FUTURE PLANS

For further details of our future plans, see "Business — Our Strategies" in this Document.

USE OF [REDACTED]

We estimate the net [**REDACTED**] of the [**REDACTED**] which we will receive, assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the [**REDACTED**] range stated in this Document), will be approximately HK$[**REDACTED**], after deduction of [**REDACTED**] and estimated [**REDACTED**] payable by us in connection with the [**REDACTED**] and assuming the [**REDACTED**] is not exercised.

In line with our strategies, we intend to use our [**REDACTED**] from the [**REDACTED**] for the following purposes assuming the [**REDACTED**] is fixed at HK$[**REDACTED**] per [**REDACTED**] (being the mid-point of the indicative [**REDACTED**] range):

- [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used each year from 2026 to 2030 for comprehensive digital transformation, initiatives, which mainly includes:

  i. the development of an integrated digital platform for hotel management, including the digitalization of hotel engineering and energy consumption management, as well as the establishment of an operations management platform, to enhance full-cycle digital operations management;

  ii. the construction and enhancement of membership platform infrastructure and user interface optimization for official online platforms, including the development and upgrade of member management systems, customer service and ticketing systems, and rewards mall mini-programs; and the promotion of the membership platform through automated precision marketing processes, predictive analytics tools, advertising and channel management, and cross-sector ecosystem partnerships, to improve the efficiency of consumer engagement and feedback and enhance customer satisfaction;

  iii. the enhancement of digital operations, including investments in self-service front desks and service automation equipment, as well as the digitalization of investment site selection, hotel investor operations, hotel revenue management support, daily hotel operations and employee operations, to further strengthen data analytics capabilities and cost efficiency;

  iv. the upgrade of the financial middle-office system and budgeting system, including interface optimization, mobile application development and database management, to improve financial efficiency, strengthen internal controls and enhance financial reporting; and

  v. the establishment of a data security protection system, including the construction of a security framework in compliance with the "zero trust" principle, which emphasizes strict access controls, continuous authentication and monitoring, to safeguard the security and integrity of guest data and transactions.

The table below sets forth our proposed allocation of net [**REDACTED**] for the above purposes:

Intended purposes of the net [REDACTED]	Percentage of total net [REDACTED]	Net [REDACTED] to be used in					
		2026	2027	2028	2029	2030	Total
		(HK$'000 million)					
i. the development of an integrated digital platform for hotel management	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
ii.the construction and enhancement of membership platform infrastructure and user interface optimization for official online platforms	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
iii. the enhancement of digital operations, including investments in self-service front desks and service automation equipment	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
iv. the upgrade of the financial middle-office system and budgeting system	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
v. the establishment of a data security protection system	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Sub-total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

- [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to repay (i) part of our RMB670 million credit facility granted by Shanghai Pudong Development Bank with annual interest rate of 2.15% due in December 2026, which was primarily intended for general corporate purpose and replenishing working capital; (ii) part of our RMB550 million credit facility granted by Jin Jiang International Finance Company with annual interest rate of 2.0% due in October 2026, which was primarily intended for general corporate purpose and replenishing working capital; and (iii) part of our RMB450 million credit facility granted by Jin Jiang International Finance Company with annual interest rate of 2.0% due in December 2026, which was primarily intended for general corporate purpose and replenishing working capital.

- [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to pursue strategic investments or acquisitions in high-quality, asset-light targets within the hotel management industry, including value-adding upstream and downstream participants along the industry chain, that are aligned with our strategic development plans. The objective of such investments is to strengthen our competitive position and enhance our overall operational performance. In particular, we intend to seek equity participation or controlling interests in: (i) domestic targets that are engaged in hotel management businesses, as well as upstream and downstream enterprises closely related to the hotel management industry; and (ii) overseas hotel management enterprises in

Europe and Southeast Asia that do not hold hotel property assets. In evaluating potential investment or acquisition opportunities, we will consider a number of factors, including, among others, the target's (i) scale of hotel portfolio; (ii) brand recognition and influence; (iii) geographic footprint; (iv) historical financial and operational performance; and (v) acquisition valuation and expected return on investment. Specifically, we look for hotel chains with a portfolio of at least ten hotels, a recognizable brand presence in the local market, distinctive regional characteristics, and a track record of no less than three years of continuous operation. According to Frost & Sullivan, as of the Latest Practicable Date, there were more than 500 potential targets in the market that meet our selection criteria. If the net [**REDACTED**] are insufficient to cover the required investment costs, we intend to finance any shortfall through our internal liquidity resources or other financing arrangements. As of the Latest Practicable Date, we had not identified or entered into any definitive agreement with respect to any specific investment or acquisition target, nor had we established a definitive investment or acquisition timetable. Although strategic investments or acquisitions may result in increased costs associated with the establishment of new strategic partnerships, we believe that such initiatives will enhance our market penetration and support sustainable revenue growth through operational synergies.

- [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used for the working capital and general corporate purposes.

In the event that 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**], respectively.

The additional net [**REDACTED**] that we would receive if the [**REDACTED**] is exercised in full would be (i) approximately HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the maximum [**REDACTED**]), (ii) approximately HK$[**REDACTED**] (assuming an [**REDACTED**] of HK$[**REDACTED**] per H Share, being the mid-point of the [**REDACTED**] range) and (iii) approximately HK$[**REDACTED**] (assuming an [**REDACTED**] of approximately HK$[**REDACTED**] per H 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.

To the extent that the net [**REDACTED**] of the [**REDACTED**] are not immediately used for the above purposes or if we are unable to put into effect any part of our plan as intended, and to the extent permitted by the relevant laws and regulations, we may hold such funds in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or the applicable laws and regulations in other jurisdictions) so long as it is deemed to be in the best interests of our Company. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.