FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

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

USE OF [REDACTED]

Assuming that the **[REDACTED]** is not exercised, after deducting the **[REDACTED]** and other estimated **[REDACTED]** expenses payable by us in connection with the **[REDACTED]**, and assuming an **[REDACTED]** of HK$**[REDACTED]** per Share (being the maximum **[REDACTED]**), we estimate that we will receive net **[REDACTED]** of approximately HK$**[REDACTED]** from the **[REDACTED]**. In line with our business strategies and development, we intend to use our **[REDACTED]** from the **[REDACTED]** for the purposes and in the amounts set forth below:

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used to enhance our R&D and innovation capabilities. We regard independent R&D and innovation as our core development strategy, and plan to maintain a high level of R&D investment to continuously upgrade our products. In particular:

  (i) approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used to retain, expand and optimize our R&D team. The semiconductor industry is characterized by fast technology iteration and its talent-intensive nature. To maintain competitiveness, we plan to attract and retain high-level R&D talents and build an outstanding team with international vision and strong system engineering capabilities. We have built a R&D talent team consisting of 192 members, accounting for 75.0% of our total employees as of December 31, 2025. In response to the growing demand in sectors of intelligent vision terminals, smart vehicles, AR/VR, and AI & HPC, we plan to hire additional R&D professionals to ensure our sustained innovation and competitiveness. We expect these R&D personnel generally to hold a master's degree or above and to have academic backgrounds in microelectronics, integrated circuit design, electronic engineering, computer science or other related disciplines. The following table sets forth the required R&D staff headcount for each position:

R&D Position	Headcount
Digital IP Design Engineer	11
IC Layout Design Engineer	8
Analog IP Design Engineer	8
Digital IP Integration Engineer	6
FPGA Verification Engineer	5
Software Engineer	4
Digital Verification Engineer, Algorithm Engineer, Hardware Engineer, Silicon Validation Engineer	3 each position
Automotive Analog IP Design Engineer	2
Product Manager, Clock Design Engineer, Test Engineer, Linux Driver Development Engineer, ATE Test Development Engineer	1 each position
In total	61

  (ii) approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used to upgrade our R&D infrastructure. Specifically, we plan to construct a new R&D center with a total planned gross floor area of approximately 93,700 sq.m. in the Hefei Economic and Technological Development Area. The center will focus on expanding our intelligent video chip and interconnection chip portfolio and strengthening our technological capabilities in high-growth application areas, including intelligent automotive, AR/VR and AI and high-performance computing. Construction

of the R&D center commenced in November 2025, with the main structure scheduled to be topped out by September 2026 and the facility planned to become operational by December 2027. At the same time, the **[REDACTED]** will also be applied to the acquisition of advanced equipment and tools, including (a) chip reliability testing instrument, (b) laboratory equipment, (c) computing hardware, and (d) software and intellectual property. These investments are intended to enhance our R&D efficiency, accelerate product iteration and strengthen our technological capabilities; and

(iii) approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used to procure R&D consumables and raw materials, including printed circuit boards and electronic components used in prototype development and testing. These investments will support the development, testing and verification of new chip designs, ensuring product quality and reliability.

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used to further enrich our product matrix and expand downstream application scenarios. In particular:

  (i) approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used for enhancing our competitiveness in the AI & HPC sector and accelerating the commercialization of our product offerings for these applications. Our product roadmap aims to include a wider range of high-speed signal conversion and interconnect solutions designed to meet the demanding requirements of next-generation computing systems. We plan to continue to invest in the R&D of high-speed protocol chips such as PCIe, SATA, and USB, with the aim of meeting the growing data throughput requirements of AI training, inference, and edge computing scenarios; and

  (ii) approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used to expand our business in emerging application areas, including smart vehicle sector and AR/VR sector. We will continue to expand our automotive-grade chips and solutions in the areas of in-car entertainment systems, cockpit displays, HUD, ADAS video capture and transmission SerDes, multiplexed display transmission SerDes, automotive-grade panels and drivers, audio transmission SerDes, and microphones and speakers. We also aim to improve the performance, integration and power management of our products to meet the evolving needs for transmission with ultra-low latency, ultra-low power consumption and miniaturization, and simultaneously promote the R&D of on-device spatial computing chips to meet the extremely low computing latency requirements of "What You See Is What You Get" human-machine interaction.

