
FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS AND PROSPECTS

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

USE OF [REDACTED]

We estimate that we will receive net [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED] million, after deducting [REDACTED], fees and estimated expenses payable by us in connection with the [REDACTED], and assuming an [REDACTED] of HK\$[REDACTED] per Share, which is the mid-point of the indicative [REDACTED] range stated in this document. If the [REDACTED] is set at HK\$[REDACTED] per Share, which is the high end of the indicative [REDACTED] range, the net [REDACTED] from the [REDACTED] will increase by approximately HK\$[REDACTED] million. If the [REDACTED] is set at HK\$[REDACTED] per Share, which is the low end of the indicative [REDACTED] range, the net [REDACTED] from the [REDACTED] will decrease by approximately HK\$[REDACTED] million.

Assuming an [REDACTED] at the mid-point of the indicative [REDACTED] range, we currently intend to apply these net [REDACTED] for the following purposes:

- (i) Approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for business expansion in the next three to five years, in particular:
 - Approximately [REDACTED]%, or HK\$[REDACTED] million, is expected to be used for promoting brand awareness by (i) increasing our online marketing and promotional activities through major search engines, web portals, various popular short-video platforms and app stores, and intensifying our marketing efforts through online channels, such as increasing promotions on professional medical websites and online medical communities, hosting healthcare-related webinars and sponsoring virtual academic conferences, which we believe will raise our brand awareness among pharmaceutical companies and prospective physicians to attract more physicians to our platform; and (ii) investing into the academic and on-the-job training of business development team to equip business development personnel with latest professional knowledge in online chronic disease management and industry best-practice in order to upgrade the overall quality of our business development team.

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- Approximately [REDACTED]%, or HK\$[REDACTED] million, is expected to be used for enhancing user growth and engagement, and maintaining a highly active user base, by expanding our Jianke Platform through attracting and retaining more physicians across China to strategically cover additional specialties such as cardiovascular, cerebrovascular, infectious diseases, dermatology, psychiatry and gynecology, to serve the diverse and evolving needs of chronic disease patients. In particular, our business development staff will continue to focus on developing our pool of registered physicians across a number of key geographic areas and specialties where our platform may currently lack coverage, or which we believe to be underserved.
- Approximately [REDACTED]%, or HK\$[REDACTED] million, is expected to be used for attracting and retaining talents, especially those with extensive experience in media and technology-powered medical services and insights in the fields of chronic disease management. Specifically, we plan to focus our talent recruitment on the following: (i) engage experienced business development personnel to continue maintaining and developing our relationships with pharmaceutical companies. In particular, we will additionally hire approximately 50 in-house business development staff by 2028, with experience in sales function and/or pharmaceutical industry to be dedicated to developing and maintaining our business relationships with pharmaceutical companies and expanding the registered physicians on our platform; (ii) by 2028, recruit approximately 50 new media marketing personnel to continuously develop and deepen our collaboration with the leading pharmaceutical manufacturers or medical institutions in the world to enhance our customized marketing services and diversify the patient education content on our platform; and (iii) establish a senior innovative business development team of approximately 10 staff by 2028 to explore the opportunities for innovative business collaboration between our Group and other participants in the healthcare industry.
- Approximately [REDACTED]%, or HK\$[REDACTED] million, is expected to be used for expanding product offerings and enhancing supply chain capabilities. We plan to (i) establish two additional warehouses in regions with competitive sourcing conditions, including Chengdu and Wuhan, each with a storage capacity of approximately 8,000 to 10,000 square meters; (ii) upgrade our storage system for approximately 1,000 square meters in our warehouses each year before 2028 to reduce storage outsourcing costs and improve our ability to ensure proper storage of temperature-sensitive drugs; (iii) continue to establish partnerships with qualified third-party delivery couriers with logistic specialties, such as cold chain delivery capabilities.

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- (ii) Approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for research and development activities in the next five years, including:
- Approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for recruiting a team of approximately 40 software engineers by 2028, of which 70% are senior software engineers and the remainder are junior software engineers. We plan to offer competitive compensation packages combined of a base remuneration as well as a performance-based rewarding mechanism to attract more experienced software engineers and continue to incentivize them. Apart from maintaining our infrastructure system, our software engineers are expected to focus on upgrading the existing functions and developing new functions and modules of our CDM platform, in order to improve the quality of our services and enhance the engagement by patients and physicians on our CDM platform. Such functions include standardized chronic disease management guidance for physicians, intelligent medication guidance for patients, big data analysis on medication data and patient feedbacks, and in-depth research in specific diseases.
 - Approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to (i) improve the application of AI technology and big data analysis capabilities in chronic disease management to more accurately capture user habits throughout their activities, from seeking consultations, purchasing pharmaceutical products to their preferences for viewing content on our platform, thereby improving user experience and improving the conversion rate of paying users on our platform; (ii) optimize our infrastructure in various technological areas, such as (a) computer vision, to improve the efficiency of order identification and processing and user information management, (b) natural language processing, to optimize the question-answering engine of our AI medical assistant, and (c) search-based recommendation algorithms to deliver the most relevant information catered to the users’ evolving needs; (iii) improve stability of the system to withstand the increasing pressure as we scale our online operations; and (iv) optimize the functions of our WeChat mini programs and perform routine system upgrade and maintenance.
- (iii) Approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for our potential investments and acquisitions or strategic alliances with other stakeholders in the value chain of the online chronic disease management industry. We will focus on companies with proven track records and advanced technology capabilities and services, companies with complementary business lines, such as treatment and rehabilitation for the major chronic disease types that enrich our service offerings and potentially bring additional monetization channels, and companies which have synergies with our current business. We also seek to acquire or cooperate with companies with innovative business lines, including AI-assisted medical devices which are employed to improve the quality and efficiency of online consultations, medical media platforms which provide customized medical content

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or content produced by KOLs in the medical industry, Internet healthcare services focusing on specialized chronic disease departments, and smart retailing of pharmaceutical products, such as Internet hospital operators and direct-to-patient (“DTP”) pharmacy business operators. In selecting potential acquisition targets, we especially focus on assessing their growth prospects and the synergies they can bring us for the improvement of our service offerings. According to CIC, as of December 31, 2023, there were over 1,700 licensed Internet hospitals in China and the number of DTP pharmacy chains was over 2,000 in China as of the same date. As of the Latest Practicable Date, we have not identified any specific targets for potential acquisition.

- (iv) Approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for our working capital and general corporate purposes.

If the [REDACTED] is set at the Maximum [REDACTED] or the Minimum [REDACTED] of the indicative [REDACTED] range, the net [REDACTED] of the [REDACTED] will increase or decrease by approximately HK\$[REDACTED] million, respectively.

If the [REDACTED] is exercised in full, the additional net [REDACTED] we will receive would be (i) HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the maximum [REDACTED]); (ii) HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the median of the [REDACTED] range); and (iii) HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the minimum [REDACTED]).

To the extent that the net [REDACTED] from the [REDACTED] (including the net [REDACTED] from the exercise of the [REDACTED]) are either more or less than expected, we may adjust our allocation of the net [REDACTED] for the above purposes on a pro rata basis. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

If the net [REDACTED] of the [REDACTED] are not immediately applied to the above purposes, we will only deposit those net [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 applicable laws and regulations in the PRC).