FUTURE PLANS

Please refer to the section headed "Business—Our Strategies" for a detailed description of our future plans.

[**REDACTED**]

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

Implementation Plan

We intend to use our [**REDACTED**] received from the [**REDACTED**] to implement our business strategies and objectives as set out in "Business—Our Strategies".

The table below sets out an overview of our business strategies and the implementation timeline for our use of [**REDACTED**]. As implementation of future plans is subject to uncertainties and factors that are out of our control, we cannot assure you that our implementation plan will be materialised in accordance with the estimated time frame or will be accomplished at all.

Business Strategies	FY2024	FY2025	FY2026	FY2027	FY2028	Total
	HK$ in million					
1. Enhance our R&D capabilities.						
(1) Developing innovative features to our SaaS marketing and management services	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(2) Enhancing our algorithmic modeling capabilities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(3) Upgrading our existing in-vehicle hardware products	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(4) Enhancing the cloud-native technology in our products and services	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(5) Enhancing investments in cloud-based infrastructure	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2. Broaden our service offerings to other participants along the industry chain of the automotive industry.						
(1) Increasing our penetration to 4S stores	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(2) Expanding to insurance companies	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
(3) Expanding to automotive manufacturers	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
3. Seek potential strategic investment and collaboration opportunities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4. Working capital and general corporate purposes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

OUR BUSINESS STRATEGIES AND DETAILS OF OUR [REDACTED]

We intend to apply the [**REDACTED**] from the [**REDACTED**] in the manner as described in the paragraphs below. For further details on our personnel recruitment involving [**REDACTED**] from the [**REDACTED**], please refer to "Our recruitment plan—enhancing our R&D capabilities" and "Our recruitment plan—broadening our service offering" in this section.

1. Enhance our research and development ("R&D") capabilities

According to CIC, the emergence of innovative technologies has revolutionised the operating mode of the automotive aftermarket industry. It is therefore crucial for our Group to innovating and developing products and services that our customers want in order to maintain our competitiveness in the industry to avoid being outplayed by competitors. We intend to allocate approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] over the next five years, to enhance and further strengthen our R&D capabilities through developing technological and functional improvements through which we will enhance our competitiveness. Specifically, we intend to apply the [**REDACTED**] earmarked for this purpose to the following R&D initiatives:

(1) Developing innovative features to our SaaS marketing and management services: Approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] over the next five years to develop innovative features to our SaaS marketing and management services. The allocated amount will be mainly used for (i) recruiting a total of 25 technical professionals such as Java software engineers, front-end engineers, database engineers, system operation and maintenance engineers, product managers and testing engineers; and (ii) leasing new software products such as software development tools and systems, and hardware equipment such as testing equipment and cloud servers in order to support our research and development initiatives and services innovations. More specifically, we plan to invest on the following:

- Upgrading our SaaS marketing and management services through developing innovative features and launching our self-developed technology infrastructure, thereby reaching out to a larger group of target customers. We intend to launch our self-developed technology infrastructure which could achieve integration with reputable third party social media platforms. With the popularity of short-clip videos, live-streaming and social media platforms among the consumers in the PRC, we intend to develop specific functionalities that integrate our technology infrastructure with other reputable third party platforms.

Specifically, we intend to develop functionalities that would allow (i) centralised management of the user accounts of our automotive aftermarket store customers across the third party social media platforms; (ii) evaluation of the marketing activities conducted by our automotive aftermarket store customers; and (iii) redirecting such sales data into our technology infrastructure for filtering, post-processing and leads generation. To achieve this, we also aim to develop a new "Customer Data Platform" ("**CDP**") that allows for consolidation of different sources of car user information and purchasing interests including from third party social media platform, thus realising the concept of "oneID" (meaning centralised management of individual car users' information) and further facilitating our automotive aftermarket store customers' staff to better understand and to effectively manage and market to car user, thus increasing the conversion of sales leads into sales. Through this new technology infrastructure platform, our automotive aftermarket store customers would have more tools to reach out to individual car users such as channels provided by third party social media platforms, short videos, live streaming and our in-vehicle hardware (such as our in-vehicle hardware products). The "oneID" functionality would allow our automotive aftermarket store customers to more effectively manage the numerous communication channels with car users, realising effective marketing. We believe the development and launch of these additional functionalities could allow more effective management of marketing activities from third party platform by our automotive aftermarket store customers. We also believe these technology and functionality upgrades, which will be implemented in stages, would allow our automotive aftermarket store customers to further develop their digital marketing capabilities, provide us with market insights and cater for more diverse business and application scenarios, thereby attracting new automotive aftermarket store customers to use our SaaS marketing and management services.

– Expanding the functionalities of our SaaS marketing and management services with an aim to horizontally expand the coverage of our services, and to address more diversified business and application scenarios. Towards this goal, we intend to extend the breath and the coverage of our SaaS marketing and management services to cater for diverse application scenario within the automotive aftermarket industry, such as new energy vehicle trade-in and sales, car wash, auto beauty and maintenance, second hand cars trade-in businesses. In particular, riding on the favourable policies implemented by the Chinese government on the popularisation of new energy vehicles and the increase average age of cars within China, we aim to develop a marketing service system specifically for new energy vehicle sales scenarios, to support the marketing capabilities of our customers. For instance, providing one-stop service to assist car owners to purchase and replace new energy vehicles. By extending the breadth of our services to cover new energy vehicle sales business, we believe we can derive more sales to our SaaS value added services.

(2) ***Enhancing our algorithmic modeling capabilities:*** Approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] over the next five years to improve operational efficiency, reliability and functionality of our products and services through enhancing our algorithmic modeling capabilities. The allocated amount will be mainly used for (i) recruiting a total of 13 technical professionals such as Java software engineers, database engineers, algorithm engineers, automation and maintenance engineers, product managers and testing engineers; and (ii) leasing new software products such as cloud data base, and hardware equipment such as cloud servers. More specifically, we plan to invest on the following:

– leveraging engines generated by contents based on large-scale models for content creation and formulation of sales and marketing strategies. We intend to utilise third-party engines generated by contents based on large-scale models and refine their functions for targeted automotive marketing scenarios to generate high-quality marketing content such as delivering contents and materials that highlight the advantages and distinguishing features, pieces that educate car users on daily-use of cars, and distributing such contents through different media including videos, pictures and text. While this can be done manually, the creation process may be long and might be costly in terms of human and other resources. Through suitable training of the algorithmic modeling platform that will be carried out by our software engineers who are experienced in algorithmic modeling development, we target to develop a model that could be easily and efficiently used by our automotive aftermarket store customers to utilise algorithmic models in their marketing activity would be applied in various scenarios such as speech skills and sales training in the 4S store, thereby increasing the business efficiency of each in-store personnel. With the increasing popularity of the use of generative large-scale model applications, and in order to remain our competitiveness in the automotive aftermarket industry, we intend to deploy third-party large-scale model content generative engines to carry our content creation functions. According to CIC, generative large-scale model content creation tools not only serves as a marketing tools, it can also provide data-driven insights, which lead to better decisions with reference to a particular customer groups and devise the unique marketing strategies for them. Besides, with the assistance of specific refinement, we can automate repetitive tasks in the algorithmic modeling tools, thereby increasing our efficiency and introducing the diversity in delivering customised marketing services. We believe by leveraging generative large-scale model engines for content creation and formulation of sales and marketing strategies, it would allow our automotive aftermarket store customers to increase the productivity and

output of sales and marketing content, improve the efficiency of content creation and reducing content creation costs while allowing them to deliver customised experiences to car users.

Besides, we plan to use generative large-scale model tools to generate personalised marketing services based on data insight and analysis of car users' characteristics and historical purchase data. Based on the generative large-scale model creative assistance technologies, we believe we can provide more targeted and innovative marketing strategies targeting different car user groups, which in turn can allow our automotive aftermarket store customers to better formulate their marketing strategies, enhance their digital operation and marketing capabilities, and to provide more opportunities for our automotive aftermarket store customers to grow their business and their customer bases.

– continuously improving our research and development of model in collision leads-generation by optimising algorithms and models that can improve the accuracy of collision accident recognition (碰撞事故識別) and enhance the vehicle safety experience for car users. Currently, we use algorithmic modeling technology to generate collision repair leads in providing our SaaS subscription service. We use this algorithmic modeling technology to detect whether a vehicle collision has occurred, determine the collision scale and collision type, and trigger different processing actions based on the severity level through the in-vehicle sensor. Such in-vehicle sensor mainly consists of deep learning algorithms which feature self-learning capabilities, such as speech classification, target detection, video classification, and other deep learning algorithms. We intend to enhance our algorithmic modeling capabilities with an aim to better employ deep learning algorithms to perform sophisticated computations on large amounts of data. For instances, to use the scene-specific algorithms in the field of computer vision to detect the target, which, compared with the traditional simple segmentation of the definition of the threshold algorithm, reduces the false detection rate and improves the customer experience. We plan to enhance our existing collision accident recognition algorithms in order to improve the recognition accuracy and better detect and identify the needs to enable 4S stores to provide road-side rescue to vehicle users. For examples, we will focus on developing functions in different aspects including collision data collection (碰撞數據採集), video and image recognition (視頻及圖像識別), collision data pre-processing (碰撞數據預處理), collision model training (碰撞模型訓練), and collision model application (碰撞模型應用).

Through our continuous efforts in the research and development, we believe we can increase the image recognition, achieve higher detection accuracy, reduce processing time, increase the responsiveness and sensitivity of our in-vehicle hardware, thereby more accurately identify whether a vehicle has collided, provide more precise and timely incident leads to 4S stores, increase the relevance of information provided to users and increase their satisfaction. Accordingly, increasing the repair leads generation and potentially bringing more sales to 4S stores and strengthening our core competitiveness.

Leveraging our R&D capabilities, we aim to continue to connect with more industry participants along the industry value chain and continue to enhance and expand our products and services offerings to drive customer and user engagement. We consider having a continuously increasing and highly engaged users base to our products and services is crucial to the success of our business. We believe the investments in (i) developing innovative features to our SaaS marketing and management services, (ii) extending the breadth of our SaaS marketing and management services, (iii) leveraging generative large-scale model engines for content creation and formulation of sales and marketing strategies; and (iv) continuously improving our collision event recognition algorithms, will allow us to better capture the industry trend, retain existing customers and attract new customers to use our products and services. These efforts will allow us to achieve synergy effect through the parallel operation of our SaaS subscription services and SaaS value-added services and provide us with a highly competitive advantage among the automotive aftermarket industry.

(3) ***Upgrading our existing sales of in-vehicle hardware products:*** Approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] over the next five years by upgrading our existing sales of in-vehicle hardware products and developing our software platform. The allocated amount will be mainly used for (i) recruiting a total of 14 technical professionals in areas such as Java software engineers, APP software engineers, embedded products engineers, system operations and maintenance engineers, hardware product manager, testing engineers and product managers; and (ii) leasing new software products such as software development tools and systems, and hardware equipment such as computers and servers. More specifically, we plan to invest on the following:

– upgrading our existing products and services by developing our technology platform encompassing V2X technology and big data analytic technology. With the anticipated development of functionalities of our SaaS marketing and management services and the application of generative large-scale technologies to create new tools and marketing contents, we believe that it would be necessary to upgrade our in-vehicle

hardware products to be able to seamlessly integrate with these new tools through providing timely and relevant data input. This technology platform would allow us to provide customers with more diversified capabilities and functions of our in-vehicle hardware products and better suit their specific needs and preferences. This platform will allow third-party developers to develop various functions or data applications for connected travel scenarios. As we develop and roll out new functions on our technology platform, we intend to regularly upgrade and continue to launch new versions of our in-vehicle hardware products with a view to allow customers and users to access a diversified range of our services and capabilities. Based on the upgrade of our in-vehicle hardware products, we believe we can strengthen the connectivity with our potential customers, and enhance our capability to acquire new customers, which in turn creates synergy effect to our SaaS marketing and management services.

(4) ***Enhancing the cloud-native technology in our products and services:*** Approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] over the next five years by enhancing the use of cloud-native technology in our products and services. The allocated amount will be mainly used for (i) recruiting a total of 9 technical professionals such as cloud-native engineers, testing engineers and product managers; and (ii) leasing new software products such as software development tools and systems, and hardware equipment such as computers and servers. More specifically, we plan to invest on the following:

– strengthening the application of cloud-native technology in our SaaS marketing and management services with a view to shorten the delivery time of software and respond quickly to the needs of customers and enhance efficiency. Cloud-native technology is an approach to build, deploy and manage modern applications in a cloud computing environment. It uses technologies such as containers, microservices and service grids to increase the reusability and scalability of software modules, enables the construction and management of applications in the cloud, which removes the dependency on in-vehicle hardware and allow users to achieve efficiency and flexibility of applications. It will be capable of resource allocation and expansion as needed to reduce operating costs. It will be able capable of auto recovery, fault tolerance and fault isolation and enhances the durability of applications and business stability. It will also be able to screen the underlying hardware discrepancy and simplify the workload of software and application development, operation and maintenance. We plan to upgrade our SaaS systems to undergo cloud-based transformation and upgrade for quicker product and services delivery, so as to respond to customers' needs more

quickly. Through upgrading enhancing the investment in our cloud-native technology in our products and services, we also aim to improve the reliability, security and functionality of our products and services.

