FUTURE PLANS

Please see "Business — Our Strategies" 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$[**REDACTED**], after deducting [**REDACTED**], fees and estimated expenses payable by us in connection with the [**REDACTED**], assuming no [**REDACTED**] is exercised, and an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**], being the midpoint of the indicative [**REDACTED**] stated in this Document.

In line with our strategies, we intend to use the net [**REDACTED**] from the following purposes, subject to changes in light of our evolving business needs and changing market conditions:

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] of the net [**REDACTED**], will be used to expand our store network and strengthen our store management and store-level competitiveness. See "Business — Our Strategies — Scaling and Upgrading Our Store Network." In particular:

  ○ approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to support the strategic expansion of our store footprint. In particular, we plan to continue broadening our nationwide coverage in China, especially in areas with high consumption potential or relatively high population density. Specifically, we plan to enlarge our store network in China and focus on second-tier and lower-tier cities such as Baoding, Weifang, Wenzhou and Haikou. We determine our store opening plans by taking into account factors such as population density, average purchasing power, market penetration as well as our existing market position, and adjust such plans based on store performance. For example, we may prioritize considering second- and lower-tier cities with permanent population of over 3 million and GDP of more than RMB200 billion, or cities adjacent to our existing warehouses.

  We will also explore selective opportunities in overseas markets, especially the Southeast Asians markets, such as Vietnam, Cambodia, Indonesia and Malaysia. For China, Southeast Asia markets and all other markets we will potentially enter, we plan to primarily adopt a franchise model. We plan to explore opportunities in the Southeast Asia markets, considering their large unmet consumer demands. According to CIC, Southeast Asia is one of the fastest-growing economic regions globally, with the nominal GDP growing to RMB30.1 trillion in 2025, at a CAGR of 7.0% from 2020 to 2025, significantly higher than the global average. According to the same source, the size of the snack and beverage market of the Southeast Asian market reached US$187.1 billion in 2025. It has a large and young population base with strong purchasing power of snack and beverage. Our business model of value retail for snack and beverage can effectively meet this market's high consumption demand for affordable products of consistent quality. To our best knowledge, there has not been material legal impediment for us to enter into the Southeast Asian markets. Currently, we are evaluating the regulatory framework of the Southeast Asian markets regarding foreign investment regulations (including foreign ownership limits and foreign business operating permits), taxation, labor relations, product certification, data privacy, and localization requirements. As of the Latest Practicable Date, we had not experienced any material difficulty in complying with local laws and regulations in China, Southeast Asia and other potential markets.

  Along with this expansion, we intend to utilize the net [**REDACTED**] and our cash resources on hand and future operating cash flow to recruit more staff in the frontline such as business development and operational professionals to support the expansion of our store network. Specifically, we plan to recruit approximately 1,500 to 2,000 professionals over the next four years with expertise in franchise operations, retail management and performance monitoring, each expected to receive an average annual salary ranging from RMB100 thousand to RMB150 thousand, to strengthen support for our franchise partners such as holding trainings, recruitment and promotional activities and ensure effective execution as our network grows; and

- ○ approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to continuously provide supports for approximately 12,000 franchised stores in total over the next four years to upgrade and refurbish store design, decoration and fixtures. This will improve store image, improve consumers' shopping experience, and enhance store-level competitiveness. As we may from time to time upgrade our store design based on market trends and evolving consumer preferences, certain franchised stores which were opened early or no longer meet our standards may need to upgrade and refurbish their decoration and fixtures.

- Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to further enhance our product assortment and broaden our product mix by introducing more new SKUs in categories of beverages, meat snacks, baked goods and dairy products. We plan on further expanding into additional categories with high cross-selling potential such as the personal and home care sector to better serve the daily needs of our consumers. This will support our strategic goal of evolving into a multi-category value retailer that serves a wider spectrum of daily consumption needs of mass-market consumers. See "Business — Our Strategies — Continuously Refining Product Offerings through Consumer Insights." In particular:

  - ○ approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to strengthen and support our product operation team. Over the next four years we intend to recruit approximately 80 to 100 professionals with experience in procurement, category management and supply chain planning, each expected to receive an average annual salary between RMB400 thousand and RMB450 thousand, to further optimize our product selection and operational planning capabilities;

