FUTURE PLANS

See "Business — Our Strategies" for a detailed discussion of our future plans.

USE OF [REDACTED]

We estimate that we will receive net [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**], after deducting the [**REDACTED**] fees and commissions and estimated expenses payable by us in connection with the [**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the [**REDACTED**] ranging from HK$[**REDACTED**] to HK$[**REDACTED**] per [**REDACTED**] stated in this document) and no exercise of the [**REDACTED**]. In line with our strategies, we intend to use the net [**REDACTED**] from the [**REDACTED**] for the following purposes:

- Approximately [45.0]%, or HK$[**REDACTED**], will be used for domestic production capacity expansion to further enhance our delivery capabilities in the NEV domain-controlled electric drive solution, AIDC power supply system and embodied intelligence segments. In particular:

  - Approximately [38.0]%, or HK$[**REDACTED**], will be used to construct a new production base for our NEV domain-controlled electric drive solution and its key components. As the NEV industry continues to evolve toward greater system integration and higher-voltage architecture, according to CIC, we plan to capture the growth opportunities in the NEV industry and further strengthen our vertically integrated supply chain and expand our integrated production and delivery system.

    The planned production capacity of the new production base is expected to reach approximately 500,000 sets of NEV domain-controlled electric drive solution and NEV components. Upon completion of the construction of this production base, we expect to further enhance our scalable lean manufacturing capabilities and meet diversified customer demands more quickly. In particular, the [**REDACTED**] will be allocated to (i) land acquisition; (ii) plant construction; and (iii) procurement and installation of production line equipment.

  - Approximately [7.0]%, or HK$[**REDACTED**], will be used for the retrofit and upgrading of our existing production lines and the establishment of additional production lines. This is expected to enhance our production and delivery capabilities in the AIDC power supply system and embodied intelligence segments to support our continuous business expansion. In particular, the [**REDACTED**] will be allocated to retrofitting and upgrading the equipment of our existing production lines and procuring and installing equipment for additional production lines.

- Approximately [35.0]%, or HK$[**REDACTED**], will be used in the R&D of next-generation NEV domain-controlled electric drive solution, reinforcing our leading position in integrated NEV domain-controlled electric drive solution and NEV component technologies and promoting the replication and commercialization of our core technologies across emerging application scenarios. In particular:

  - Approximately [25.0]%, or HK$[**REDACTED**], will be used in the R&D of next-generation NEV domain-controlled electric drive solution and to further enhance our full-stack in-house R&D capabilities, including (a) continuously advancing our solutions toward a higher level of integration, enhancing critical performance of our solutions; and (b) continuously upgrading our key component technologies, such as the in-house research and development of power modules, OBC and DC/DC converter. In particular, the [**REDACTED**] will be allocated to retaining and expanding our R&D team, and procuring equipment and software for R&D purposes.

    - Approximately [10.0]%, or HK$[**REDACTED**], will be used in the R&D of technologies and solutions tailored for AIDC power supply system and embodied intelligence segments in order to capture industry opportunities arising from the explosive growth in global AI computing power demands and the rapid penetration of robotics applications. Such initiatives include (a) high-voltage architecture design and power semiconductor packaging technologies; (b) enhancement of power density, efficiency and reliability of power supply systems; and (c) R&D of high-precision and reliable joint drive units and power supply solutions for robotics systems. In particular, the [**REDACTED**] will be allocated to retaining and expanding our R&D team, and procuring equipment and software for R&D purposes.

- Approximately [10.0]%, or HK$[**REDACTED**], will be used for expanding our overseas business presence and enhancing our global manufacturing capabilities to capture growth opportunities in the global market. In particular:

  Taking into account of customer needs, we will advance our global expansion in phases and by establishing production lines at the facilities of our overseas strategic partners and building localized teams in our overseas markets. Through these initiatives, we aim to enhance the stability of our overseas supply and improve our response speed and delivery quality in overseas markets, ultimately strengthening our global brand recognition and market influence. In particular, the [**REDACTED**] will be allocated to procurement of equipment and software, and recruitment of overseas staff member.

- Approximately [10.0]%, or HK$[**REDACTED**], will be used for working capital and general corporate purposes.

To the extent that the net [**REDACTED**] from the [**REDACTED**] are either more or less than expected (including as a result of (i) the [**REDACTED**] being set at a price lower than the maximum [**REDACTED**]; or (ii) additional net [**REDACTED**] from the exercise of the [**REDACTED**]), we will adjust our allocation of the net [**REDACTED**] for the above purposes on a pro rata basis.

If any part of our development plan does not proceed as planned for reasons such as changes in government policies that would render the development of any of our projects not viable, or the occurrence of force majeure events, we will carefully evaluate the situation and may reallocate the net [**REDACTED**] from the [**REDACTED**].

To the extent that the net [**REDACTED**] of the [**REDACTED**] are not immediately used for the above purposes or if we are unable to put into effect any part of our plan as intended, and to the extent permitted by the relevant laws and regulations, we will only deposit such net [**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.