
FUTURE PLANS AND [REDACTED]

FUTURE PLANS

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

[REDACTED]

Assuming an [REDACTED] of HK\$[REDACTED] per H Share (being the mid-point of the [REDACTED] range of between HK\$[REDACTED] and HK\$[REDACTED] per H Share) and that the [REDACTED] is not exercised, in line with our strategies, 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] million, will be used to enhance the development of our core memory chip and mixed signal technologies and the related design and processing platforms, with an aim to solidify the core technology barriers underpinning our future product portfolio and further drive the continuous expansion of our product matrix. Enhanced R&D capabilities are essential for us to keep pace with technology transitions and evolving industry standards, enabling us to maintain our leading position in the memory chips market and meet the evolving technical requirements of our customers. We anticipate capital expenditure requirements of approximately RMB2,000.0 million over the next six years to support our R&D expansion, to be funded through a combination of operating cash flows and [REDACTED] from the [REDACTED]. Specifically:
 - Approximately [REDACTED] of the net [REDACTED], or HK\$[REDACTED] million, will be used to maintain and further expand and strengthen our R&D team. Over the next six years, we plan to focus on recruiting and retaining R&D talents, in particular, product designers, testing engineer, and technical support personnel, to support the development of our next-generation memory chip products, mixed-signal chips and the related supporting products, including (i) memory chip products featuring smaller memory units, higher performance, and enhanced reliability; (ii) algorithms, novel sensing technologies, and advanced packaging techniques for mixed-signal chip products; and (iii) new memory chip solutions to better capture emerging industry trends. We expect to expand our R&D team with around 100 new hires, including (i) around 30 product designers, focusing on circuit design, product development, and customer-specific solutions, (ii) around 50 testing engineers, responsible for product validation and quality assurance, and (iii) around 20 technical support personnel, to provide customer-facing technical assistance and support design-in activities. New hires will include experienced professionals with track records in their respective fields, as well as graduates from

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leading universities. Expected salaries will range from RMB500,000 to RMB2,000,000 per annum depending on function and seniority. We will attract and retain R&D talents through competitive incentive schemes and diverse and flexible collaboration models, to strengthen our talent base with long-term value and further reinforce our competitiveness;

- Approximately [REDACTED] of the net [REDACTED], or HK\$[REDACTED] million, will be used to procure key resources supporting our R&D activities, including equipment, software tools, and processing development-related materials to further support our continuous technological iteration and R&D activities. Specifically, we plan to (i) procure critical R&D equipment, including wafer and chip-level processing failure analysis systems and instruments (such as reflow soldering equipment), environmental and reliability stress testing equipment (such as high temperature and high humidity/low temperature and low humidity test chambers and highly accelerated temperature and humidity stress test (HAST), and unbiased highly accelerated stress test (uHAST) equipment), electrical performance testing equipment (such as high-current DC power supplies), and surface structure analysis equipment (such as scanning acoustic microscopes), to continuously enhance our laboratory testing capabilities and support our product development, reliability testing and quality control processes; (ii) procure and upgrade R&D software tools, such as EDA (electronic design automation) software and reprogrammable IP, as well as tools for developing and building a shared IP platform to ensure compatibility with the process technologies applicable to our new products and facilitate our chip design; and (iii) purchase auxiliary materials and services for our processing engineering and development work;
- Approximately [REDACTED] of the net [REDACTED], or HK\$[REDACTED] million, will be used to expand our R&D facilities adding new laboratories, server rooms, and office space for R&D personnel, thereby better accommodating our growing R&D team, meet increasing R&D development needs, and provide the necessary space and conditions for introducing more advanced R&D equipment. Specifically, we plan to acquire a property located in Shanghai with a gross floor area of approximately 4,734.37 square meters, situated within the same industrial park as our existing headquarters. The new premises will (i) serve as office accommodating approximately 250 R&D personnel; and (ii) host a domestically leading computing-based high-performance chip testing laboratory, comprising a customer product showcase area, a reliability testing area, a chip simulation and verification platform, and a key performance testing platform for actual chip prototypes. The new R&D facilities will complement our existing R&D centers with high-performance computing-based chip testing, validation and customer demonstration functions; and
- Approximately [REDACTED] of the net [REDACTED], or HK\$[REDACTED] million, will be used to facilitate collaboration with third-party developers on joint R&D, technical validation, and solution optimization for high-performance computing-based chip products and the related supporting products, with an aim to accelerate our product development, enhance our technology capabilities in those fields, and further enrich our product matrix. The targeted third-party developers are primarily enterprise customers with established R&D capabilities and complementary technology resources. Based on our industry experience, a sufficient pool of such qualified partners is available globally for the contemplated collaborations. Under the intended mode of collaboration, each party will leverage its respective technological advantages to jointly develop new industry-leading products, and each party will retain ownership of the intellectual property that is