(5) ***Enhancing investments in cloud-based infrastructure:*** Approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] over the five years after the [**REDACTED**] by enhancing the investment of our SaaS-based services within cloud-based infrastructure. The allocated amount will be mainly used for (i) recruiting a total of 5 technical professionals such as cloud architecture engineer, database engineer, system operation and maintenance engineer; and (ii) leasing new software products such as software development tools and systems, and hardware equipment such as computers and servers. More specifically, we plan to invest on the following:

– constructing multiple public cloud infrastructures and leveraging the integration of multiple clouds, in order to protect our business from abnormal disruption arising from emergencies or attacks of a single cloud platform.

Implementation plan to enhance our R&D capabilities

We set out below our detailed plans for our key R&D initiatives and the outcomes that we expect to derive.

R&D Focus area		Implementation steps and R&D outcomes
Developing innovative features to our SaaS marketing and management services.....	Launch our self-developed technology infrastructure (Dijia Public Domain Interconnect Platform (嘀加公域互聯平台))	Integrates public domain leads and private domain customer data to help our 4S store customers obtain public domain traffic leads, and help stores increase the use of multi-access methods and in-vehicle smart screen terminals in addition to the traditional access methods such as text messages and phone calls.
	Building a NEV purchase and trade-in marketing service system	Develop a marketing system providing marketing tools to participants in NEV industry to achieve rapid marketing to customers and realise the conversion of NEV purchase and trade-in.

R&D Focus area		Implementation steps and R&D outcomes
	Building a used car auction platform	Develop an communication platform for end consumers and used car dealers, with auction as the main form of sales and aiming to become an inclusive platform for used car buyers, sellers and brokers that allows for effective marketing and promotion by sellers and car shopping by prospective buyers.
Enhancing our algorithmic modeling capabilities	GPT Marketing System	The GPT Marketing System aims to establish a GPT based marketing system for the automotive industry. Leveraging GPT's content generation technology capabilities (including Text-to-Image Generation model and GPT business training) and functions such as data feed and task automatic distribution, business scenario content library and marketing rights management, the GPT Marketing System provides automobile enterprises and stores with an efficient marketing tool to improve the digital marketing capabilities of automobile enterprises and stores, reduce the cost and time of marketing content production, and improve marketing effectiveness and user service experience.
	Collision Repair Program	Through the introduction of algorithmic modeling technology, the collision repair algorithm will be further upgraded. Combined with the automatic learning features of algorithmic modeling, the collision repair algorithm will be able to automatically identifies and filters the collision data on the server side to improve the accuracy of collision recognition and damage assessment, thereby providing 4S stores with more accurate and timely accident clues, assisting 4S stores contact car owners more accurately and in a timely manner, and improving the satisfaction of car owners and 4S stores.

R&D Focus area		Implementation steps and R&D outcomes
Upgrading our existing in-vehicle hardware products	Construction of device access platform	Develop a device access platform for OBM and solution providers to meet customers' needs for networked in-vehicle devices in a fast and low-cost manner.
	Construction of application center	Establish an application center. In addition to integrating data application services such as collision detection algorithms provided by us, the platform can also access various data application services provided by third-party developers for user in the network connection scenario.
Enhancing the cloud-native technology in our products and services.....	Cloud Native Service Transformation	Transform our existing systems by introducing The cloud native software development model, implement microservices and containerisation, and use container technologies for management and deployment to run on cloud platforms.
	Automated deployment and operation and maintenance	Use automated tools and platforms to achieve automated deployment, automated testing, and automated operation and maintenance, thereby improving efficiency and reliability. The introduction of cloud-native automation capabilities allows the R&D team to focus on the business, thereby supporting business development quickly and effectively.
	Service mesh integration	Use service mesh technology to manage communications between applications and services to improve reliability, security and scalability. In the current microservice architecture system, microservices have a tightly coupled structure, which requires self-access service registration service discovery and routing, and the management logic at the operation and maintenance level invades the business layer. The introduction of service mesh can effectively decouple and simplify the management and maintenance of microservices.

R&D Focus area		Implementation steps and R&D outcomes
Enhancing investments in cloud-based infrastructure	Cloud infrastructure	Through the introduction of cloud facilities, the hardware procurement process can be shortened to increase the flexibility, stability and reliability of infrastructure selection. Cloud-based facilities can be flexibly expanded and contracted according to business needs and load conditions, with high availability and fault tolerance, and more convenient management and maintenance.
	Cloud security	Through the introduction of cloud facilities, strict access control mechanisms can be adopted, including effective security audit and monitoring, real-time monitoring and alerts, so to effectively isolate risks and prevent vulnerabilities. Cloud facilities provide more comprehensive and efficient security with faster response to security risks.
	Multi-clouds mechanism	Through purchasing cloud services from multiple cloud service providers, we hope to achieve the multi-cloud mechanism so as to improve the flexibility, security and safeguard data security to enhance business security capabilities.

It is the Group's intention to roll-out in stages the different SaaS and cloud-based products and services, with new products, services and functionalities being made available to our customers through iterations and upgrades of our software and cloud infrastructure over time. As per the current implementation plan, the Group expects that the initial roll out of new functionalities will happen during the second half of 2025, with most of the R&D being completed and functionalities being rolled out before the end of 2028.

