FUTURE PLANS

For a detailed description of our future plans, see "Business—Our Strategies."

USE OF [REDACTED]

We estimate that we will receive net [**REDACTED**] from the [**REDACTED**] of approximately [**REDACTED**] assuming no exercise of the [**REDACTED**], or [**REDACTED**] if the [**REDACTED**] is exercised in full, after deducting [**REDACTED**] commissions and fees and other estimated [**REDACTED**] expenses paid and payable by us in relation to the [**REDACTED**].

In line with our strategies, we plan 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 approximately [REDACTED], will be used in the next three years to improve our auto solutions and improve our service quality. In particular,**

  o approximately [**REDACTED**]% of the net [**REDACTED**], or approximately [**REDACTED**], will be used in the next three years for the enhancement of our auto solutions to support our growing fleet of vehicles. In particular, approximately [**REDACTED**]%, [**REDACTED**]%, and [**REDACTED**]% of the net [**REDACTED**] is expected to cover (i) insurance costs, (ii) expenses related to leasing batteries and purchasing battery swap services, as well as (iii) maintenance and repair costs, respectively. We expect to incur these expenses as we work with Geely Group to further expand the geographic coverage of battery swap stations and auto servicing shops and leverage data insights to enhance the effectiveness of the site selection. We also plan to track the latest battery swap technology to reduce average waiting time for drivers. For more details, see "Business—Our Strategies—Improving our auto solutions to reinforce our advantage in full-lifecycle vehicle management"; and

  o approximately [**REDACTED**]% of the net [**REDACTED**], or approximately [**REDACTED**], will be used in the next three years to improve our service quality, enhance our brand image, and enrich user experience. This is expected to cover: (i) expenses for online and offline advertisements and promotional campaigns; (ii) expenses for implementing smart cabin features in our purpose-built vehicles, including hardware purchases such as interactive screens for rear seat passengers, procurement of third-party technology services such as our cloud-based DMS and vision-based FCW system, and compensation for employees involved in these implementations; and (iii) expenses to deliver a better user experience, including costs associated with offline driver training events and compensation for employees who design and maintain our driver training and management protocols. For more details, see "Business—Our Strategies—Elevating service standards and bolstering our brand image to deepen user engagement and loyalty."

- **approximately [REDACTED]% of the net [REDACTED], or approximately [REDACTED], will be used in the next three years to enhance and launch our range of purpose-built vehicles. For more details, see "Business—Our Strategies—Enhancing and launching purpose-built vehicles to meet evolving market demands." In particular,**

  ○ approximately [**REDACTED**]% of the net [**REDACTED**], or approximately [**REDACTED**], will be used in the next three years to facilitate the market adoption of our purpose-built vehicles. We will incur cost for the procurement of purpose-built vehicles. We plan to procure approximately 8,000 purpose-built vehicles in each of 2025, 2026, and 2027. The funding for these procurements is expected to come from such net [**REDACTED**], our operating cash, and other financing arrangements, such as ABSs and bank borrowings. We plan to sell and lease some of our purpose-built vehicles to our car partners and to other shared mobility platforms. Specifically, we plan to gradually replace the outdated mobility operating vehicle models with purpose-built vehicles. In 2025 and 2026, we expect to replace approximately 8,000 old, non-purpose-built vehicles each year. As a result, the service capacity of our purpose-built vehicles will continue to improve. In 2027, we expect to replace approximately 8,000 old, purpose-built vehicles. We expect that the number of purpose-built vehicles deployed on our platform will amount to approximately 42,000, 50,000, and 50,000 at the end of each year from 2025 to 2027, respectively; and

  ○ approximately [**REDACTED**]% of the net [**REDACTED**], or approximately [**REDACTED**], will be used in the next three years to (i) pay cost associated with obtaining the Transportation Permits and other requisite licenses and permits for vehicles that we will keep and operate ourselves, as we may hire agents to help with the administrative processes involved in setting up local branches and applying for such licenses and permits for better cost efficiency and in keeping with industry norm, and (ii) upgrade our existing purpose-built vehicle models to offer best value for money to users and reduce vehicle TCO for drivers. For example, we plan to upgrade braking systems for our existing purpose-built vehicles, which will enhance energy recovery and reduce energy consumption, thereby increasing vehicle range. In addition, we plan to optimize vehicle motor to improve electrical energy utilization and lowers energy consumption. We will continue to upgrade the current models with facelifts to track our latest development in vehicle intelligence.

