

## FUTURE PLANS AND [REDACTED]

### FUTURE PLANS

See “Business—Growth Strategies” for a detailed description of our future plans.

[REDACTED]

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

We currently intend to use the [REDACTED] from the [REDACTED] for the purposes and in the amounts as set out below:

	For the year ending December 31,					
	2024	2025	2026	2027	2028	2029
	<i>(HK\$ in millions)</i>					
Solution upgrade and function enhancement	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Research & development	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Sales and marketing initiatives	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Selective acquisitions and investments	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Working capital and other general purposes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
<b>Total</b>	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

The basis and details of our estimated use of the [REDACTED] are set out as below.

- Approximately 31.5% of the [REDACTED], or [REDACTED] ([REDACTED]), will be used to upgrade and enhance the functions and features of our solutions and further expand our solution portfolio. See “Business—Growth Strategies—Continue to enrich solution functions and expand solution portfolio” for details.

---

## FUTURE PLANS AND [REDACTED]

---

- (1) Approximately 15.1% of the [REDACTED], or [REDACTED] ([REDACTED]), will be used primarily to enhance the function of our current solutions and services to meet the evolving demand from customers. Specifically, we intend to:
- (i) utilize AI technologies to achieve the fully automated processing of transaction documents and reduce enterprises’ compliance risks by improving the multi-scenario tax invoice processing capability, in order to meet customers’ demand as a result of the implementation of digital invoice reform. We plan to recruit a total of 27 product development specialists over the course of six years to implement our plan, with an estimated average annual salary of approximately RMB0.3 million. Approximately [REDACTED] of the [REDACTED] from the [REDACTED] will be used to provide salary and compensation for such personnel. Approximately [REDACTED] will be used to purchase software and hardware equipment for such personnel’s use in office.
  - (ii) upgrade the digitalization modules for the filing and management of digital transaction documents to improve automatic processing capability. We plan to recruit a total of 16 product development specialists over the course of six years to implement our plan, with an estimated average annual salary of approximately RMB0.3 million. Approximately [REDACTED] of the [REDACTED] from the [REDACTED] will be used to provide salary and compensation for such personnel. Approximately [REDACTED] will be used to purchase software and hardware equipment for such personnel’s use in office.
  - (iii) upgrade the reconciliation and automation modules in the supply chain collaboration solutions to improve automation features, in order to accommodate the implementation of the digital invoice reform. We plan to recruit a total of 15 product development specialists over the course of six years to implement our plan, with an estimated average annual salary of approximately RMB0.3 million. Approximately [REDACTED] of the [REDACTED] from the [REDACTED] will be used to provide salary and compensation for such personnel. Approximately [REDACTED] will be used to purchase software and hardware equipment for such personnel’s use in office.
  - (iv) enhance the risk control capability of risk management services to lay the foundation of our model-as-a-service business. We plan to standardize the risk control functions of our risk management services based on different financing models and scenarios and devise risk control models with wide applicability that address customers’ risk control needs. We plan to recruit a total of 15 product development specialists over the course of six years to implement our plan, with an estimated average annual salary of approximately RMB0.3 million. Approximately [REDACTED] of the

---

## FUTURE PLANS AND [REDACTED]

---

[REDACTED] from the [REDACTED] will be used to provide salary and compensation for such personnel. Approximately [REDACTED] will be used to purchase software and hardware equipment for such personnel’s use in office.

- (2) Approximately 16.3% of the [REDACTED], or [REDACTED] ([REDACTED]) will be used to launch new solution offerings to satisfy customer demands for diversified solutions and services. Specifically, we plan to:
- (i) diversify the type of transaction documents that can be automatically processed. We plan to recruit a total of 10 product development specialists over the course of six years to implement our plan, with an estimated average annual salary of approximately RMB0.5 million. Approximately [REDACTED] of the [REDACTED] from the [REDACTED] will be used to provide salary and compensation for such personnel. Approximately [REDACTED] will be used to purchase software and hardware equipment for such personnel’s use in office.
  - (ii) build a tax platform to host more financial & tax management solutions tailored to the requirement of digital invoice reform. Compared with our existing solutions, the service scope and management functions of the financial & tax management solutions to be deployed through the tax platform will evolve with the Golden Tax Project. For example, such solutions could expand the scope of automatic tax calculation based on AI technology and the gradual refinement of digital invoice data, and upgrade and improve the filing interface as the SAT launches their pilot reform to realize direct connection with electronic taxation bureaus. We plan to recruit a total of 10 product development specialists over the course of six years to implement our plan, with an estimated average annual salary of approximately RMB0.5 million. Approximately [REDACTED] of the [REDACTED] from the [REDACTED] will be used to provide salary and compensation for such personnel. Approximately [REDACTED] will be used to purchase software and hardware equipment for such personnel’s use in office.
  - (iii) build multi-industry collaboration platforms that form collaborative processing engines for specific business and transaction documents. Our current supply chain collaboration solutions are not designed to accommodate industry-specific scenarios, including document templates, matching algorithm and reconciliation and billing management. Compared with our existing solutions, we intend to increase the network collaboration functions of our multi-industry collaboration platform, enhance the docking ability for third-party collaboration platforms, and improve the connectivity of business network platforms within our business ecosystem. We also plan to expand the applications of our