Our recruitment plan—enhancing our R&D capabilities

For the above purposes, our recruitment plan and requirements in relation to our technical professional are as follows:

Technology development area	Position	Key job duties	Annual salary per head count (RMB'000)	Expected New Headcounts
Developing innovative features to our SaaS marketing and management services	Java Software Engineer	• Responsible for software products review, module design, database design and coding; • Evaluating the performance and optimising the operating status of the existing system and resolving software bugs; • Carrying out new business development, system reconstruction and long-term planning for the existing system.	[**REDACTED**]	[8]
	Front-end software engineer	• Responsible for the development, maintenance, and optimisation of web pages; • Providing technical support for targeted functions optimisation and web page construction and design;	[**REDACTED**]	[5]
	Database Engineer	• Responsible for database architecture design; installation, configuration, deployment of database environment; • Monitoring the stability and security and performance of the database including data encryption, user management, access control;	[**REDACTED**]	[1]
	System Operation and Maintenance Engineer	• Responsible for the maintenance of business system of the production, testing environment to ensure the stable and safe operation of the business system; • Providing technical support;	[**REDACTED**]	[2]
	Product Manager	• Responsible for the collection and analysis of market information and data of competing products; • Formulating the development workflow and functions of the product versions;	[**REDACTED**]	[4]
	Test Engineer	• Formulating test plans; conducting multilevel tests and defect tracking on the programme using multiple testing methods • Ensuring the quality of tested system; • Carrying out interface testing and big data testing.	[**REDACTED**]	[5]

Technology development area	Position	Key job duties	Annual salary per head count (RMB'000)	Expected New Headcounts
Enhancing our algorithmic modeling capabilities	Java Software Engineer	• Refer to above	[**REDACTED**]	[3]
	Database Engineer	• Refer to above	[**REDACTED**]	[2]
	Product Manager	• Refer to above	[**REDACTED**]	[2]
	Test Engineer	• Refer to above	[**REDACTED**]	[2]
	Algorithm Engineer	• Evaluating and optimising the performance of large models; • Developing and maintaining the interface of the large models to ensure third-party applications can be integrated with the large model;	[**REDACTED**]	[3]
	Automation operation and maintenance Engineer	• Deploying automated tools and technologies to plan, deploy, monitor and maintain IT infrastructure, including computers, networks, storage, databases; • Configuring automation tools in the test, development and production environments, establishing the infrastructure and test environment, and ensuring the consistency and stability of the environments;	[**REDACTED**]	[1]
Upgrading our existing in-vehicle hardware products	Java Software Engineer	• Responsible for product requirements review, module design, database design and high-quality coding work; • Evaluating the performance and optimizing the operating status of the existing system;	[**REDACTED**]	[2]
	C++ Software Engineer	• Responsible for the overall technical architecture of big data, including data middle platform, data applications, cloud applications; • Responsible for technology selection for big data collection, cleaning, statistics, analysis, mining, application and other related work and team recruitment; • Partnering with product managers to plan and design data service tools, enhance the efficiency of data research and development, develop data service tools/products, empower business products, flexibly support business innovations and exploration, and unleash the value of data.	[**REDACTED**]	[1]

Technology development area	Position	Key job duties	Annual salary per head count (RMB'000)	Expected New Headcounts
	APP Software Engineer	• Designing and developing Android applications that support the Internet of Things protocol, to realise functions such as device connection, control and management; • Taking part in project requirements analysis, programme formulation and code reviews to ensure code quality and maintainability.	[**REDACTED**]	[3]
	Embedded Software Engineer	• Writing software codes for the underlying drivers, operating systems, applications of embedded systems, and conducting debug and tests; • Conducting hardware and software integrations, testing the overall performance of the system, conducting debugging and optimisations. • Hardware and software maintenance: responsible for the maintenance and upgrades of hardware and software of the embedded systems, bug repairs, and enhancement of system reliability and security.	[**REDACTED**]	[2]
	Hardware Product Manager	• Developing and designing network hardware products; • Conducting project technical data analysis, confirmation of block diagram for product system, assisting the marketing and sales department to analyze the demand for hardware products, and supporting the pre-quotation of product technical solutions;	[**REDACTED**]	[1]
	Maintenance Engineer	• Refer to above	[**REDACTED**]	[1]
	Test Engineer	• Refer to above	[**REDACTED**]	[3]
	Product manager	• Refer to above	[**REDACTED**]	[1]
Enhancing the cloud-native technology in our products and services	Cloud-native engineer	• Responsible for designing, building and maintaining cloud-native applications, using cloud-native technologies and tools to develop, deploy and manage applications to ensure the applications run efficiently, reliably, and securely in cloud environments. • Designing and developing automated testing and deployment processes to ensure high quality and reliability of applications;	[**REDACTED**]	[5]

Technology development area	Position	Key job duties	Annual salary per head count (RMB'000)	Expected New Headcounts
	Test Engineer	• Refer to above	[**REDACTED**]	[2]
	Product Engineer	• Refer to above	[**REDACTED**]	[2]
Enhancing investment in cloud-based infrastructure	Cloud Architecture Engineer	• Leading the design, development and deployment of various business systems supporting multi-cloud architecture; • Leading the research on major obstacles of projects and the enhancement of system performance; • Responsible for management, appraisals and talent development and succession of R&D team.	[**REDACTED**]	[2]
	Senior Database Engineer	• Formulating database disaster recovery and disaster recovery strategies, including data backup, availability and disaster recovery drills, to ensure data security and continuity; • Implementing corresponding plans, including data backup, disaster recovery replication, data synchronisation, remote backup, according to disaster recovery and disaster recovery strategies to ensure rapid recovery in the event of a system failure;	[**REDACTED**]	[1]
	Automation operation and maintenance Engineer	• Refer to above	[**REDACTED**]	[1]
	Network Engineer	• Designing a cloud computing architecture that meets business needs according to business requirements and the technical characteristics of cloud service providers.; • Configuring cloud computing network, including communication between virtual machines, docking with public clouds, external network access; • Researching the latest trends and application cases of cloud computing technology, and facilitating the development of cloud computing technology.	[**REDACTED**]	[1]

Factors that were considered in our proposed investment into strengthening our R&D capabilities

(1) Technological advancement and industry outlook: The automotive aftermarket industry is characterised by the rapid advancement of technology and evolving customers needs, therefore, our continual success would be contingent on our ability to keep pace with the latest technologies development in a timely manner. According to the CIC Report, with the rapid development of the NEV market and the prevalence of integrated public and private domain marketing, it is expected that the existing technology in the automotive aftermarket may not be able to meet the growing needs of customers in the near future. According to CIC, the automotive aftermarket currently faces challenges including low marketing efficiency, unable to meet customer service demands in a timely manner, and inconsistent product quality. Besides, according to CIC, with the rapid penetration of ICVs and data accumulation from vehicle usage and manufacturing, China's traditional automobile industry is evolving, giving rise to user-centric business models. This transformation involves the formation of a new industry chain centered around ICVs and the creation of various downstream market segments deriving from new maintenance and usage patterns, including software and services, aftermarket services, and travel services. This continual evolution increases the value contribution to the ICV industry, and also enhances the value and importance of downstream end-users. In China, the ICV industry exceeded RMB1.0 trillion in 2022 and is expected to reach RMB2.9 trillion in 2027, with a CAGR of 22.5%. To capitalise on the growing market opportunities, we strive to strengthen our R&D capabilities.

