
FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

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

USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the [REDACTED] range of between HK\$[REDACTED] and HK\$[REDACTED] per Share), after deducting the [REDACTED] and estimated expenses paid or payable by us in connection with the [REDACTED] and assuming that the [REDACTED] is not exercised.

In line with our strategies, we intend to apply the net [REDACTED] from the [REDACTED] for the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- Approximately [REDACTED]%, or HK\$[REDACTED], will be used to iterate and optimize our battery-swapping solutions, as well as to advance our technological development, including enhancing digital-intelligent systems, advancing and promoting V2S2G technologies, and developing technologies for unmanned operations for battery-swapping stations.
 - Approximately [REDACTED]%, or HK\$[REDACTED], will be used to iterate and upgrade our battery-swapping solutions and broaden their application scenarios through collaboration with EV OEMs. In such collaborations, EV OEMs are generally responsible for vehicle platform design, vehicle manufacturing and vehicle-side regulatory approval, while we are primarily responsible for the development and adaptation of battery-swapping modules, vehicle-station interface solutions, battery pack compatibility, locking/unlocking mechanisms, station-side compatibility and related testing and validation. Accordingly, this portion of proceeds will primarily be used to fund our own R&D personnel costs, prototype and sample production, tooling and mold development, testing and certification-related work, software and data-interface integration, and the design and iteration of battery-swapping stations compatible with newly developed vehicle models.

In terms of passenger vehicles, we plan to advance both conventional and autonomous battery-swapping models. Specifically, we aim to (i) maintain collaboration with two to three EV OEMs in each year of the next five years to develop new passenger EV models equipped with battery-swapping capabilities, (ii) explore partnerships with OEMs developing autonomous passenger vehicles to jointly develop compatible battery-swapping models, and (iii) design and iterate model-specific and compatibility-enhanced battery-swapping stations to support a broader range of EVs.

In terms of commercial vehicles, we intend to (i) collaborating with one to two EV OEMs to develop battery-swapping-enabled van models, (ii) collaborating with two to three EV OEMs in each year of the next five years to develop battery-swapping-compatible light-duty trucks across varying speed classes, (iii) partner with two to three EV OEMs in each year of the next five years to develop heavy-duty battery-swapping truck models across varying speed classes, and (iv) develop commercial battery-swapping stations tailored for newly launched models.

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In addition, we plan to expand our global presence by collaborating with overseas EV OEMs to develop battery-swapping-compatible models for their respective local markets, build battery-swapping stations aligned with local regulatory and technical standards, and invest in the R&D of next-generation battery-swapping stations, including array stations.

- Approximately [REDACTED]%, or HK\$[REDACTED], will be used to enhance our digital-intelligent systems, including the development of our smart cloud energy system, the upgrade of our intelligent battery-swapping station operations, and the research of digital technologies along with other related battery-swapping technologies. Our smart energy service platform is a cloud-based operating and management platform for our battery-swapping network. It is built on a multi-layer architecture comprising an IoT layer, a data processing layer and a user interaction layer. For details, see “Business — Our Battery-swapping Solutions and Technologies — Smart Energy Service Platform.” We intend to apply the proceeds primarily to the following upgrades:
 - (i) at the IoT layer, upgrading station-side energy management systems and device connectivity to collect more granular data on station operations, batteries, on-site equipment, grid conditions and electricity tariffs, and to support more intelligent charging and swapping strategies for reducing energy costs and improving station efficiency;
 - (ii) at the data processing layer, optimizing our battery-swapping operations management platform, data management architecture, real-time monitoring, abnormal condition alerts and resource allocation functions, and developing functions adaptable to overseas market deployment; and
 - (iii) at the user interaction layer, upgrading our mobile apps, mini-programs and web portals, and developing localized applications for overseas users, fleet operators and station operators where needed.
- Approximately [REDACTED]%, or HK\$[REDACTED], will be used to improve and promote our V2S2G model, including upgrading our underlying V2S2G technology, conducting pilot programs and broader commercial rollouts at selected battery-swapping stations, and implementing corresponding site upgrades.
- Approximately [REDACTED]%, or HK\$[REDACTED], will be used for promoting and marketing our battery-swapping solutions, as well as enhancing our operational capabilities to support scalable business growth.
 - Approximately [REDACTED]%, or HK\$[REDACTED], will be used to market and promote our battery-swapping solutions for both passenger and commercial vehicles.

