FUTURE PLANS

See "Business — Business Strategies" in this document for a detailed description of our future plans.

[REDACTED]

Assuming that the [**REDACTED**] is not exercised, after deducting the [**REDACTED**] and other estimated expenses payable by us in connection with the [**REDACTED**], and assuming an [**REDACTED**] of [**REDACTED**] per [**REDACTED**] (being the mid-point of the indicative [**REDACTED**] range of [**REDACTED**] and [**REDACTED**]), we estimate that we will receive [**REDACTED**] of approximately [**REDACTED**] from the [**REDACTED**]. We intend to use the [**REDACTED**] from the [**REDACTED**] for the purposes and in the amounts set forth below:

- Approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be used for continuous enhancement of our research and development capabilities, including:

  i. approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be used to continuously upgrade our core technologies. We will focus on enhancing our AiTrucker autonomous driving system and Trunk CAFC Connected Autonomous Freight Convoy system, as well as the relevant hardware, so as to promote the broader application of autonomous trucks across diverse logistics scenarios. We plan to (i) recruit senior algorithm engineers and system architects in key areas such as perception, planning and control including technical experts and senior R&D engineers. We seek to recruit candidates who are generally required to hold a master's degree and possess more than three years of core R&D experience. We will offer market competitive salaries, which comprise a base salary, project bonuses, and potential equity incentives. We will also provide interdisciplinary training covering AI technologies and engineering R&D. These recruitment and training efforts are expected to enhance our overall capacity, thereby accelerating product iteration and adaptability. This includes shortening algorithm iteration and R&D validation cycles, as well as increasing perception accuracy; (ii) conduct road tests, pay for customized development of simulation platforms, and outsource certain supporting technologies to concentrate on core technology development; (iii) procure and upgrade equipment and hardware, including components, sensor modules and chip samples required for R&D, to support large-scale algorithm training and data processing; and (iv) conduct multi-scenario and on-road testing and validation activities. The collected road test data will support our model training, and is expected to enhance the obstacle recognition accuracy of the AiTrucker autonomous driving system in mixed traffic flows and improve the scheduling efficiency of our AiCloud platform.

  ii. approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be allocated to the research, development and iteration of our products, including controllers, autonomous trucks and platooning systems, as well as the development and upgrade logistics operation management systems and intelligent cloud-based big data platforms. We plan to (i) recruit product managers, R&D engineers and scenario application researchers to form research teams for hardware design, software development and scenario adaptation including R&D engineers and R&D project managers. We seek to recruit candidates holding a master's degree or above with background in related fields such as computer science, electronic information, automation and control, automotive and mechanical engineering, and artificial intelligence, and possessing relevant R&D experience. We will offer market competitive salaries, which comprise a base salary, project bonuses, and potential equity incentives; (ii) conduct new scenario research, engage third-party institutions for product performance testing and certification to ensure compliance with industry standards; (iii) procure core components, software and hardware equipment for the development of upgraded products, in order to achieve technological iteration; and (iv) conduct field research and product validation in real-world environments.

iii. approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be used to strengthen our closed-loop data and simulation testing systems, and to continuously enhance our high-precision digital twin platform to accelerate algorithm iteration and system validation. We plan to (i) recruit simulation engineers and platform operation engineers to improve data closed-loop processes; (ii) pay for customized development of the digital twin platform to build simulation environments covering multiple logistics scenarios; (iii) procure high-performance computing clusters and storage devices to support large-scale modeling and simulation; and (iv) perform routine platform maintenance and functional optimization.

These applications are designed to accelerate our technical iteration and product maturity. Specifically, the strengthened R&D capabilities will enable us to shorten algorithm training and validation cycles, improve perception, planning and control accuracy and safety redundancy, as well as ensure compliance with industry safety standards. We also expect to further expand application scenarios of our products and services to support large-scale commercial deployment of our autonomous trucks.

In terms of the R&D personnel to be recruited as mentioned above, we planned to recruit approximately 120 senior engineers, 100 engineers and 25 graduates by the end of 2030. Our Directors are of the view that, based on the industry analysis of Frost & Sullivan, there is an available pool of candidates in the industry who may meet the qualification criteria as mentioned above.

- Approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be used for the mass production and supply chain system development of intelligent equipment and core components, with the aim of continuously enhancing the quality, standardization and cost competitiveness of our products and solutions, including:

i. approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be used for the construction of packaging lines, including digitization and flexible upgrade of production and testing lines for AiBox and AiTruck. We plan to (i) recruit production and quality management personnel and provide automation training; and (ii) purchase automated production equipment and integrated testing facilities to achieve efficient end-to-end production management. Specifically, we plan to establish new production facilities by leasing or purchasing factory premises, and purchasing fixed assets such as automated production equipment and integrated testing facilities to build production lines for our AiBox. Upon completion, the planned annual production capacity will reach several thousand sets of AiBox.

ii. approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be used to establish long-term strategic partnerships with key suppliers in order to build a stable, secure, and cost-competitive global supply chain network. We plan to (i) form joint development teams to collaborate with core suppliers on technology integration and co-development; and (ii) upgrade supply chain management information systems and related hardware to improve responsiveness and transparency.

We believe that there is sufficient market demand to support our planned production expansion and capacity ramp-up. Our expansion is supported by (i) the rapid growth of the market size for autonomous driving solutions for commercial vehicles as projected by Frost & Sullivan, which is driven by increasing demand for operational efficiency, lower labor costs, and enhanced safety (ii) our growing pipeline of indicative orders and continuous negotiations with major clients demonstrating a continuing commercial demand for our scalable solutions; and (iii) a policy environment that has generally supported the development of the sector.

- Approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be used for market expansion and the development of the brand ecosystem, including:

  i. Approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be used for market development in key regions of the Chinese mainland. We plan to (i) expand sales and service teams to strengthen localized operations. In particular, within closed scenarios, we will continue to cultivate major seaport customers while expanding our reach to international land ports and airports, aiming to achieve coverage across sea, land, and air logistics hubs; (ii) implement omni-channel digital marketing and participate in industry exhibitions and forums; and (iii) optimize promotional activities to enhance customer trust and cooperation experience. Specifically, we will expand collaborations with leading OEMs and logistics enterprises to further drive the mass production and sales of autonomous trucks in road freight scenario. Concurrently, we will deepen cooperation with major logistics companies to advance the commercialization of autonomous driving platooning. For our Trunk City solution, we will gradually penetrate open scenarios such as urban delivery across multiple cities in China.

  ii. approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be used for overseas market development efforts, with an initial focus on closed-scenario applications, in Southeast Asia, the Middle East and South America, including Singapore, Dubai, Malaysia, Hong Kong and Brazil. Such efforts will be conducted selectively and on a phased basis, taking into account local regulatory requirements, commercial conditions and project feasibility. We plan to (i) build a team with international experience to support our overseas market assessment and project execution efforts; (ii) leverage existing overseas projects, including the Singapore port automation project, to establish reference cases and strengthen recognition of our capabilities in international markets; and (iii) conduct overseas market research and customer engagement in target markets to support compliance and execution of overseas operations, including collaboration with ecosystem partners to develop customized solutions tailored to local regulations and infrastructure.

- Approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be used for strategic equity investments and acquisitions. We will prudently seek equity investments, primarily as a minority shareholder, or acquisition opportunities in industry peers and technology-related companies in fields such as domain control and chassis, simulation testing, domain control hardware design, algorithm training, and data processing. These investments aim to address gaps in our algorithmic capabilities, provide higher safety certifications, and strengthen core technology synergies. We expect the potential target to be a small-scale enterprise with a team size of 20 to 50 personnel, possessing specific R&D advantages in areas that align with our current technological R&D direction. We did not identify any specific targets or have any specific timeline as of the Latest Practicable Date. Our Directors are of the view that, according to Frost & Sullivan, there is an adequate number of potential targets in the market based on the criteria mentioned above.

- Approximately [**REDACTED**] of the [**REDACTED**], or [**REDACTED**], will be employed as working capital and for general corporate purposes.

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

If the [**REDACTED**] is fully exercised, we will receive additional [**REDACTED**] of approximately [**REDACTED**] (assuming an [**REDACTED**] of [**REDACTED**] per [**REDACTED**], being the mid-point of the indicative [**REDACTED**] range). In the event that the [**REDACTED**] is fixed at a higher or lower level compared to the midpoint of the range of the [**REDACTED**] stated in this document, we will adjust our allocation of the [**REDACTED**] for the above purposes on a pro rata basis.

To the extent that the [**REDACTED**] of the [**REDACTED**] are not immediately used for the above purposes, 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). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

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