In view of the above industry development and demand across the ICV value chain, the application of generative large-scale models presents an opportunity for digital transformation in the automotive aftermarket sector. Specifically, by analysing client data, personalised product recommendations and promotional plans can be generated, boosting sales performance. Chatbots using natural language processing can comprehend customer requests and automate responses, greatly enhancing service efficiency. Additionally, computer vision and machine learning models enable automatic quality checks and identification of suspicious fraudulent patterns, reducing manual workload. Furthermore, generative large-scale models can enhance automotive aftermarket product performance and safety by strengthening related hardware and software offerings. For instance, the generative large-scale models tool facilitates and optimises user experience, customer service delivery, content generation, process review, and enhancing data analysis capability. It is therefore necessary for us to continuously deepen the adaptability of the big model and industry scenarios, and implement the new technology and new capabilities in the products and services specifications, enhance our overall technological competitiveness.

Having considered the industry outlook, our Directors believe that it would become necessary for us to invest substantially in the research and development of new technologies to upgrade our business model to maintain our core competitiveness and our leading market position. Through the application of the new technologies, we intend to increase the inter-connection between the public and private domains; improve the efficiency of marketing content creation and marketing output through leveraging on the ability of algorithmic modeling generative engines; and design new industry-specific products and services, such as appraisal, inspection and auction of used cars and replacement of new energy vehicles.

(2) Customers demand: Our Directors believe that there is a necessity to enhance our R&D capabilities which allow us to develop innovative features to fulfill a wider range of customer demands. According to the CIC Report, in addition to private domain marketing, automotive aftermarket industry players generally have needs in public domain marketing, and marketing companies in other industries in the market are also moving towards the omni-domain marketing route combining public and private domains. According to CIC, the public domain marketing is more traditional, and there will be more companies focusing on private domain marketing which is more effective. The acquisition cost of public domain marketing is higher, and customers are more interested and more sensitive to information in private domain such as group chat and social media, which could gain interaction between customers. Therefore, the 4S dealers started to focus more on private domain marketing that could effectively increase the stickiness of customers. However, the importance of public domain marketing cannot be replaced by private domain marketing, especially for those customers who have limited knowledge in the industry. Therefore, the marketing strategy is moving towards to the omni-domain marketing route combining public and private domains.

(3) Maintain our competitiveness: By enhancing our R&D capabilities, we expect to provide comprehensive and technological support to our customers and maintain our competitiveness in the market. According to CIC, cloud-based infrastructure and cloud native technology provide connected service providers for the automotive aftermarket with robust infrastructure and tools to support their business expansion, innovation, and deliver enhanced user experiences and value-added services. They are essential for maintaining a competitive edge in the fiercely competitive market. Currently, most connected service providers, which consider technological prowess as their core competitive advantage, are increasing their investment in cloud-native technology platforms. The leading SaaS marketing and management services providers for the automotive aftermarket industry in China in 2022 have begun to use cloud-native applications. According to CIC, these companies invest substantially and over 30% of their total R&D expenditure towards cloud infrastructure and cloud-native technology. Hence, it is important for us to keep up with our competitors and upgrade and enhance our algorithmic modeling capabilities so as to maintain our competitiveness in the industry to avoid being outplayed by competitors.

(4) Use of cloud-based infrastructure: During the Track Record Period, our services were premised on a single third-party cloud platform. According to the operational experience of our management, having considered our anticipated business expansion and the volume of data, we believe it would be costly and time-consuming for us, and may cause unnecessary risks to business continuity and data completeness, accuracy and consistency to continue to rely on the single third-party cloud platform in the future. While using the third-party cloud platform, some companies may face limitations in terms of availability and data security. For instance, third-party cloud platforms might experience performance degradation during peak hours, which could impact the availability and response time of the company's services. Additionally, these platforms have certain data privacy and security policies that could restrict the company's control over data and its ability to ensure data protection. To ensure consistent performance and safeguard any security concerns, we believe would become preferable for us to purchase multiple cloud infrastructure. Furthermore, investing in multiple cloud infrastructure would allow our Group means to ensure the stability, reliability and high performance of its services, and to meet customer demands for availability and responsiveness. Having our services being based on cloud-native technologies would, in the Directors' view, enhance our innovation and rapid development capabilities, helping our Group quickly launch new features, improve existing ones, and adapt to evolving market needs.

2. Broaden our service offerings to other participants along the industry chain of the automotive industry

We intend to allocate approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] over the next five years, to broaden our service offerings and introduce our products and services to cover more business and application scenarios to other participants along the industry chain of the automotive industry. Specifically, we intend to apply the [**REDACTED**] for the following:

(1) Increasing our penetration to 4S stores: Approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] over the next five years for increasing the penetration of our products and services to more 4S stores. As at 31 December 2023, we served over 3,600 4S store customers. According to CIC report, there were about 31,200 4S stores in China as at 2022, and the number of 4S stores is expected to increase to about 32,900 in 2027. Therefore, we believe that there are vast business opportunities for growth in our customer base. Our investments in expanding 4S store customers include increased investment in direct sales teams, enhanced marketing service capability and network of regional channel partners, and participation in industry exhibition and industry associations. To implement this strategy, we plan to hire 21 additional marketing staff from 2024 to 2028 to (1) cover more 4S stores and channel partners, which would broaden our sales coverage geographically, (2) improve customer satisfaction

through providing more customised and attentive service, and (3) enhance the efficiency of both our direct sales force and also our channel partners through improving their product distribution, product installation and offline marketing skills. Through these initiatives, we aim to demonstrate our capabilities and advantages of our products and services to potential 4S store customers, thus bringing about a seamless and consistent transition from traditional methods of marketing to digital marketing.

We also seek to attract more 4S store customers through different channels that can enhance our brand image and competitiveness in the industry. During the Track Record Period, we have been successful in promoting our brand through online marketing, and participating in events and exhibitions organised by automobile-related industry associations. These promotional activities have enhanced the visibility of our brand and services among customers in the industry, which we believe have facilitated subsequent business opportunities. We plan to increase our participation in these activities and step-up our marketing efforts for these events through participating in forums and conferences of the automotive aftermarket industry, such as participating in exhibitions, providing sponsorship and conducting online marketing in conjunction with industry events. Through this effort, we aim to gain more opportunities and exposures to potential customers and to enter into business dealings with them.

