plan to expand our sales team and our distributor network to increase the breadth and density of our coverage in core markets nationwide. We will also strengthen our branding and increase our sales through targeted online branding campaigns, offline industry exhibitions, and marketing activities. In terms of overseas expansion, we intend to prioritize penetration into core markets such as Australia, Europe, and Southeast Asia, establishing localized sales and technical support teams, and gradually expanding our business footprint to other prospective countries and regions.

(ii) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, for strengthening our after-sales service capabilities. To support our growing in-service vehicle fleet and enhance service efficiency and customer satisfaction, we plan to further expand our nationwide after-sales service network, deepen partnerships with additional high-quality third-party service stations, and achieve comprehensive coverage of key logistics and transportation hubs and major industrial cluster regions. Meanwhile, we intend to utilize our self-developed Sophon Data Platform and cloud-based digital platform to integrate real-time vehicle operational data monitoring and intelligent fault warning functions. Combined with predictive maintenance models, we aim to achieve early fault identification and proactive maintenance during idle or charging periods, building an intelligent service system focused on "maintenance over repair." We also plan to expand our after-sales customer service team, strengthen end-to-end monitoring of service processes and rapid response capabilities, and improve the training system for service personnel to continuously enhance the professionalism of our after-sales service.

(c) Approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]** for selectively pursuing strategic initiatives. We plan to deepen our strategic cooperation with upstream and downstream manufacturing, technology, and operational partners with business synergies through various initiatives including but not limited to acquisitions, strategic alliances, joint venture arrangements, or other minority equity investments. Such initiatives aim to further strengthen our supply chain and to complete our offerings full-stack solutions in terms of new energy autonomous driving heavy-duty trucks. Potential investment and partnership targets include upstream and downstream manufacturers, technology providers and operators that (i) have complementary capabilities in new energy intelligent heavy-duty truck technology, autonomous driving systems and key components and software, and (ii) can deliver clear product, supply-chain or go-to-market synergies, secure critical supply and accelerate deployment of our vehicles and solution. Our Directors believe there is a sufficient number of potential investment or acquisition targets in the market, and that we have a dedicated team to source and execute such transactions. As of the Latest Practicable Date, we have not entered into any letters of intent or agreements regarding any acquisitions or investments, nor have we identified any specific acquisition or investment targets.

(d) approximately **[REDACTED]**% of the **[REDACTED]**, or HK$**[REDACTED]**, will be used for working capital and other general corporate purposes to support our daily operations and overall business growth.

The above allocation of the **[REDACTED]** will be adjusted on a pro rata basis in the event that the **[REDACTED]** is fixed below or above the **[REDACTED]** of the indicative **[REDACTED]** range. If the **[REDACTED]** is set at HK$**[REDACTED]** per H Share, which is the high end of our indicative **[REDACTED]** range, the **[REDACTED]** from the **[REDACTED]** will increase by approximately HK$**[REDACTED]**. If the **[REDACTED]** is set at HK$**[REDACTED]** per H Share, which is the low end of our indicative **[REDACTED]** range, the **[REDACTED]** from the **[REDACTED]** will decrease by approximately HK$**[REDACTED]**. Any additional **[REDACTED]** received from the exercise of the **[REDACTED]** will also be allocated to the above purposes on a pro rata basis. In the event that the **[REDACTED]** is exercised in full, we will receive **[REDACTED]** of HK$**[REDACTED]** (after deducting the estimated **[REDACTED]** commissions and other fees and expenses paid and payable by us in connection with the **[REDACTED]** and assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the **[REDACTED]** of our indicative **[REDACTED]** range).

To the extent that the **[REDACTED]** are not immediately applied to the above purposes, 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 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.