---

## FUTURE PLANS AND [REDACTED]

---

supply chain collaboration solutions to, among others, enable enterprises to automatically initiate reconciliation functions, such as automatic calculation of the rebate in accordance with billing period and automatic invoicing. We currently plan to first apply such collaborative processing platform to logistics and commerce industries. For the logistics industry, our collaboration platforms will enable information sharing, collaborative operation and real-time data tracking among participants to improve their logistics efficiency and visibility and reduce costs. For the commerce industry, leveraging our data analytics capabilities, we intend to integrate and analyze supply chain-related financial and tax data to support enterprise customers business projections and decision-making and optimize their supply chain management and risk control. We plan to recruit a total of 23 product development specialists over the course of six years to implement our plan, with an estimated average annual salary of approximately RMB0.5 million. Approximately [REDACTED] of the [REDACTED] from the [REDACTED] will be used to provide salary and compensation for such personnel. Approximately [REDACTED] will be used to purchase software and hardware equipment for such personnel’s use in office.

(iv) improve our big data technology to extend the application of data-driven analytics services into financial products for industry-specific supply chain participants and business partners of corporate conglomerates. We plan to recruit a total of 13 product development specialists over the course of six years to implement our plan, with an estimated average annual salary of approximately RMB0.5 million. Approximately [REDACTED] of the [REDACTED] from the [REDACTED] will be used to provide salary and compensation for such personnel. Approximately [REDACTED] will be used to purchase software and hardware equipment for such personnel’s use in office.

- Approximately 29.4% of the [REDACTED], or [REDACTED] ([REDACTED]), will be used to enhance R&D capabilities. See “Business—Growth Strategies—Invest in core technologies and drive product innovation on *Baiwang Cloud* platform” for details.

(1) Approximately 19.5% of the [REDACTED], or [REDACTED] ([REDACTED]), will be used to expand our internal R&D teams and enhance our R&D efficiency. We intend to hire R&D talents that specialize in software and product development, architect, algorithm, testing and maintenance. We intend to recruit a total of 55 R&D specialists over the course of six years. We expect such personnel to hold bachelor degrees or above with more than three years of work experiences in the above mentioned areas. We expect annual salary and compensation of these personnel to range from RMB0.2 million to RMB0.6 million.

---

## FUTURE PLANS AND [REDACTED]

---

- (2) Approximately 3.6% of the [REDACTED], or [REDACTED] ([REDACTED]), will be used to optimize and develop our existing infrastructures. Specifically, we intend to (i) purchase R&D equipment, such as cloud servers, network equipment and mobile devices, to ensure the stable and smooth operation of our R&D and testing activities; (ii) procure software and systems, such as cloud database, ERP, finance, payment and other system software, to conduct integration tests of our solutions and the relevant finance and tax systems; and (iii) acquire or develop our software copyrights and patents to protect our intellectual property rights, such as software copyrights for our financial and tax management system, tax platform, and co-pilot system, which currently only supports simple rule-based Q&A interaction relating to invoice issuance and will be updated to achieve multi-scenario interactions, including voice-directed invoice issuance.
  
