
FUTURE PLANS AND USE OF [REDACTED]

Future Plans

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

Use of [REDACTED]

After deducting the [REDACTED] and other estimated [REDACTED] expenses payable by us in connection with the [REDACTED], and assuming an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the indicative [REDACTED] of HK\$[REDACTED] to HK\$[REDACTED]), we estimate that we will receive net [REDACTED] of approximately HK\$[REDACTED] million from the [REDACTED]. We intend to use the [REDACTED] from the [REDACTED] for the purposes and in the amounts set forth below:

- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, for expanding our medical imaging center network. In particular, we plan to allocate:
 - approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, for developing our imaging center services business in regions with relatively uneven distribution of medical resources. The overall size of the medical imaging equipment solutions market in China has been steadily expanding, and is expected to reach RMB190.0 billion in 2030, with a CAGR of 8.2% from 2023 to 2030, according to Frost & Sullivan. To pave the way for long-term success in this fast-growing market, we seek to focus on growing our customer base and improving market penetration by expanding our network and enriching our service offerings. With the successful implementation of such strategies, we have experienced robust growth in revenue from 2020 to 2022 at a CAGR of 25.1%. We plan to expand our network through continually constructing regional collaborative imaging centers in the following types of regions: (i) regions where we have existing business and support from business partners; (ii) regions that are not fully exploited yet; and (iii) regions with market demand for medical imaging services, such as Jiangxi province, Hubei province, Hunan province, Henan province and Guangdong province. We plan to establish approximately 11 regional collaborative imaging centers by the end of 2025 in line with market condition and our expansion plan;

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- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, for further developing specialized medical consortium imaging centers and operational management imaging centers in regions where we have already made investment to establish imaging centers, to further extend our medical imaging service capabilities and increase market penetration in such regions. We plan to establish approximately 17 specialized medical consortium imaging centers or operational management imaging centers by the end of 2025 in line with market condition and our expansion plan; and
- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, for (i) continually establishing flagship imaging centers in more developed cities such as provincial capital cities, to aggregate quality medical resources and increase our market share and penetration rate; and (ii) continually developing our existing flagship imaging centers in key provincial capital cities to achieve sustainable development, including enhancing marketing and branding efforts and advertisement activities, and optimizing service portfolios. In particular, we plan to expand our service offerings from precise diagnosis to precise prevention by including medical imaging-based specialized health screening programs targeted at individual healthcare consumers with suboptimal health status. We plan to approximately two flagship imaging center in provincial capitals by the end of 2025 in line with market condition and our expansion plan;
- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, for pursuing strategic cooperation and mergers and acquisitions in the medical imaging field and seeking strategic partnerships and investment opportunities along the medical imaging service industry chain. To complement our growth strategy, we will continue to enrich our network by selectively pursuing suitable strategic partnerships, investments and acquisitions in China. We will mainly seek opportunities with target companies that possess cutting-edge technologies such as big data analytics, machine learning and other technologies related to our business that would allow us to enhance our data intelligence infrastructure, or help us develop more medical specialty-based service offering. We also plan to seek partnerships with upstream and downstream companies, such as equipment providers, maintenance companies, AI service providers and industry associations. Apart from assessing the compatibility with our growth strategies, we would further review the operation and financial performance, management capabilities, compliance history, and other risk factors of the target businesses. In particular, we plan to focus on suitable targets which (i) strong track record of profitability, (ii) companies along the value chain of medical imaging for us to generate synergistic effects or reach scale or economics, and (iii) satisfactory expected return of investment. We plan to primarily consider majority investments for horizontal

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investments and minority investments for vertical acquisitions, as such are considered common business operation in the industry to strengthen the competitiveness of technology and offerings. According to Frost & Sullivan, as medical imaging industry is growing fast, there are adequate potential acquisition targets available in the market that satisfy our criteria. As a result, our Directors are of the view that such acquisition targets are widely available on the market and our acquisition plans are highly feasible. As of the Latest Practicable Date, we had not identified or pursued any strategic investment or acquisition target, and had not set any definitive investment or acquisition timeframe. In particular, we plan to allocate:

- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, for actively pursuing strategic cooperation, acquisition or investment opportunities to continue enhancing our industry integration and platform service capabilities in the medical imaging field; and
 - approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, for incubating companies along the value chain of the medical imaging industry chain and cooperating with potential strategic partners to enhance our service capabilities in each specialized area and abilities to integrate resources along the industry value chain.
- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, for extending our business to overseas countries and regions which (i) are relatively lacking in medical resources, such as Southeast Asia, and (ii) have high per capita disposable income and great growth potential for medical imaging services, such as the Middle East. In the face of differences between domestic and overseas markets in terms of target clientele, operational licensing, and revenue-cost structures, we will adopt the following measures: (i) we will re-evaluate the characteristics of the target overseas clients, such as their needs, habits, and purchasing power; (ii) we will adjust or redesign our medical imaging service model or products accordingly; (iii) we will research into the laws and regulations of the target countries and plan to hire local legal counsel or consultancy firms to advise on the application and maintenance of operational licenses in these overseas markets; and (iv) based on the economic conditions, consumer levels, and competitive dynamics of the targeted country or region, we will consider revising our pricing strategy.