- **approximately [REDACTED]% of the net [REDACTED], or approximately [REDACTED], will be used in the next three years to enhance our technology and invest in autonomous driving. In particular,**

  - approximately [**REDACTED**]% of the net [**REDACTED**], or approximately [**REDACTED**], will be used in the next three years to invest in autonomous driving. In particular, approximately [**REDACTED**]% of the net [**REDACTED**] will be used to cover the costs associated with modifying our vehicles to incorporate necessary hardware and software for autonomous driving in collaboration with Geely Group; approximately [**REDACTED**]% of the net [**REDACTED**] will be used to cover the costs associated with developing new vehicle models purpose-built for autonomous driving in collaboration with Geely Group, including an L4 level robotaxi model fully designed for autonomous driving which is expected to be launched by the end of 2026; and approximately [**REDACTED**]% of the net [**REDACTED**] will be used to cover the cost of procuring robotaxis from Geely Group starting from 2025. For more details, see "Business—Our Strategies—Investing in autonomous driving technologies to seize future market opportunities"; and

  - approximately [**REDACTED**]% of the net [**REDACTED**], or approximately [**REDACTED**], will be used to enhance our technology in the next three years to achieve higher operating efficiency and better user experience, which is expected to cover: (i) upgrades and optimizations to the CaoCao Brain, including compensation for relevant research and development employees; specifically, we plan to further refine the logic behind order distribution of CaoCao Brain to enhance the efficiency of driver operations. We also plan to further enhance the accuracy of our incentive distribution mechanisms of CaoCao Brain to allow for more precise allocation of incentives, thereby increasing the effectiveness of our incentives and enhancing our operating efficiency; (ii) development and enhancement of our vehicle operation management platform, which will involve costs associated with compensation for the relevant research and development and operational employees; (iii) the compensation for research and development employees involved in developing our platform's foundational technologies. We expect the total number of our research and development personnel to remain stable from 2024 to 2027, and the net [**REDACTED**] will be used to pay the salaries of our research and development personnel at the current scale. For more details, see "Business—Our Strategies—Advancing our technology to improve user experiences and increase operating efficiency."

- **approximately [REDACTED]% of the net [REDACTED], or approximately [REDACTED], will be used in the next three years to expand our geographical coverage.** In particular, this is expected to cover the costs and expenses associated with entering new lower-tier cities. Specifically, [**REDACTED**]% of the net [**REDACTED**], or approximately [**REDACTED**], will be used to cover expenses for driver incentives, [**REDACTED**]% of the net [**REDACTED**], or approximately [**REDACTED**], will be used to cover commissions to aggregation platforms to increase user traffic to our platform, and [**REDACTED**]% of the net [**REDACTED**], or approximately [**REDACTED**], will be used to cover sales and marketing expenses associated with selling purpose-built vehicles in these new lower-tier cities. We currently plan to enter into 178 lower-tier cities mainly located in the southwest, northwest, and eastern parts of China. According to Frost & Sullivan, the lower-tier cities in these regions have a large population base. In addition, shared mobility has become a popular choice among residents in these cities, exhibiting promising market potential for shared mobility services. The competition in these lower-tier cities is not as intense as in tier-one and -two cities, providing favorable competitive conditions for market players. See "Industry Overview—Key Growth Drivers of China's Shared Mobility Market—Demand Side—Penetration into Lower-tier Cities and Reaching a Vast Consumer Base" for details of the industry landscape. Whether or not we will decide to enter a particular lower-tier city will depend on several factors, including, among others, communication with local stakeholders, the suitability of local car partners, local licensing applications, effectiveness of order volume growth through different marketing and promotion methods, macroeconomics environment, market competition and other market conditions. For more details, see "Business—Our Strategies—Expanding our geographical footprint and exploring innovative operational models."

- **Approximately [REDACTED]% of the net [REDACTED], or approximately [REDACTED], will be used for partial repayment of the principals and interests of certain of our bank borrowings, which have respective principal amounts of RMB116 million, RMB150 million, RMB160 million, and RMB200 million, each with a fixed term of one year. These bank borrowings bear fixed interest rates of 3.15%, 3.35%, 3.10%, and 3.20% per annum, respectively, and are set to mature in September 2025, October 2025, February 2026, and February 2026, respectively. We incurred these bank borrowings to finance the purchase of our vehicles and support our operating activities.**

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

The additional net [**REDACTED**] that we would receive if the [**REDACTED**] were exercised in full would be [**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 [**REDACTED**] of the net [**REDACTED**] for the above purposes on a pro rata basis.

To the extent that the net [**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 development plan as intended, we may hold such funds in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance) or other applicable laws and regulations in other jurisdictions. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.