- (3) Approximately 6.4% of the [REDACTED], or [REDACTED] ([REDACTED]), will be used to build and upgrade our middle platforms, which consist of our business operation platform, data platform and technology platform. Currently, our middle platforms have achieved preliminary data aggregation, module integration for basic invoice issuance and integration of technical framework and components. We intend to increase our overall investment in the middle platforms, and develop and optimize solutions that utilize data modeling and advanced cloud-native technologies, such as micro services and service-oriented architecture. Our current business operation platform abstracts and modularizes our core business capabilities, manages and integrates common business processes across departments and business lines, and supports new business requirements by shortening the research and development cycle for new product and services. The development of such business operation platform helps improve our R&D efficiency by enabling R&D teams to directly build new business scenarios based on standardized modules, reduce work related to code writing and testing, and control solution invention and maintenance costs. Our current data platform aggregates data sources from various business lines, processes and analyzes such data, and delivers processed data across departments. The development of such data platform helps improve our R&D efficiency by granting R&D teams direct access to processed and reliable data, while enhancing their data analytics capability through self-service analysis tools and algorithm libraries. Our current technology platform offers technical framework and components necessary for our daily operations. The development of such technology platform helps improve our R&D efficiency by providing an unified technical infrastructure that automates development processes with standardized tools. We believe these upgrades would facilitate the centralization of all product lines based on modules and functions with common features, so as to expand the data scope of our data middle platforms and reduce intermediary data retention.

---

## FUTURE PLANS AND [REDACTED]

---

- Approximately 19.3% of the [REDACTED], or [REDACTED] ([REDACTED]), will be used to develop our sales and marketing initiatives. We intend to build and scale our sales network in southwestern, central, northeastern and northwestern China to establish a nationwide customer network. We intend to recruit a total of approximately 30 sales and marketing personnel over the course of six years to be stationed in these regions, and invest resources to support their sales and marketing activities. Such personnel shall possess three years of work experiences in business-to-business sales, public relations, customer relationship management and marketing. We expect annual salary and compensation for these personnel to range from RMB0.2 million to RMB0.4 million. See “Business—Growth Strategies—Expand customer base in more industry verticals and improve monetization opportunities” for details.
- Approximately 11.5% of the [REDACTED], or [REDACTED] ([REDACTED]), will be used to collaborate with, and selectively pursue strategic investment and acquisition opportunities that are complementary or synergistic with our businesses to expand our existing product and service offerings, improve our technology capabilities and enhance our value propositions to our customers. Specifically, we will consider investing in or acquiring companies that develop cloud products for financial and tax management to complement our cloud service matrix, and companies that specialize in promoting financial and tax digitalization products within their respective provincial territories to extend our sales and marketing outreach. We may also make minority equity investments and increase shareholding in our current equity investees. For our minority investees, we intend to exercise our influence and safeguard our interest through directorship appointment and active participation in shareholder and board meetings. When evaluating target companies, we will take into consideration their (1) expected synergy with our business, (2) technology and expertise, (3) operating history, (4) ability to bring in new business opportunities and (5) financial performance. We expect the valuation of target companies acquired or invested by us to range from RMB10 million to RMB20 million per target Company. Based on our industry intelligence and concurred by the Industry Consultant, our Directors believe that we will be able to identify suitable acquisition targets that satisfy our selection criteria. As advised by the Industry Consultant, as of December 31, 2023, there were more than 50 companies that developed cloud products for financial and tax management and several hundreds of companies that specialize in promoting financial and tax digitalization products in China. As of the date of this document, we have not identified any investment target or entered into any definitive investment agreement. See “Business—Growth Strategies—Cultivate business ecosystem through strategic cooperation, investment, mergers and acquisitions” for details.
- Approximately 8.3% of the [REDACTED], or [REDACTED] ([REDACTED]), for working capital and other general corporate purposes.

---

## FUTURE PLANS AND [REDACTED]

---

The above allocation of the [REDACTED] will be adjusted on a pro rata basis in the event that the [REDACTED] is fixed below or above the mid-point of the indicative price range. Any additional [REDACTED] received from the exercise of the [REDACTED] will also be allocated to the above purposes on a pro rata basis. In the event that the [REDACTED] is exercised in full, we will receive [REDACTED] of [REDACTED] (after deducting the estimated [REDACTED] and other fees and expenses payable by us in connection with the [REDACTED] and assuming an [REDACTED] of [REDACTED] per Share, being the mid-point of our [REDACTED]).

To the extent that the [REDACTED] are not immediately used in accordance with the specified plans, we intend to deposit such [REDACTED] into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the Securities and Futures Ordinance or the applicable laws and regulations in other jurisdictions).