

FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

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

USE OF [REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED] after deducting the [REDACTED] and other estimated expenses paid and payable by us in relation to the [REDACTED] and taking into account any additional discretionary [REDACTED], assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED] range of HK\$[REDACTED] to HK\$[REDACTED] per Share. We intend to use the [REDACTED] we will receive from this [REDACTED] for the following purposes:

- approximately 30% (approximately HK\$[REDACTED]) for research and development as well as other efforts to develop our core in-house products, including our smartphones, smart TVs, laptops, AI speakers and smart routers;
- approximately 30% (approximately HK\$[REDACTED]) for investments to expand and strengthen our ecosystem primarily in the fields of IoT and lifestyle products and mobile internet services, including AI;
- approximately 30% (approximately HK\$[REDACTED]) for our global expansion; and
- approximately 10% (approximately HK\$[REDACTED]) for working capital and general corporate purposes.

In the event that the [REDACTED] is set at the high point or the low point of the indicative [REDACTED] range, the [REDACTED] of the [REDACTED] will increase or decrease by approximately HK\$[REDACTED], respectively. Under such circumstances, we will increase or decrease the allocation of the [REDACTED] to the above purposes on a pro-rata basis.

[We will not receive [REDACTED] if the [REDACTED] is exercised. If the [REDACTED] is exercised in full, the [REDACTED] will receive the [REDACTED] for up to [REDACTED] additional [REDACTED] to be sold and transferred upon the exercise of the [REDACTED].]

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 development plan as intended, we may hold such funds in short-term deposits so long as it is deemed to be in the best interests of the Company. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

Since we are an offshore holding company, we will need to make capital contributions and loans to our subsidiaries in mainland China such that the [REDACTED] of this [REDACTED] can be used in the manner described above. Such capital contributions and loans are subject to a number of limitations and approval processes under the laws of mainland China and regulations. There are no costs associated with registering loans or capital contributions with relevant authorities of mainland China, other than nominal processing charges. Under the laws of mainland China and regulations, the governmental authorities of mainland China are required to process such approvals or registrations or deny our [REDACTED] within a prescribed period, which are usually less than 90 days. The actual time

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taken, however, may be longer due to administrative delay. We cannot assure you that we can obtain the approvals from the relevant governmental authorities, or complete the registration and filing procedures required to use our [REDACTED] as described above, in each case on a timely basis, or at all. This is because regulation of loans and direct investment of mainland China by offshore holding companies to entities in mainland China may delay or prevent us from using the [REDACTED] of this [REDACTED] to make loans or additional capital contributions to our operating subsidiaries, which could materially and adversely affect our liquidity and our ability to fund and expand our business.