
FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

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

USE OF [REDACTED]

We estimate the net [REDACTED] of the [REDACTED] which we will receive, based on an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the [REDACTED] range), will be approximately HK\$[REDACTED], after deduction of [REDACTED] fees and [REDACTED] and other estimated expenses payable by us in connection with the [REDACTED] and assuming the [REDACTED] is not exercised. In line with our strategies, we intend to use the net [REDACTED] from the [REDACTED] for the purposes and in the amounts set forth below:

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is expected to be used to upgrade and expand our product portfolio and further integrate our AI capabilities into the development of new products and the upgrade of existing products, thereby better addressing our customers’ compliance needs across multiple scenarios and enhancing the intelligence, standardization and scalability of our products.

We plan to prioritize the expansion of our TIC services and establish intelligent testing and inspection laboratories with an aggregate GFA of approximately 30,000 sq. m. In particular, we will further procure equipment, expand our production capacity and broaden the product offerings of our testing services, while exploring the application of AI in testing process scheduling, testing data analysis, risk identification, report generation and service quotation.

Meanwhile, we will also continue to expand the product offerings of our overseas brand, VATAi, to achieve full coverage of our seven service lines and introduce additional products tailored to local market demand, thereby providing overseas sellers with a one-stop cross-border compliance products.

In addition, we will continue to develop and introduce new products in response to evolving cross-border compliance regulations, thereby further enriching our product matrix.

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used for R&D in AI and other key technologies and upgrades to our core business systems, including: (a) further enhancing Xiao O’s conversational interaction, task planning and orchestration of the O-AI agents, to improve its functions across pre-sales enquiries, order placement, review of submitted materials, service delivery and after-sales customer support, while expanding the use of our enterprise-grade agentic AI network in internal operations; (b) strengthening the Tianheng architecture through investment in computing capacity, model access, adaptation, and system integration, including model evaluation, performance monitoring, access controls, human review, security and audit trails, and improving our API gateway and data models to expand connections with tax and other regulatory authorities, e-commerce platforms and payment service providers subject to appropriate security and controls. We also plan to make selected API interfaces and MCP functionalities available externally; and (c) developing and updating structured knowledge drawn from our compliance policy database, service records, order data and expert experience, and strengthening data classification and grading, quality control, security audits and governance to improve the accuracy, explainability and traceability of AI outputs and automated services. In particular, we intend to allocate:
 - (i) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used primarily to recruit, train, and retain R&D and engineering personnel. Such personnel will focus on product and AI agent development, data and model engineering, platform engineering, system integration, testing and operations, and technology development for international markets. We will provide technical training and mentoring, offer

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competitive remuneration and benefits, career development opportunities and medium- to long-term incentives, including equity incentives, to attract and retain talent. We will also further develop our internal AI-FDE model and encourage cross-departmental participation.

- (ii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used primarily to procure external model services and cloud resources, purchase servers and GPUs, and obtain technical support for data governance and security audits. We will improve our model gateway and tools for knowledge retrieval, data processing, development and testing, and runtime monitoring. We will also enhance model routing, cache reuse, and the use of smaller models and local inference to improve scalability, responsiveness, and cost control.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be allocated to strengthen our marketing network and brand development, and expand and enhance our service network, including:
 - (i) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to strengthen our marketing network and brand development.

We plan to further expand our sales team, with a focus on recruiting experienced sales professionals with established client resources and industry insights, and expand our sales support team. Specifically, the [REDACTED] will be used to: (a) enhance brand marketing and customer retention, (b) expand our sales network and global service capabilities, and (c) enhance customer support and intelligent customer service capabilities by optimizing AI interaction and response efficiency, enhancing needs identification, strengthening the intelligent allocation and follow-up of sales leads, developing tiered standard operating procedures and customer response standards, and refining service delivery across customer segments.

We will also allocate dedicated resources to key markets including North America, the United Kingdom, Germany and Spain, and strengthen our brand, VATAi, through online and offline initiatives, including advertising, exhibitions and trade fairs, engagement with ecosystem partners, and community engagement. We plan to establish our localized sales and customer service network, build brand awareness and trust among local sellers overseas, and position VATAi as an AI-powered compliance platform overseas. We will also design targeted marketing and promotion programs for high-potential products such as EPR and RsP services to capture cross-selling opportunities.

- (ii) approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], will be used to expand and enhance our service network. We plan to extend our in-house service coverage to emerging markets such as Latin America, the Middle East and Australia by establishing local self-operated entities and expanding our operational and delivery teams. In addition, we intend to deepen strategic cooperation with professional compliance advisors, including lawyers and tax practitioners, in new markets to support the expansion of our self-operated service network. We also plan to apply AI technologies to supplier screening, performance assessment, fulfillment risk alerts, service demand matching and resource scheduling, to improve procurement efficiency and fulfillment quality.
- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is expected to be used for strategic partnerships, investments and acquisitions in the cross-border compliance sector. We plan to pursue opportunities involving high-quality enterprises and teams that possess professional compliance expertise, differentiated product and service offerings, core technologies, established customer bases or strong service capabilities. Such transactions are expected to broaden our product matrix, expand our market coverage and high-value customer base, and strengthen our R&D and service delivery capabilities. We also intend to empower selected targets with our technology and platform capabilities and integrate their

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strengths into our one-stop compliance service system. In particular, we plan to acquire testing laboratories with established capabilities to expand the scale, service coverage and delivery capabilities of our TIC services.

In evaluating potential investment or acquisition opportunities, we will primarily focus on targets with the following characteristics:

- Unique capabilities, resources, high-quality products or experienced teams in the cross-border compliance vertical;
- Strong alignment with our core business and evolving customer needs;
- Strategic synergies that facilitate collaboration and sustainable growth;
- The ability to significantly expand service capacity within our existing strategic footprint; and
- The ability to further enhance the comprehensiveness of our one-stop cross-border compliance platform.

According to CIC, as of the Latest Practicable Date, there were sufficient potential acquisition targets in the cross-border e-commerce compliance market that broadly met our preliminary selection criteria. As of the same date, we had not identified any potential investment or acquisition targets.

- Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], is expected to be used for working capital and other general corporate purposes.

In the event that the [REDACTED] is set at the high-end of the [REDACTED] range or the low-end of the [REDACTED] range and assuming that the [REDACTED] is not exercised, the net [REDACTED] of the [REDACTED] will increase or decrease by approximately HK\$[REDACTED], respectively. The additional net [REDACTED] that we would receive if the [REDACTED] were exercised in full would be HK\$[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 will increase or decrease the 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] from the [REDACTED].

To the extent that the net [REDACTED] of the [REDACTED] are not immediately used for the above purposes or if we are unable to put into effect any part of our plan as intended, and to the extent permitted by the relevant laws and regulations, we will only deposit such net [REDACTED] 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.