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We plan to recruit around six marketing and operational personnel, and around 80 medical personnel (including radiologists, radiologic technologists and nurses) in Hong Kong and Southeast Asia market. The following table sets forth a breakdown of estimated investments from net [REDACTED] for the years indicated:

	Estimated investments from net [REDACTED] for the eight months ending December 31, 2024	Estimated investments from net [REDACTED] for the year ending December 31, 2025
	<i>(HK\$ in million)</i>	
Marketing and operation teams	[REDACTED]	[REDACTED]
Radiologist, radiologic technologist and nurses	[REDACTED]	[REDACTED]
Total.	<u>[REDACTED]</u>	<u>[REDACTED]</u>

The remaining net [REDACTED] for extending our business to overseas countries and regions will be used primarily for (i) sales and marketing activities to enhance our brand recognition and enlarge our customer base at the local market; (ii) engagement of local legal counsel or consultancy firms to research on laws and regulations of the target countries; and (iii) rental of offices and purchase of office equipment and devices, furnitures, utilities for our local imaging offices. As of the Latest Practicable Date, we have been continuously conducting our market research into overseas market.

- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, as working capital and for general corporate uses.

In the event that the [REDACTED] is set at the maximum [REDACTED] or the minimum [REDACTED] of the indicative [REDACTED], the net [REDACTED] of the [REDACTED] will increase or decrease by approximately HK\$[REDACTED] million, respectively.

To the extent that the net [REDACTED] from the [REDACTED] are either more or less than expected, we will adjust our allocation 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 used for the above purposes or if we are unable to effect any part of our future development plans as intended, we may hold such funds in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions in Hong Kong or the PRC (as defined under the Securities and Futures Ordinance, the law of the People’s Republic of China on

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Commercial Banks (中華人民共和國商業銀行法) and other relevant laws in the PRC) for 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.

IMPLEMENTATION PLAN

Purposes	Implementation targets	Estimated investments from net [REDACTED] for the eight months ending December 31,	Estimated investments from net [REDACTED] for the year ending December 31,
		2024	2025
1. Expand our medical imaging center network	(a) Develop our imaging center services business in regions with uneven distribution of medical resources	Approximately HK\$[REDACTED] million	Approximately HK\$[REDACTED] million
	(b) Develop specialized consortium imaging centers and operational management imaging centers	Approximately HK\$[REDACTED] million	Approximately HK\$[REDACTED] million
	(c) Establish and develop flagship imaging centers	Approximately HK\$[REDACTED] million	Approximately HK\$[REDACTED] million
	Total	Approximately HK\$[REDACTED] million	Approximately HK\$[REDACTED] million

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Set forth below are the breakdown of the number and targeted region of imaging centers to be established in each period till 2025 by type and the breakdown of the use of [REDACTED] for establishing such new imaging centers by nature of expenses:

	Estimated investments from net [REDACTED] for the eight months ending December 31, <u>2024</u>	Estimated investments from net [REDACTED] for the year ending December 31, <u>2025</u>
Flagship imaging centers	1	1
targeted regions including Liaoning province, Shanghai		
Regional collaborative imaging centers	3	8
targeted regions including Jiangxi province, Hubei province, Hunan province, Henan province, Guangdong province		
Specialized medical consortium imaging centers and operational management imaging centers	5	12
targeted regions including regions where we have existing business and support from business partners		

	Estimated investments from net [REDACTED] for the eight months ending December 31, <u>2024</u>	Estimated investments from net [REDACTED] for the year ending December 31, <u>2025</u>
	<i>(HK\$ in million)</i>	
Purchase of equipment	[REDACTED]	[REDACTED]
Renovation	[REDACTED]	[REDACTED]
Total	<u>[REDACTED]</u>	<u>[REDACTED]</u>

FUTURE PLANS AND USE OF [REDACTED]

Purposes			Estimated investments from net [REDACTED] for the eight months ending December 31,	Estimated investments from net [REDACTED] for the year ending December 31,
			2024	2025
2. Pursue strategic cooperation and mergers and acquisitions in the medical imaging field and strategic partnerships and investment opportunities along the industry chain	(a)	Actively pursue strategic cooperation, acquisition, or investment opportunities	Approximately HK\$[REDACTED] million	Approximately HK\$[REDACTED] million
	(b)	Incubate companies along the value chain of the medical imaging industry and cooperate with potential strategic partners	Approximately HK\$[REDACTED] million	Approximately HK\$[REDACTED] million
	Total		Approximately HK\$[REDACTED] million	Approximately HK\$[REDACTED] million
3. Extend our business to overseas countries and regions			Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, will be used to extend our business to overseas countries and regions	
4. Working capital and general corporate uses			Approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, will be used on working capital and general corporate uses	