(2) Expanding to insurance companies: Approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] over the next five years for expanding our services to insurance companies. Globally, the penetration rate of UBI auto insurance is only 4.5% in 2020, and it is mainly widely used in Europe and the United States and other developed countries. According to CIC, the UBI auto insurance is still in its infancy in China, with the current penetration rate of less than 1%, and is expected to reach about 5% in 2027. Riding on this trend and leveraging on our industry insight and technical experience, we provide insurance companies with range of products and services for the full life-cycle of car users' insurance, covering, accurate pricing for auto-insurance, precise inspection for claims settlement, new energy vehicle battery health management and digital recovery valuation of batteries and other scenarios. In the next five years, we plan to improve further expand our services to insurance companies.

For this purpose, we plan to recruit, from 2024 to 2028, (i) 14 additional members to our sales team who have motor insurance industry experience for us to more effectively understand the needs of the insurance industry and to drive the sales efforts in promoting our SaaS sales and management services to insurance companies, and (ii) 18 additional operation members to our

operations team, who would have operational experience within the motor insurance industry to help us address insurance companies' demand on data analysis, and allowing us to carry out precision marketing and transaction conversion.

(3) ***Expanding to automotive manufacturers:*** Approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] over the next five years for expanding our services to automotive manufacturers, which market potential currently remains untapped by us. According to the CIC Report, with the connected transformation of the automobile industry, the extension of applications and functions increases the total consumption for the users during the full vehicle life-cycle. Besides traditional hardware and vehicle manufacturing, China's connected automobile industry also includes more continuous software and value-added service consumption, which will grow to be a core part of the connected automobile industry in the future. We plan to leverage our accumulated know-how and experience in serving 4S store customers to facilitate automotive manufacturers including NEV manufacturers in establishing and optimising their digital connectivity, digital marketing and data service capabilities for better and directly connected car owners. Taking into account of the industry development and latest market trends adopted by automotive OEMs, we believe that automotive OEMs are generally looking to gradually shift from one-off transactions to fee models value-added service-based and subscription-based for the duration of the full vehicle life-cycle. Therefore it will become more important for these automotive OEM to reach out, activate and generate sales leads from their car buying customers. Accordingly, we plan to extend our services to automotive OEM by leveraging our accumulated expertise and experience in serving 4S stores customers to drive automobile OEM, including NEV OEM, to build and optimise their digital connectivity, digital marketing and data service capabilities for better direct connectivity to car owners. We therefore plan to target automotive OEMs by hiring approximately 19 additional marketing and operations personnel with experience in depot sales and operations from 2024 to 2028 to enhance our interactions with target automobile OEMs.

Implementation plan to broaden our service offerings

Recruitment plan—broadening our service offering

For the above purposes, our recruitment plan and requirements in relation to our technical and marketing professionals are as follows:

Position	Qualifications (Experience and Capability)	Annual salary per head count	Total additional headcount from 2024 to 2028
		(RMB'000)	
(1) Increasing our penetration to 4S stores			
Sales manager	• Bachelor degree or above • Over two years of sales experience with 4S store customers • Responsible for the business development and maintain customer relationship with targeted 4S store customers in specific regions • Responsible for client liaison, business negotiation, execution and implementation of contracts • Responsible for product training, after-sales services and customer relationship management	[REDACTED]	21
(2) Expanding to insurance companies			
Sales manager	• Bachelor degree or above • Over three years of sales experience with insurance companies • Responsible for client demand identification, design products and services which integrates service scenarios of the full vehicle life-cycle of car users with insurance companies • Responsible for business development and negotiation with insurance companies, maintain customer relationship with targeted customers • Responsible for designing cooperation model and business proposal based on the product and promotion channels, monitor and enhance the results of different promotion channels • Responsible for product launch, product pricing, external marketing packaging, after-sales services	[REDACTED]	14
Operation manager	• Bachelor degree or above • Over two years of sales experience with insurance companies • Responsible for user operation assistance and business transformation of relevant insurance-related products and services • Responsible for conducting user management, user needs identification, promote accurate customer acquisition and realisation, and formulate targeted promotion strategies and plans • Responsible for designing daily content of the digital marketing platform, and monitor the promotion effect of the platform, improve the exposure, activity and transaction volume of related products • Analyse business data, gain insight on user needs, provide product improvement strategies, and closely communicate with internal and external cooperation teams to optimise customer experience	[REDACTED]	18

Position	Qualifications (Experience and Capability)	Annual salary per head count (RMB'000)	Total additional headcount from 2024 to 2028
(3) Expanding to automotive manufacturers			
Sales manager	• Bachelor degree or above • Over two years of sales experience • Responsible for promoting the SaaS marketing and management services to automotive manufacturers • Responsible for designing products and services that are in line with the digital operation of car owners in the automotive network scenario • Responsible for supervising the delivery and subsequent operation of the products and services, providing after-sales service and customer maintenance, and continuously improving customer satisfaction	[**REDACTED**]	7
Operation manager	• Bachelor degree or above • Over two years of operational experience with automotive manufacturers customers • Responsible for delivering products and services to automotive manufacturers customers, and promote the use, frequency activity and depth of customer product use • Responsible for assisting customers in the marketing and promotion of related products to vehicle users, monitor the promotion effect, and assist customers with improved exposure, activity and transaction volume of related products • Responsible for providing product training to customers, analysing and providing products and services to customers' queries • Responsible for collecting and analysing customer needs and feedback, provide product optimisation and upgrade suggestions	[**REDACTED**]	12

3. Seek potential strategic investment and collaboration opportunities

We intend to allocate approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**] over the next three years, will be used to seek potential strategic acquisition and investment opportunities that can supplement or enhance our existing business. Specifically, we expect to acquire minority interest in or collaborate with the upstream and downstream of the industry such as acquiring minority interest of advanced vehicle hardware manufacturers, or seeking collaboration opportunities with 4S stores group or automotive manufactures, with an aim to expand our service offerings, sales channels, development of new products and/or co-investment, while enhancing the stability of our hardware and service supply and lowering procurement costs.