  - ○ approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to develop our private label products. This will include recruiting approximate 30 to 50 experienced product development personnel over the next four years with expertise in beverage or other snacks development experience, who may receive an average annual salary between RMB500 thousand to RMB550 thousand, funding product development expenses such as material costs, packaging design and quality testing, and launching targeted marketing campaigns to promote private-label offerings; and

  - ○ approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to deepen our consumer insights through market research and transaction data analytics. This will include recruiting approximately 10 to 20 personnel with expertise in business analysis and category planning with an average annual salary ranging from RMB450 thousand to RMB550 thousand, as well as engaging reputable third-party research firms to conduct consumer studies and track evolving market trends.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] of the net [**REDACTED**], will be used to strengthen our digital capabilities, supporting the digitalisation of key business functions including product selection and procurement, warehousing and logistics, franchise management, store operations, marketing and membership engagement. See "Business — Our Strategies — Upgrading Digital Infrastructure to Drive Intelligent Operations" and "Business — Our Strategies — Continuously Refining Product Offerings through Consumer Insights." In particular:

  - ○ approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to strengthen our digitalization team by recruiting approximately 50 to 60 professionals over the next four years with expertise in areas such as systematized workflows, real-time tracking of operational data and digital enabled management, who may each receive an average annual salary between RMB250 thousand to

RMB350 thousand, to upgrade our self-developed digital systems. We have invested and plan to continue investing heavily into the upgrade of our self-developed digital systems to further improve efficiency in all aspects of our operations, including, among others, product selection and procurement, warehousing and logistics, franchisee management, store operation management, marketing and membership operations. The enhancements will focus on areas such as intelligent site selection, inventory forecasting, supply chain coordination, as well as transaction data analytics to improve operational visibility and decision-making efficiency; and

  - approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to procure third-party systems supporting functions including financial and expense management, data and network security, AI-enabled in-store operations, membership data integration, store monitoring, design and modeling and cloud-based services, further complementing our self-developed infrastructure.

- Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to strengthen our brand recognition and consumer engagement. See "Business — Our Strategies — Scaling and Upgrading Our Store Network" and "Business — Our Strategies — Empowering Suppliers and Franchisees for Mutual Growth." In particular:

  - approximately [**REDACTED**]%, or HK$[**REDACTED**], will be used to strengthen and support our brand marketing team by recruiting approximately 20 to 25 professionals with expertise in branding strategy, digital marketing and consumer engagement, who may each receive an average annual salary between RMB300 thousand to RMB350 thousand;

  - approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to conduct a series of online and offline marketing campaigns, including nationwide promotional activities, seasonal and event-based campaigns, as well as IP co-branding initiatives, with the aim of further improving brand awareness and consumer loyalty; and

  - approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to increase our membership base and enhance member engagement. This will include recruiting approximately 20 to 25 specialists, who may each receive an average annual salary between RMB350 thousand to RMB450 thousand, to manage our growing member base and launching campaigns to attract new members, drive repurchases and increase purchase frequency. For example, we may issue coupons to reactivate members and encourage new purchases, or engage members through community operations that increase the conversion rate of orders.