We intend to apply the proceeds primarily to customer development, market education, sales channel expansion and ecosystem partner support. In particular, we plan to promote the sales of our battery-swapping stations by (i) conducting targeted marketing and business development activities with EV OEMs, station investors, fleet operators, energy companies, transportation operators and local ecosystem partners; (ii) organizing product demonstrations, technical workshops and solution presentations to illustrate the commercial benefits of our battery-swapping stations, including fast replenishment, operational efficiency and station operation capabilities; (iii) designing sales team incentive programs, partner onboarding programs, commercial cooperation policies and operational support

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plans to facilitate station sales and station deployment; and (iv) supporting early-stage customer conversion through site assessment, station deployment planning, technical consultation, platform connection support and post-deployment operating guidance.

We will also support marketing and promotional activities for upstream and downstream ecosystem partners that are relevant to the commercialization of our battery-swapping solutions. For upstream partners, such activities may include joint promotion with EV OEMs and battery manufacturers for battery-swapping-compatible vehicle models, co-hosted technical seminars and fleet customer roadshows, preparation of product and solution marketing materials, and targeted promotion of our station products and platform capabilities to potential station investors and energy-sector partners. For downstream partners, such activities may include fleet customer acquisition campaigns, local market promotion for newly deployed or pilot stations, demonstration events for taxi, ride-hailing, logistics and heavy-duty truck operators, and partner support programs to help station investors and operators promote battery-swapping services to end users. These activities are intended to increase market awareness, support customer conversion and facilitate sales of our battery-swapping stations and related solutions.

- Approximately [REDACTED]%, or HK\$[REDACTED], will be used to expand our overseas markets. We plan to launch pilot battery-swapping stations in overseas market to establish business exposure in these regions. Based on the performance of these pilot programs, we will consider recruiting management and staff with local market and sales expertise and setting up local offices to further deepen our presence in these international markets.
- Approximately [REDACTED]%, or HK\$[REDACTED], will be used to optimize our business operations, including enhancements to our management systems, upgrades to our battery-swapping and energy storage systems, improvements to the visual image of our battery-swapping station and talent training programs.
- Approximately [REDACTED]%, or HK\$[REDACTED], will be used to fund potential strategic investment, acquisitions or cooperation arrangements that complement our battery-swapping solutions and energy management capabilities. We expect to focus on targets with direct relevance to our existing business and that are asset-light operation businesses, including (i) energy management or virtual power plant businesses that may help us monetize batteries and swapping stations through peak-valley electricity management, grid interaction or energy dispatch; (ii) battery asset management or energy storage businesses that may improve battery utilization and lifecycle management; and (iii) station operation or fleet-side service businesses that may bring station resources, fleet customers or operating data in high-frequency use cases such as taxis, ride-hailing, logistics vehicles and heavy-duty trucks. In selecting targets, we will consider whether the target has a clear commercial fit with our existing station network, smart energy cloud platform and customer relationships; whether it has an established operating record, relevant licenses or qualifications, and assets at the level of tens of millions of RMB; and whether the proposed investment can improve station utilization, expand service revenue, reduce energy costs or enhance battery and station operating efficiency. We may pursue minority investments, strategic cooperation, joint ventures or selective acquisitions, depending on the target’s strategic importance, valuation and integration requirements. According to CIC, there are potential targets in China’s energy replenishment and related upstream and downstream sectors, including virtual power plant operators, battery asset management service providers, energy storage solution providers and station/fleet operation service providers. These targets may create synergies with us by improving energy dispatch, battery utilization, station utilization and fleet customer coverage. Any investment or acquisition may increase short-term

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cash outflow and integration costs, but if successfully implemented, may support higher service revenue contribution and improve our long-term margin profile. As of the Latest Practicable Date, we had not identified any specific target or entered into any definitive agreement.

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

The above allocation of the net [REDACTED] from 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-point of the indicative [REDACTED] range stated in this document.

If the [REDACTED] is exercised in full, we will receive additional net [REDACTED] of approximately HK\$[REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the [REDACTED] range stated in this document). In the event that the [REDACTED] is exercised, we intend to apply the additional net [REDACTED] to the above purposes on a *pro rata* basis.

To the extent that the net [REDACTED] from the [REDACTED] are not immediately required for the above purposes and to the extent permitted by applicable laws and regulations or if we are unable to put into effect any part of our development plan as intended, we would deposit such proceeds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions).

If any part of our plans does not proceed as planned for reasons such as changes in government policies that would render any of our plans not viable, or the occurrence of force majeure events, our Directors will carefully evaluate the situation and may reallocate the net [REDACTED] from the [REDACTED]. We will issue an appropriate announcement if there is any material change to the above proposed use of [REDACTED].