(1) Advanced vehicle hardware manufacturers: Our estimated selection criteria for the investment of advanced vehicle hardware manufacturers include (i) having an operating history of not less than five years; (ii) achieving

an annual revenue of at least an average of RMB30.0 million over the last three financial years; (iii) having a well-established presence and headquartered in South China; (iv) having a strong product design and production capabilities in a particular automotive product category complementary to our services. Through the minority investment, we expect to enhance our hardware supply, explore business opportunities in development of new products, lower our procurement costs and realise the investment gain through distribution of dividends.

(2) ***4S stores group:*** Our estimated selection criteria for the 4S stores group include (i) having an operating history of not less than five years; (ii) achieving the ranking of top 20 to top 80 among the top 100 automotive aftermarket stores; and (iii) operating of at least ten 4S stores within Central and Eastern regions of China. Through the strategic collaboration, we expect to increase the Group's revenue streams and realise the investment gain through distribution of dividends.

(3) ***Automotive manufacturers:*** Our estimated selection criteria for the automotive manufacturers include (i) having an operating history of not less than five years and (ii) achieving annual sales volume of not less than 100,000 units of new vehicles, with headquarters in Central and Eastern regions of China. Through the strategic collaboration, we expect to explore business opportunities in development of new services (such as member benefit services to improve the stickiness of their car users, and also auto decoration products and services after new vehicle sales), increase the Group's revenue streams and realise the investment gain through profit sharing in such investments and distribution of dividends.

Selection criteria

- Operating history: Our targets should have an operating history of not less than five years. We believe that the operating history threshold could show that the target company has accumulated sufficient business operational experience, marketing capability and industry insight in the connected vehicle hardware market. We will also take into account of the product/service portfolio offered by the target companies, the experience and skills of the management team, operation scale to assess its compatibility with our Group, its scalability and potential for future growth.

- Performance indicator: Our targets should have (i) financial or operational achievement of not less than an average of RMB30 million for connected vehicle hardware manufacturers; or (ii) have achieved the ranking of top 20 to 80 among the top 100 automotive aftermarket stores and operating at least ten 4S stores within Central and Eastern regions of China for 4S store group; or (iii) have an annual sales volume requirement for automotive manufacturers.

We believe through having these selection criteria, we would be selecting potential strategic investment targets that have accumulated substantial business resources, such as sales channel resources and which we believe would create synergy with our existing service offerings, thereby facilitating our business growth in terms of our customer base of both sales of in-vehicle hardware products and the provision of SaaS marketing and management services. As such, we believe we would be able to lay a solid foundation for us to leverage on the business resources of the potential strategic investment target to explore more business opportunities for our existing service offerings.

- Geographical location: As regards to connected vehicle hardware manufacturers and automotive manufacturers, we prioritise target company whose headquarters which are located in South China and Central and Eastern Regions, particularly in the Pearl River Delta region within the Guangdong Province. On the one hand, South China is a mature region for the development of automotive-related industries in China, with strong industrial supporting resources and consumption capacity, which we believe would be conducive to a more convenient and efficient selection of potential investment targets for us. On the other hand, our own operational headquarters is located in Shenzhen, Guangdong Province, and the geographic proximity with location of the potential strategic investment target in South China will help strengthen our strategic cooperation and business synergy with it, reduces communication costs and enhance communication efficiency.

- Technological capability: As regards to connected vehicle hardware manufacturers, we prioritise target companies that have strong product design and production capabilities. On the one hand, according to the CIC Report, since COVID-19, vehicle owners have placed greater emphasis on the convenience and safety-related functions of smart in-vehicle hardware products and have become inclined to embrace sales of in-vehicle hardware products. The COVID-19 has led car owners to place greater emphasis on products and services that provide convenience and safety-related functions and products, such as center stack display, smart car GPS navigations and dash cameras. Specifically, contactless control features like voice command and gesture recognition are more valued, as they reduce virus transmission risks. This results in an increase in the penetration rate of Internet-connected in-vehicle hardware products for the automotive aftermarket industry. In order to respond to the changing needs of vehicle owners in the automotive aftermarket industry, we need to react quickly to design products and services to meet market demands and accelerate the speed of product launches. On the other hand, we have advantages in software development, network traffic and application services for smart hardware, which, when combined with the product design and production capacity of the potential strategic investment target, can create strong synergies and help accelerate the progress of product development and realise sales.

- Planned investment format: To be prudent, we currently consider we will make minority equity investment in connected vehicle hardware manufacturers; and explore collaboration opportunities with 4S store groups and automotive manufacturers when an appropriate opportunity arises. Specifically, we are seeking collaboration opportunities with 4S store groups and automotive manufacturers, through setting up joint venture companies with them when an appropriate opportunity arises. In determining whether to set up the joint venture companies and the investment format, our Director would consider, among other factors, (i) the background of the joint venture partner, including the corporate background, competitive advantages, business resources, target customer groups; and (ii) potential business opportunities and operational experience accumulated by the Group and the joint venture partner in order to increase the revenue stream of the Group. We believe the intended collaboration opportunities with 4S store groups and automotive manufacturers will be beneficial to us in the following ways:

  (i) *Consolidate and share business resources, leading to business growth*: Our Directors believe that, by setting up joint venture companies with the joint venture partners (who are presumably the 4S store groups and automotive manufacturers), each of our Group and the joint venture partners is expected to enjoy the shared business resources of each other, such as customers and suppliers network, established sales channels, operating expertise, technology and talents. Being able to access to and leverage on the combined business resources, we believe our joint venture companies and our business could grow at a faster pace.

  (ii) *Create a platform for long-term business relationship and expand our service offerings*: We believe that by setting up joint venture companies, it would enable the creation of better platforms that allow us to explore business opportunities in development of new service offerings. With the support of our joint venture partners' shared business resources mentioned above, we believe we are able to deepen the scope and depth of our service offerings, and continue to introduce more innovative business lines. For example, we expect to expand the member benefit services and value-added services such as auto decoration products and services after new vehicle sales. Furthermore, by establishing the joint venture companies, it signifies the long-term business strategy of our Group to conduct business with our joint venture partner, which is crucial to the success and future growth of our business.

  (iii) *Increase revenue stream*: We believe that this investment format through setting up joint venture companies would facilitate the growth of our business and thereby increasing our overall revenue stream. On the basis of the continuous expansion business scale and revenue of the joint venture companies, we also expect to realise the investment gain through distribution of dividends.

- Availability of target companies: The Board takes the view that as the Latest Practicable Date, there are a number of strategic partners and acquisition targets in the first and second tier cities in the PRC which meet the above criteria.

