
FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

See “Business–Growth Strategies” for a detailed description of our future plans.

USE OF [REDACTED]

We estimate that the [REDACTED] of the [REDACTED], after deducting the estimated [REDACTED] and other fees and expenses paid and payable by us in connection with the [REDACTED], will be approximately HK\$[REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per H Share (being the mid-point of the indicative range of the [REDACTED] of HK\$[REDACTED] to HK\$[REDACTED] per H Share), and that the [REDACTED] is not exercised.

We currently intend to use the [REDACTED] from the [REDACTED] for the purposes and in the amounts as set out below:

- (1) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for research and development initiatives for our intelligent electrical product business to deepen technology leadership, support product upgrading and strengthen our intelligent, software and power-electronics capabilities. In particular, we plan to allocate:
 - (i) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for the development and upgrading of high-breaking-capacity, high-reliability, intelligent and miniaturized low-voltage electrical products through technology research and development, new product development, product improvement, equipment upgrading and testing and validation, expanding the application scenarios of such products;
 - (ii) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for digital interconnection and control-related initiatives, including projects based on our digital and intelligent interconnection technologies, software and hardware development, testing and validation, scenario adaptation and digital upgrading, in order to enhance product interoperability, intelligent operation and maintenance capabilities and scenario adaptability;
 - (iii) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for the development of multi-scenario variable frequency drives, servo systems, motor protection, soft starters and integrated drive-control products;
 - (iv) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for the development of high-voltage and large-capacity products; and
 - (v) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for power electronics and solid-state technology projects, including core device selection, circuit design, prototype development, specialized software and embedded-system development, and testing and validation, for enhancing product efficiency, energy-saving performance and intelligent control capabilities.

FUTURE PLANS AND USE OF [REDACTED]

- (2) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for industrialization and production capacity expansion to enhance our scalable, high-quality manufacturing capabilities and strengthen our global supply chain system. In particular, we intend to allocate:
- (i) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for the construction of manufacturing and related facilities, which are intended to serve as an intelligent factory integrating high-end product research and development, pilot testing and manufacturing, together with related warehousing, logistics and supporting infrastructure;
 - (ii) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for the instrument and meter energy measurement project, which is intended to serve as an AI-enabled specialized manufacturing base for advanced power and intelligent energy measurement products, together with related workshops and supporting infrastructure. We expect the project to integrate vertical supply chain planning and support manufacturing for products such as water meters, DIN-rail meters, PCBAs, metering boxes and related structural components; and
 - (iii) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for the procurement and installation of production equipment and intelligent manufacturing lines, including automated assembly lines, high-precision testing instruments and trial production equipment to support volume production of high-end industrial automation and intelligent energy measurement products.
- (3) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for broadening our domestic and overseas sales channels and integrating into local market ecosystems. In particular, we plan to: (i) conduct targeted sales and marketing activities, including market promotion and brand-building efforts to deepen regional market development and cultivate additional high-value regional core customers; (ii) establish sales centers and after-sales teams in selected markets and recruit sales and service personnel; and (iii) develop quality distributors to broaden our channel coverage and enhance local market penetration.
- (4) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for digital transformation initiatives to enhance end-to-end operational efficiency and support intelligent decision-making. In particular, we intend to use [REDACTED] for: (i) building a full value-chain digital service platform covering research and development, marketing and customer service, supply chain, intelligent manufacturing and quality management to enable online operations and higher-efficiency collaboration; (ii) promoting the application of AI, big data and Internet of Things technologies to support digitalized operations and management decision-making; (iii) developing next-generation AI-driven power equipment, virtual power plant, integrated energy management systems and transmission and distribution product solutions for AI data centers; and (iv) investing in supporting infrastructure, data center capabilities and information security upgrades to provide the underlying architecture for our digital transformation.

FUTURE PLANS AND USE OF [REDACTED]

- (5) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for partial repayment of certain existing indebtedness. In particular, we intend to use such [REDACTED] to partially repay (i) an import-export bank borrowing with an outstanding balance of RMB186.0 million as of June 30, 2026, which was obtained for a photovoltaic power generation application leading base project, matures on December 15, 2031 and bears an interest rate of 3.3500%, and (ii) an import-export bank borrowing with an outstanding balance of RMB102.4 million as of June 30, 2026, which was obtained for a transmission supporting photovoltaic project, matures on January 25, 2034 and bears an interest rate of 3.3800%.
- (6) approximately [REDACTED]% of the [REDACTED], or HK\$[REDACTED], for general working capital and other general corporate purposes.

The above allocation of the [REDACTED] will be adjusted on a pro rata basis in the event that the [REDACTED] is fixed below or above the mid-point of the indicative [REDACTED]. If the [REDACTED] is set at HK\$[REDACTED] per H Share, which is the high end of our indicative [REDACTED], the [REDACTED] from the [REDACTED] will increase by approximately HK\$[REDACTED]. If the [REDACTED] is set at HK\$[REDACTED] per H Share, which is the low end of our indicative [REDACTED], the [REDACTED] from the [REDACTED] will decrease by approximately HK\$[REDACTED]. Any additional [REDACTED] received from the exercise of the [REDACTED] will also be allocated to the above purposes on a pro rata basis. In the event that the [REDACTED] is exercised in full, we will receive [REDACTED] of HK\$[REDACTED] (after deducting the estimated [REDACTED] and other fees and expenses paid and payable by us in connection with the [REDACTED] and assuming an [REDACTED] of HK\$[REDACTED] per H Share, being the mid-point of our indicative [REDACTED]).

To the extent that the [REDACTED] are not immediately applied to the above purposes, we will only deposit the [REDACTED] into short-term interest-bearing accounts with licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.