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independently developed by it during the course of the collaboration, while the ownership of any jointly developed intellectual property will be negotiated and agreed on a case-by-case basis;

The table below summarizes the planned allocation by stage of the net [REDACTED] from the [REDACTED] we plan to use for the enhancement of our R&D capabilities. We believe such outlay will strengthen our long-term competitiveness and support future revenue growth. See “Business — Research and Development” for further details of our ongoing R&D programs. [REDACTED] should note that these plans are based on assumptions and are subject to uncertainties, including the risks described in the “Risk Factors” section of this Document. As such, we cannot guarantee that our plans will proceed as scheduled or that our goals will be fully achieved.

	2026	2027	2028	2029	2030	2031
	<i>(HK\$ in millions)</i>					
R&D team maintenance and expansion	38.4	76.8	122.8	162.9	200.8	235.1
R&D resources procurement	14.4	39.0	39.0	39.0	39.0	39.0
R&D facilities	–	156.9	–	–	–	–
Third-party R&D collaborations	27.3	59.6	94.4	136.6	94.4	84.5
Total	80.1	332.2	256.2	338.4	334.1	358.5

- Approximately [REDACTED] of the net [REDACTED], or HK\$[REDACTED] million, will be used to enhance our supply chain, strengthen our team outside China, and enhance our marketing efforts overseas. Specifically:
 - Approximately [REDACTED] of the net [REDACTED], or HK\$[REDACTED] million, will be used to enhance our supply chain, continuously improve our global logistics and warehousing layout, effectively reduce supply chain risks, and enhance the stability, responsiveness, and delivery quality of our supply chain. We expect a robust and diversified supply chain to facilitate our overseas market expansion, optimize supply chain costs and support revenue growth in overseas markets. Our supply chain expansion will strategically focus on Singapore and South Korea. These are existing markets where we have operational presence which host mature semiconductor ecosystems with internationally recognized wafer foundries and OSAT service providers, supportive industrial policies, and established demand from downstream customers for products comparable to our offerings. Specifically, we plan to (i) further deepen our collaborations with renowned overseas wafer foundries and packaging/testing facilities while refining our procurement and quality supply chain management functions in these key regions where we operate; (ii) recruit supply chain personnel and establish local supply chain teams; and (iii) lease or construct overseas logistics facilities and warehousing points. Our current supply chain is primarily PRC-based. The planned expansion will strengthen our local teams and facilities to enhance production coordination and better serve overseas customers. We expect to invest approximately RMB165.3 million out of net [REDACTED] from the [REDACTED] in capital expenditure for supply chain enhancement, to be deployed evenly over the next 6 years;
 - Approximately [REDACTED] of the net [REDACTED], or HK\$[REDACTED] million, will be used to strengthen our overseas team outside China. Specifically, we plan to (i) attract well-regarded overseas product design teams to be located in

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Europe, and add around 10 talents with more than 10 years of relevant experience, the expected average salary will be within the range between HK\$1,500,000 and HK\$6,000,000; and (ii) establish joint R&D collaboration with leading global R&D teams to support our continuous technological upgrades and the expansion of our global business. As of the Latest Practicable Date, we were actively seeking suitable overseas co-development opportunities with internationally leading R&D teams that have a strong track record. The intended collaboration would leverage each party’s respective technological strengths to jointly develop chips aligned with industry trends or tailored to local market needs. As of the Latest Practicable Date, we had not entered into any binding cooperation framework or definitive partner arrangement in respect of such co-development; and