Expected business and financial impact of the potential strategic investment and collaboration opportunities

From a business operational perspective, given that the targets shall be in the same industry that we are operating, and based on our selection criteria set out above, we will seek to identify targets with established operating experience, financial or operational achievement, and strong product capabilities, we do not expect that there will be major disruptions in or impact on our business operations upon completion of the investment or potential collaboration.

From a financial perspective, upon the completion of the potential strategic investment and collaboration opportunities, depending on the size and business focus of the actual target we invest in, we expect that the acquisition will contribute to our financial performance positively given that the target to be acquired is expected to possess sound financial condition with revenue and profit at the time of our investment.

Expected benefits and synergies of the potential strategic investment and collaboration opportunities

We believe strategic investment and collaboration opportunities may be an efficient way for us to reach out to business resources in the industry, compared with solely relying on enhancing our in-house R&D capability. In selecting and assessing potential acquisition opportunities, we will consider synergies between the target and our existing operations and development strategies (such as the financial or operational achievement and compatibility of the products/services offered by the potential target, and their operating history), the expected contribution to our future business growth. We expect our target companies could complement our existing products and services, enhance our core competitiveness and supplement our strategic business development plan. We also expect the target companies could assist us expand our smart hardware product category and enhance the revenue from our existing service offerings. Besides, we may also realise investment gain through dividend distribution from the target companies.

As at the Latest Practicable Date, we have not identified any potential target for strategic investment or collaboration opportunities. We may utilise our internal resources to subsidise for the shortfall of the investment opportunity.

4. Working capital and general corporate purposes

We intend to allocate approximately HK$[**REDACTED**] million, representing approximately [**REDACTED**]% of the estimated [**REDACTED**], for working capital and general corporate purposes.

Range of [REDACTED]

In the event that the [**REDACTED**] is set at the high end or the low end of the indicative [**REDACTED**] range, the [**REDACTED**] of the [**REDACTED**] will increase or decrease by approximately HK$[**REDACTED**] million, assuming the [**REDACTED**] is not exercised. Under such circumstances, we will increase or decrease the allocation of the [**REDACTED**] to the above purposes on a pro-rata basis.

If the [**REDACTED**] is exercised in full, the additional [**REDACTED**] that the Company will receive will be approximately HK$[**REDACTED**] million, assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range. We intend to apply the additional [**REDACTED**] to the above uses in the proportions stated above.

To the extent that the [**REDACTED**] are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we will only hold such funds in short to medium term interest-bearing deposits with licensed commercial banks and/or other authorised financial institutions (as defined under the SFO or other applicable laws in the PRC) in the PRC and/or Hong Kong.

We will issue announcements, where required, if there is any material change in the use of [**REDACTED**] mentioned above.

BASES AND ASSUMPTIONS

The future plans set out by our Directors are based on the following bases and assumptions:

- we will have sufficient financial resources to meet the planned capital expenditure and business development requirements during the period to which the future plans relate;

- there will be no material changes in existing laws, rules and regulations, or other governmental policies relating to our Group, or in the political, economic or market conditions in which our Group operates;

- there will be no change in the funding requirement for each of the near term future plan described in this document from the amount as estimated by our Directors;

- there will be no material changes in the bases or rates of taxation applicable to the activities of our Group;

- there will be no disasters, natural, political or otherwise, which would materially disrupt the business or operations of our Group;

- there will be no change in the effectiveness of the qualifications and licences obtained by our Group; and

- we will not be materially affected by the risk factors as set out in the section headed "Risk Factors" of this document.

Based on information current available to our Company, as of the Latest Practicable Date, our Company expects that the implementation of our business strategies such as enhancing our R&D capabilities and also hiring additional talents for us to broaden our service offerings, increasing our marketing efforts and expanding customer base would increase our expenses including but not limited to our distribution and selling expenses, administrative expenses and research and development expenses. These expenses may therefore negatively affect our profit margins, and our Directors and senior management will invest additional time into managing the implementation of our strategic plans. Given the intense competition in the automotive aftermarket industry, we may be compelled to offer competitive remuneration package to maintain a steady workforce and quality services. Save for the above, and subject to the risk factors as set out in this document and the bases and assumptions in this section, the Directors currently does not expect there would be material adverse effects on our Group's operational cash flow, net profit margin or risk profile.

REASONS FOR THE [REDACTED]

We intend to raise funds by the [**REDACTED**] in order to facilitate the implementation of our business strategies which we regard it as our Group's long-term development. Our Directors are of the view that our aforementioned expansion plan as described in this document is feasible as there is sufficient demand for our products and services to support our expansion of our business. We are also seeking a [**REDACTED**] for the following reasons:

- ***Growing demand for SaaS marketing and management services in China:*** According to the CIC Report, the total revenue of connected services for the automotive aftermarket industry in China increased from RMB6.6 billion in 2018 to RMB10.9 billion in 2022 at a CAGR of 13.1%, and is expected to increase to RMB28.3 billion by 2027, with a CAGR of 21.1% from 2022 to 2027. The total revenue of sales of in-vehicle hardware products and the provision of SaaS marketing and management services for the automotive aftermarket in China reached RMB6.6 billion and RMB4.3 billion respectively in 2022; and the market sizes for these types of services are expected to increase to RMB7.4

billion and RMB20.9 billion at a CAGR of 2.5% and 37.1% from 2022 to 2027, respectively, according to the CIC Report. In view of the rapid development in the industry, we believe our in-vehicle hardware products and our SaaS marketing and management services position us at a competitive edge to benefit from the ample and continuously emerging commercialisation opportunities in the automotive aftermarket industry.

- ***Long-term fund raising platform:*** Apart from continuously using our internal resources and bank borrowings, we will also enjoy more flexibility and gain access to a variety of fund raising avenues, including the issuance of equity and debt securities, to fund our medium to long-term development as and when necessary.

- ***Strengthening the competitiveness of our Group:*** The [**REDACTED**] status can elevate our corporate image and status and provide reassurance and confidence to our customers and suppliers, which in turn provides a stronger bargaining position when exploring new business opportunities with our customers and suppliers, which we believe would be beneficial to our overall business growth.

- ***Maximise Shareholders' interest:*** The [**REDACTED**] will broaden our Shareholder base and enhance the liquidity of the Shares, as compared to the limited liquidity of the Shares that are privately held before the [**REDACTED**]. Hence, the [**REDACTED**] will enlarge and diversity our Shareholder base.

Accordingly, our Directors are of the view that it is necessary and appropriate for our Company to apply for a [**REDACTED**] to fulfill our business plans and future growth.