- Approximately [**REDACTED**]% of the net [**REDACTED**], or HK$[**REDACTED**], will be used to enhance our warehousing and logistics infrastructure to support the expansion of our store network and the growing diversity of our product mix. See "Business — Our Strategies — Strengthening Warehousing and Logistics Efficiency." In particular, (i) in order to strengthen our logistics and fulfillment capacity in key markets, we plan to consolidate and upgrade existing facilities based on business needs in regions with shipment volume fluctuations such as Beijing–Tianjin–Hebei area, while adding new regional distribution centres in areas with high store density, such as Yangtze River Delta and Shandong Province; (ii) we intend to further improve warehousing and logistics capabilities to support new product initiatives and to explore end-to-end cold-chain logistic systems for perishable categories; such cold-chain logistic system will integrate temperature-controlled storage, in-transit monitoring and tracking functions to ensure product freshness and safety throughout distribution; and (iii) we intend to upgrade our logistics hardware and software systems, including warehouse automation with automated sorting and palletizing functions, intelligent warehouse management systems enabling real-time inventory visibility, order tracking and capacity management and route optimization technologies, using data-driven algorithms to improve delivery scheduling and transport to enhance efficiency and accuracy across our network.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] of the net [**REDACTED**], is expected to be used for potential investments in or acquisitions of businesses to support our strategic development in the retail sector and enhance the breadth and the depth of our value chain. In particular, we plan to explore opportunities in targets that enhance our product supply capabilities and targets that enable us to grow our store network, strengthen distribution channels or accelerate entry into new regional markets. See "Business — Our Strategies — Pursuing Strategic Investments and Acquisitions." In identifying potential acquisition targets with potential synergies, we primarily focus on companies with a proven track record and more than three years of operating history, typically with annual revenue of more than RMB500 million, profitable operations, and positive cash flow, as well as high-growth companies with strong capabilities in product development, supply chain, market development and store operations. In particular, we intend to focus on selecting targets in China and the Southeast Asian regions if suitable opportunities arise. In addition, we consider targets whose business attributes align with and can enhance our strategic priorities, including upstream snack and beverage suppliers that may bring us cost advantages or broaden our product portfolio, supply-chain operators that may support our domestic and overseas network expansion, and technology providers that may strengthen our digital and operational capabilities. As of the Latest Practicable Date, we had not identified any specific investment or acquisition target. According to CIC, there were enough suitable targets of such caliber as of the Latest Practicable Date.

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

To carry out our business plans described above, we intend to use the net [**REDACTED**] from the [**REDACTED**], our cash resources on hand and future operating cash flow. The following table sets forth a breakdown of the net [**REDACTED**] from the [**REDACTED**] and the timeframe for implementing our major business plans.

	Net [REDACTED] to be used in					Percentage of total net [REDACTED]
	2026	2027	2028	2029	Total	
	(HK$ in million)					
Expanding our store network and strengthening our store management and store-level competitiveness	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Broadening our product mix	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Strengthening our digital capabilities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Strengthening our brand recognition and consumer engagement	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Enhancing our warehousing and logistics infrastructure	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Potential investments or acquisitions	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Working capital and other general corporate purposes	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	**100%**

If the [**REDACTED**] is not exercised, the net [**REDACTED**] that we will receive will be approximately HK$[**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the midpoint of the indicative [**REDACTED**]). If the [**REDACTED**] is set at HK$[**REDACTED**] per [**REDACTED**], being the high end of the indicative [**REDACTED**], the net [**REDACTED**] from the [**REDACTED**] will increase to approximately HK$[**REDACTED**]. If the [**REDACTED**] is set at HK$[**REDACTED**] per [**REDACTED**], being the low end of the indicative [**REDACTED**], the net [**REDACTED**] from the [**REDACTED**] will decrease to approximately HK$[**REDACTED**]. The above allocation of the net [**REDACTED**] from the [**REDACTED**] will be adjusted on a pro rata basis in the event that the [**REDACTED**] is fixed at a higher or lower level compared to the midpoint of the indicative [**REDACTED**] stated in this Document.

If the [**REDACTED**] is exercised in full, the net [**REDACTED**] that we will receive will be approximately HK$[**REDACTED**], assuming an [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**] (being the midpoint of the indicative [**REDACTED**]). If the [**REDACTED**] is set at HK$[**REDACTED**] per [**REDACTED**], being the high end of the indicative [**REDACTED**], the net [**REDACTED**] from the [**REDACTED**] will increase to approximately HK$[**REDACTED**]. If the [**REDACTED**] is set at HK$[**REDACTED**] per [**REDACTED**], being the low end of the indicative [**REDACTED**], the net [**REDACTED**] from the [**REDACTED**] will decrease to approximately HK$[**REDACTED**]. In the event that the [**REDACTED**] is exercised in full, we intend to apply the additional net [**REDACTED**] to the above purpose in the proportions stated above.

To the extent that our net [**REDACTED**] are not sufficient to fund the purposes set out above, we intend to fund the balance through a variety of means, including cash generated from operations, bank loans and other borrowings. To the extent that the net [**REDACTED**] from the [**REDACTED**] are not immediately used for the purposes described above and to the extent permitted by the applicable laws and regulations, they will be placed in 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 other jurisdictions). We will issue an appropriate announcement if there is any material change to the above proposed use of [**REDACTED**].