- Approximately [REDACTED] of the net [REDACTED], or HK\$[REDACTED] million, will be used for overseas market expansion and the related marketing activities, including conducting overseas branding campaigns and participating in globally influential industry exhibitions, to deepen our relationships with our global customers and further enhance our visibility and influence in overseas markets. We have selected Europe as our focus of global marketing and branding activities, taking into account its diversified customer base for automotive and industrial products, as well as a local competitive landscape that leaves meaningful room for new entrants to establish long-term business. The selection of Europe also aligns with the proposed locations of our overseas product design teams, which we expect to enable our design teams to stay close to local customer needs and market trends, while our marketing and branding activities in turn generate customer insights and commercial opportunities that feed back into product design, creating a mutually reinforcing cycle that supports our overseas expansion strategy;
- Approximately [REDACTED] of the net [REDACTED], or HK\$[REDACTED] million, will be used for strategic investments and/or acquisitions, with a focus on investment and acquisition opportunities that offer synergies with our existing product portfolio, in order to enhance our design capabilities, process technology and supply chain capabilities, and support horizontal expansion into emerging areas. We will seek potential strategic investment and acquisition opportunities globally, focusing on chip design companies that are industry-leading, possess high barriers to entry, generate synergies with our existing business or sales channels, and align with industry development trends. Specifically, the ideal target should be companies within our supply chain, or startups that have (i) advanced technologies and R&D achievements that align with our strategic direction, with at least one independently developed core intellectual property; (ii) a stable core R&D and management team of at least five dedicated members, possessing in-depth industry knowledge and relevant experience in specific fields; (iii) at least one commercially viable R&D achievement, a stable or innovative business model, and a strong market reputation and; (iv) spent no less than RMB2 million on R&D in the most recent fiscal year. According to Frost & Sullivan, as of 2025, there are over 300 companies globally in the semiconductor industry which meet our criteria, providing us with a large pool of available targets. We will adopt a prudent and open approach to identify high-quality targets that match our strategic direction, and based on thorough evaluation, steadily advance strategic investments and resource integration to achieve rapid enhancement of technological capabilities and accelerated expansion of our product lines. As of the Latest Practicable Date, we had not identified any target of potential acquisition. The allocated net [REDACTED] are expected to be utilized over the next 6 years as qualifying investment opportunities arise. These investments are expected to enhance our R&D capabilities, optimize our supply chain efficiency and expand our market presence; and
- Approximately [REDACTED] of the net [REDACTED], or HK\$[REDACTED] million, will be used for working capital and general corporate uses.

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In the event that the [REDACTED] is set at the [REDACTED] or the [REDACTED] of the indicative [REDACTED], the net [REDACTED] of the [REDACTED] will increase or decrease by approximately HK\$[REDACTED] million, respectively. If we make an upward or downward [REDACTED] adjustment to set the final [REDACTED] to be above or below the mid-point of the [REDACTED], we will increase or decrease the allocation of the [REDACTED] to the above purposes on a pro rata basis.

The additional net [REDACTED] that we would receive if the [REDACTED] was exercised in full would be (i) HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the [REDACTED]), (ii) HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the mid-point of the [REDACTED]) and (iii) HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the [REDACTED]).

To the extent that the net [REDACTED] from the [REDACTED] (including the net [REDACTED] from the exercise of the [REDACTED]) are either more or less than expected, we may adjust our allocation of the net [REDACTED] for the above purposes on a pro rata basis.

We will only place the net [REDACTED] of the [REDACTED] that are not immediately required for the above purposes in short-term interest-bearing accounts at licensed commercial banks and/or authorized financial institutions as defined under the SFO or applicable laws and regulations in other jurisdictions. We will comply with the appropriate disclosure requirements under the Listing Rules.