
USE OF [REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED] billion after deducting estimated [REDACTED] fees and the estimated [REDACTED] payable by us and based upon an indicative [REDACTED] of HK\$[REDACTED] per [REDACTED] for both [REDACTED] and [REDACTED], and assuming the [REDACTED] is not exercised, or approximately HK\$[REDACTED] billion if the [REDACTED] is exercised in full.

The [REDACTED] in the [REDACTED] may be higher than, or the same as, the [REDACTED] in the [REDACTED]. See “Structure of the [REDACTED]—[REDACTED].”

We plan to use the [REDACTED] we will receive from the [REDACTED] for the following purposes:

- **approximately [REDACTED] (approximately HK\$[REDACTED], assuming that the [REDACTED] is not exercised) for continuing to invest in technology and enhance commercialization of our innovations centered around AI, including to:**
 - Attract and retain talents, in particular artificial intelligence and software engineers, data scientists, as well as other research and development staff, in order to improve our AI capabilities including but not limited to natural language processing, knowledge graph, speech recognition and synthesis, computer vision;
 - Strengthen the commercialization of AI cloud solutions and expand our portfolio of industry-specific AI cloud solutions by developing more AI capabilities, increasing cross-selling opportunities of various solutions to existing customers, acquiring new customers across industry verticals, and growing computing, storage, network, database and delivery capabilities;
 - Enhance the development and commercialization of intelligent driving and other growth initiatives, and continue to explore new and innovative application and monetization initiatives for our AI technology. For instance, we will continue to grow the accumulated test miles and improve simulation models with data from real world to increase the accuracy and effectiveness of our solutions to further enhance our L3 and L4 self-driving technology and to work with more automakers to power more passenger vehicles. We plan to invest in research and development of intelligent electric vehicles to achieve the mass production. We will also grow our fleet size of Apollo Robotaxi, obtain more driving licenses and expand geographic reach;
 - Invest in AI chips and scale IT infrastructure, including but not limited to investing more resources in chips design, procuring more servers and network equipment, and purchasing more cloud computing bandwidth, that collectively help optimize Baidu Brain and enhance our technology capabilities, as well as to improve the capacity of our operational flows and our external service capabilities; and
 - Selectively pursue suitable strategic partnerships, alliances, acquisitions and investments that have synergies with our business, such as those leveraging our AI capabilities, and our large user base to complement our organic growth. As of the Latest Practicable Date, we have not identified any other target of potential acquisition.

USE OF [REDACTED]

- **approximately [REDACTED] (approximately [REDACTED], assuming that the [REDACTED] is not exercised) for further growing Baidu Mobile Ecosystem and enhancing and diversifying monetization, including to:**
 - Continue improving functionalities and features of our mobile ecosystem to enhance our user engagement. For example, we will continue to improve Baidu App functionalities, and enhance the three AI building blocks—Baijiahao (BJH) Accounts, Smart Mini Program and Managed Page to improve overall mobile ecosystem;
 - Continue investing in and purchasing more dynamic and diversified content and service offerings to build a closed-loop content and service ecosystem, and optimize the AI building blocks for third-party content by attracting more content and service providers and users, as well as acquiring more licensed content. We will incentivize and attract more premium content creators to create high-quality content at our platform in a variety of formats such as short video and live streaming, as well as enrich the comprehensiveness of the content library of our knowledge and information products, such as Baidu Wiki, Baidu Knows;
 - Further expand user reach through branding and marketing activities, such as conducting targeted and precise marketing and promotional campaigns driven by insights into user preferences in the form of app store advertisements and collaborations with targeted brand. We will also continuously invest in product development to launch more products and services to meet our users’ evolving needs; and
 - Further strengthen our vertical and community offerings to provide superior experience to users, merchants and content providers. We will continue to improve the effectiveness of our online marketing services with our AI technology, and plan to further diversify monetization channels of our mobile ecosystem. In addition to growing our mobile ecosystem organically, we also plan to selectively pursue suitable strategic partnerships, alliances, acquisitions and investments.
- **approximately [REDACTED] (approximately [REDACTED], assuming that the [REDACTED] is not exercised) for general corporate purposes.** We will use the remaining [REDACTED] for working capital and general corporate purposes to support our business operation and growth.

To the extent that the [REDACTED] of the [REDACTED] are not immediately required for the above purposes or if we are unable to put into effect any part of our plan as intended, we may hold such unused [REDACTED] in cash or short term deposits at authorized financial institutions and/or licensed banks.