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used to expand our overseas business network and enhance our presence in international markets. Our target overseas markets include Japan, South Korea, the U.S., Southeast Asia and Europe. We select these markets for several reasons, including (a) these countries and regions are economically developed or fast-growing, with broad customer bases spanning the consumer, industrial, medical and automotive sectors, (b) these markets are home to many well-known global brands, downstream foundry manufacturers, and new and innovative companies, and (c) according to Frost & Sullivan, all of our target overseas markets are expected to continue growing from 2025 to 2030, with CAGRs ranging from 2.1% to 6.2%. We believe that these factors present attractive growth prospects and market opportunities to further expand our customer base and deepen our market presence. For the competitive landscape of our overseas markets, see "Industry Overview — Industry Competition Analysis." In these markets, we intend primarily to offer smart video chips and interconnect chips for application scenarios such as video conferencing, AR/VR, cameras, automotive electronics, commercial display and medical applications. We have engaged local distributors

in Japan and South Korea to promote our products, and we intend to provide further training and deepen cooperation with these distributors to expand customer coverage and identify additional business opportunities. In Southeast Asia, Europe and the United States, in addition to our existing customer development channels, we intend to introduce, where appropriate, distributors with strong market presence and capabilities to support product promotion and customer acquisition. We also plan to leverage overseas platforms and to prudently allocate additional technical and sales resources to enhance international market coverage and improve our marketing and promotional effectiveness.

In parallel, these funds will also be used to strengthen our partnerships with international chip makers, optimize our global customer service network and build a dual-track supply system that comprises both domestic and international foundries. In identifying potential foundry partners, we intend to prioritize leading mainstream wafer foundries, both domestically and internationally, whose process technology capabilities are aligned with our technology roadmap and product development strategy. Our collaboration framework is expected to remain primarily based on conventional supply chain procurement arrangements. Subject to market conditions, technological readiness and project implementation progress, we plan to introduce 28nm and 14nm process nodes between 2026 and 2027, 22nm process nodes in 2027, and 8nm and 12nm process nodes in 2028.

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used to pursue strategic investments and acquisitions within the global semiconductor industry. We plan to selectively identify and integrate companies or assets in the semiconductor industry with strong technological capabilities, clear commercialization prospects and potential strategic cooperation with us, to expand our technology and product portfolio and strengthen our market presence and channel capabilities. In assessing potential targets, we will consider the following four criteria: (a) possess no fewer than three core intellectual property or key proprietary technologies in areas such as high-definition audio and video connectivity, automotive electronics, next-generation display technologies or high-performance computing, (b) maintain complementary product portfolios and technological capabilities that can strengthen our system-level solution offerings, (c) demonstrate strong research and development capabilities, as evidenced by research and development personnel accounting for not less than 50% of total employees, and (d) exhibit commercial viability and growth potential, including annual revenue of not less than RMB20 million. Through such investments, we aim to integrate complementary technologies, intellectual property portfolios, product offerings, supply chain resources and customer bases, thereby enhancing our technology capabilities, strengthening our presence in the markets and improving the synergies and competitiveness of our "platform + ecosystem" strategy. According to Frost & Sullivan, there are approximately 30 potential targets which satisfy our criteria. As of the Latest Practicable Date, we have not identified any specific target or participated in any commercial negotiation or entered into any memorandum of understanding or letter of intent with respect to any potential target.

- approximately **[REDACTED]**% of the net **[REDACTED]**, or HK$**[REDACTED]**, will be used for working capital and general corporate uses.

To the extent that the net **[REDACTED]** from the **[REDACTED]** are either less than expected, 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]** of the **[REDACTED]**.

FUTURE PLANS AND USE OF [REDACTED]

To the extent that the net **[REDACTED]** of the **[REDACTED]** are not immediately used for the purposes described above and to the extent permitted by the relevant laws and regulations, the Group will deposit the unused net **[REDACTED]** into short-term interest-bearing accounts at licenced commercial banks and/or other authorised financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions.