
FUTURE PLANS AND [REDACTED]

FUTURE PLANS

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

[REDACTED]

We estimate that we will receive [REDACTED] of approximately HK\$[REDACTED] million from the [REDACTED], based on an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the [REDACTED] of the indicative [REDACTED] stated in this document), after deduction of [REDACTED] fees and [REDACTED] and estimated expenses payable by us in connection with the [REDACTED] and assuming the [REDACTED] is not exercised. We intend to use the [REDACTED] of the [REDACTED] for the following purposes and in the amounts set out below:

- approximately [REDACTED]%, or HK\$[REDACTED] million (or RMB[REDACTED] million), will be used to curate a water-based innovative immersive project within the Slender West Lake Scenic Area (the “**Slender West Lake Night Tour Project**”), which is expected to be completed by the end of 2027. Details are blow:
 - approximately HK\$[REDACTED] million (or RMB[REDACTED] million), will be used for the enhancement and construction of facilities supporting our night tour projects, of this amount, (i) approximately HK\$[REDACTED] (or RMB[REDACTED] million) is intended to be used for improvement on lighting system, including purchase and installation of various lighting fixtures, decorative lighting elements, exhibition lighting for nighttime displays, and other equipment and works aimed at creating an immersive night-time atmosphere within the relevant scenic area, and (ii) approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be utilised for the purchase and construction of other supporting facilities for the night tour projects, including but not limited to ancillary boats, water equipments, performance equipments, signal transmission devices, and central control systems; so as to ensure the comprehensive enhancement of our night tour offerings and to support the successful implementation of innovative immersive experiences for visitors.
 - approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be allocated for the upgrading and enhancement of our existing fleet of boats, subject to the specific requirements and operational characteristics of the night tour routes, and a portion may be applied towards the purchase of new boats, depending on our assessment of passenger capacity and overall demand from visitors after the launch of the night tour project. The Company will determine the final allocation between upgrading existing vessels and purchasing new boats based on a detailed evaluation of operational efficiency and market demand;
 - approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the engagement of professional third-party service providers for the purposes of developing product narratives, preparing performance scripts, and providing comprehensive direction in relation to our immersive show offerings and related products;
 - approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the production of audio and video materials in support of our night tour project; and
 - approximately HK\$[REDACTED] million (or RMB[REDACTED] million) is expected to be utilized for the recruitment and compensation of performers, as well as the engagement of additional designated operational personnel, to support the operation of the night tour routes.

The Slender West Lake Night Tour Project

The Slender West Lake Night Tour Project aligns with the guidance on vigorously developing night time cultural tourism consumption of the Ministry of Culture and Tourism and the development plans of Yangzhou and Jiangsu Province to build up the Grand Canal Cultural Belt (大運河文化帶). The night tour will be based on the story of Emperor

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Qianlong’s Southern Inspection Tour (乾隆南巡) and unfolds as a processional experience on our sightseeing boats as moving theatres with performances on each unique scenic spot within the Slender West Lake. Once launched, the Slender West Lake Night Tour Project will be the only night tour service offering within the Slender West Lake Scenic Area.

Feasibility and benefits

We have undertaken feasibility studies in connection with the Slender West Lake Night Tour Project. In assessing commercial viability, we have conducted evaluations on, among others, the local tourism consumption demand, competitive positioning with similar services offering nearby, and the potential profitability.

- Local tourism consumption demand. The Slender West Lake is recognized as a prominent tourist attraction, with demonstrable growth in the number of visitors and for night time visitors, it recorded an aggregate number of over 600,000 in 2023, 2024 and for the 11 months ended November 30, 2025. According to our researches and understanding on the latest trend of the cultural tourism industry and as advised by our industry consultant, Frost & Sullivan, nowadays, families and young visitors are the primary tourism consumers and they have increasing demand for immersive, cultural and interactive experiences. Thus, the integration of advanced lighting and technologies in the immersive experience is anticipated to further stimulate visitors’ interest and tourism consumption demand, attracting both new and repeat visitors. Based on the historical annual night time visitors to the Slender West Lake Scenic Area and taking into account our proposed elevated boat ticket price for the Slender West Lake night tour and the market surveys conducted, we estimated that the annual visitor volume to consume our sightseeing boat service for the Slender West Lake night tour will reach between 300,000 and 400,000 during the initial years of operation with potential growth as we further penetrate the market through enhancing our brand awareness in the broader tourism industry.
- Competitive positioning. The Slender West Lake Night Tour Project has been carefully designed benchmarked against comparable tourism offerings within the region. Our Directors are of the view that (i) the Slender West Lake Night Tour Project can be clearly differentiated from comparable tourism offerings within the region, in particular our current service offering of the Grand Canal Yangzhou night show in the nearby Ancient Canal Area, and (ii) the innovative service offerings integrated in the Slender West Lake night tour are unique in the region and will not have material adverse impact on our current offering of the Grand Canal Yangzhou night show. The table below sets out the differences between the Slender West Lake night tour and the Grand Canal Yangzhou night show, demonstrating the unique competitive positioning of the Slender West Lake Night Tour Project:

	Grand Canal Yangzhou night show	Slender West Lake night tour
Geographic location and water space characteristics	Utilizing the urban section of the Ancient Canal as a linear, mobile stage traversing the eastern side of Yangzhou’s main urban area, with an open urban waterway while integrating metropolitan landscapes and bridges along the banks, thereby creating a dynamic waterfront corridor experience	Utilizing the Slender West Lake Scenic Area as a panoramic stage at the northwest section of Yangzhou’s main urban area, leveraging a closed water system harmoniously united with classical gardens and resembling a “three-dimensional landscape painting” blending pavilions, corridors, and islands

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	Grand Canal Yangzhou night show	Slender West Lake night tour
Show contents	The show focused on Yangzhou’s rise as a prosperous salt trading city from the construction of Han Gou by King Wu to the contemporary revival of the Grand Canal, highlighting the commercial, salt administration, and grain transport civilisations that arose from the Grand Canal as well as the symbiotic relationship between “water and city”	The show of the night tour will focus on the story of Emperor Qianlong’s Southern Inspection Tour to Yangzhou using specific historical scenes as narratives, showcasing the cultural sophistication, garden artistry, and aesthetic lifestyle of the Jiangnan (江南) region during the Qianlong Imperial era and presenting a dynamic inheritance of cultural heritage and underscoring the poetic integration of “water and garden”
Show settings and experience	The show used the Grand Canal as backdrop and boat-as-theatres for performance The experiential attribute of the show is a “journey through a millennium-long corridor of time and space”, using bridge projections, water curtain shows, light displays, and ambient lighting along the banks, creating a majestic and grand epic atmosphere	The show of the night tour will use the unique cultural and natural landscape within the Slender West Lake as backdrop and both land-based theatres and boat-as-theatres for the performance The experiential attribute of the show is a “dreamscape of Jiangnan gardens”, using real-life pavilions and towers, mist systems, and aquatic installations, combined with the distinctive landscape features of Yangzhou gardens, cultivating a serene and elegant aesthetic ambience
Product positioning and target	Positioned as a “city cultural landmark experience” The show targets general visitors and local residents seeking a broad understanding of Yangzhou’s history and cultures	Positioned as a “high-end cultural immersion experience” The show targets visitors seeking in-depth cultural and high-end leisure experience, such as academic study groups, who generally have professional interests in Jiangnan’s refined culture and garden artistry

- *Potential profitability.* Having considered the expenses associated with the launch and daily maintenance of the Slender West Lake Tour Project, including the upfront investment on sightseeing boats, construction of relevant infrastructure including lighting and other multimedia facilities as well as the fixed costs (i.e. a fixed percentage of the annual revenue generated from the night tour) as fixed return to be charged by the Slender West Lake Scenic Area, and taking into account the proposed boat ticket price of RMB160 and the estimated annual visitor volume, as well as the potential growth in visitor volume, our operation of the night tour is expected to be a new revenue driver, together with the parallel operation of the Grand Canal Yangzhou night show, significantly enhancing our Company’s market competitiveness in the immersive tourism experience service offering and the broader cultural tourism industry.

The Slender West Lake Night Tour Project is expected to strengthen the tourism service offerings of the Slender West Lake Scenic Area, thereby attracting more visitor arrivals and extended length of stay. The introduction of advanced technological features, such as immersive lighting and holographic displays, integrated with the unique scenic surroundings of the Slender West Lake, is expected to enhance the overall visitor experience and differentiate the service offering from other comparable service offerings in the region. Furthermore, the night tour emphasizes on the unique scenery and cultural heritage of Yangzhou through the narrative of Emperor Qianlong’s Southern Inspection Tour which is expected to foster greater appreciation of local traditions and support the sustainable

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development of cultural tourism industry. The Board believes that these factors, together with the adoption of an all-inclusive ticketing model, will generate stable revenue streams and reinforce the long-term commercial viability of the night tour.

We have distinctive advantages for the development and operation of the Slender West Lake Night Tour Project given that (i) as a long-standing operator of water-based tourism services in the scenic area, we have profound understanding of the local historical and cultural context, and fulfill operational management requirements; (ii) we have a well-established operational team, an efficient coordination mechanism, and a robust marketing strategies which allowed us to effectively integrated between daytime and nighttime business; and (iii) the successful launch and operation of the Grand Canal Yangzhou night show in October 2024, providing valuable and directly transferrable experience in creativity, technology, operations, and risk management for the implementation of the proposed night tour project.

Licensing requirements

As advised by our PRC Legal Adviser, the Company shall obtain a commercial performance license (營業性演出許可證) categorized as a performance brokerage agency (演出經紀機構) and the permit from the competent cultural authority(ies) before launching the relevant performance of the Slender West Lake Night Tour Project.

In relation to the enhancement of lighting systems and other related works involving fixed asset investment, we may be subject to the fixed asset investment project filing procedures in accordance with relevant PRC laws and regulations and the opinions of local development and reform authorities.

Implementation plan

The following table sets forth the implementation plan for the project:

Time Frame	Implementation stages
June to December 2026	- Refining the project operation and implementation details - Creating and developing the script for the night tour themed “Emperor Qianlong’s Southern Inspection Tour to Yangzhou” and continuing refining its contents - Designing relevant infrastructure tailored to the night tour themed “Emperor Qianlong’s Southern Inspection Tour to Yangzhou”
January to September 2027	- Based on the design of relevant infrastructure, carrying out enhancement works for lighting systems along the night tour route - Initiating public tender process to select qualified suppliers of boats, and completing the procurement of and modification to (if needed) boats - Initiating public tender process to select qualified suppliers of supporting facilities and equipment, and completing the procurement and installation of relevant supporting facilities and equipment, including water system, central control system and audio system - Setting up a designated operational team, and completing the trainings in safety, service and management to the team
October to November 2027	Launching two-month trial operation
December 2027	Officially launching operation
approximately [REDACTED]%, or HK\$[REDACTED] million (or RMB[REDACTED] million), will be used to develop new water tour routes and water-based tourism project in Yangzhou.	
— approximately HK\$[REDACTED] million (or RMB[REDACTED] million), will be used to develop new water tour route within the Xiaoqinhuai River area. We plan to offer a round way water sightseeing boat tour route and construct ancillary facilities such as C&C retail stores (the “New Water Tour Route Project”), which is estimated to be completed by the end of 2026. Details are below:	

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- (i) approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the construction and assets investment for the New Water Tour Route Project, including RMB[REDACTED] million for the purchase of 24 new electronic boats specifically designed for navigation on narrow canals at an estimated unit price of RMB[REDACTED] each, RMB[REDACTED] million for the installation of lighting system along the water tour routes and enhancements to the surrounding landscape, and RMB[REDACTED] million will be used for the construction of ancillary facilities such as wharves, ticket box offices and lighting charging stations;

in terms of the boat and water tour route design, we have taken into account the location and surrounding landscape of the project and tailored the boat design to highlight its unique scenery with a suitable boat size for the waterway. The rooftop of the boat will feature the “Twelve Canal Scenes (運河十二景)” theme with the hulls equipped with nighttime illumination functions. The tour route will be carefully mapped to organically connect historic sites and public spaces along the route while closely linking surrounding commercial districts and destinations;

in terms of lighting and landscape enhancement, we plan to introduce peach blossoms, redbud, crabapple and dwarf shrubs that bloom throughout the year so as to enhance natural vibrancy, color diversity, and landscape plasticity;

in terms of construction of ancillary facilities, we plan to construct or upgrade two wharves at strategic locations along the route where pathways are relatively broad with high visitor flow and well-developed public facilities. In addition, ticket box offices, waiting areas and charging stations will be established to meet the daily operational service requirements. In anticipation of night tour operations, the wharves will also feature integrated lighting systems;

- (ii) approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the leasing and fit-out of a C&C retail store which will be utilized for the sale of our various C&C products, such as uniquely designed refrigerator magnets, tourism souvenirs, local delicacies and snacks. Of this amount, RMB[REDACTED] million will be applied for the payment of the rental fees of the C&C retail store of an anticipated area of approximately 100 sq.m. in the vicinity of the wharves within the old town of Yangzhou, and RMB[REDACTED] million will be used for the design and decoration of the C&C retail store to align with the historical and cultural atmosphere of the area and provides an inviting retail environment for visitors;

we plan to carry out carefully designed renovation works to highlight the distinctive cultural characteristics of the area of the New Water Tour Route Project and Yangzhou’s ancient city. Such property will serve as our C&C retail stores for the sale of C&C products, tourism souvenirs, local delicacies and snacks. We will also consider implementing bundled sales or preferential package offerings in conjunction with the boat tour services, thereby further enriching the business formats and operational diversity of the project;

- (iii) approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the recruitment and establishment of an operational team comprising ten employees to support the ongoing operation, management and delivery of water sightseeing boat service and other ancillary services within the area of the New Water Tour Route Project. This designated team will include one experienced project operation manager responsible for overseeing the day-to-day functioning, quality control and strategic development of the new water tour routes, one performer, five boat drivers, three on-site ticket clerks dedicated to handling

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ticketing operations and sales, customer inquiries and payment processing to ensure a seamless visitor experience, and one logistic support staff to provide real-time assistance to visitors and maintain safety procedures;

The New Water Tour Route Project at Xiaoqinhuai River

The New Water Tour Route is an integrated cultural and tourism development project designed for Xiaoqinhuai River area under the theme of “experiencing Yangzhou from the water (水上看揚州).” Xiaoqinhuai River is a 2km waterway running from north to south through the heart of Yangzhou’s ancient city, connecting the Northern Moat (北城河) in the north and the Grand Canal at Longtouguan (龍頭關) in the south. As the only remaining inner-city river of ancient Yangzhou, it stands as a historic witness to the city’s Ming and Qing dynasty legacy. We plan to develop a new water tour route of approximately 718 metres located in the core section of Xiaoqinhuai River between Yanfu West Road (鹽阜西路) in the north and Wenchang Middle Road (文昌中路) in the south. Under our current development plan, having considered the specific operating conditions, surrounding infrastructure, visitor demand, designed tour route as well as to showcase Yangzhou’s charm as an ancient city and the vibrancy of local life, we plan to construct two wharves, invest in and operate a total of 24 sightseeing boats, establish one themed C&C store and make enhancement to the 718-metre riverside lighting system and landscaping; and we plan to set up an operational team of 10 personnel for the operation of the New Water Tour Route Project.

Feasibility and benefits

We have undertaken feasibility studies in connection with the New Water Tour Route Project at Xiaoqinhuai River, in particular, we have conducted evaluations on favourable policies, market demand and potential visitor volume and the potential profitability.

- *Favorable policy.* The project aligns with regional policies, such as the Grand Canal Cultural Heritage Protection, Inheritance and Utilisation Plan (《大運河文化保護傳承利用規劃》) and the Yangzhou Ancient City Protection Regulations (《揚州古城保護條例》) which encourages further exploration of the historical and cultural resources of the Grand Canal section in Yangzhou, aiming to revitalizing of the ancient canal and advancing the urban renewal of the ancient city, Yangzhou. In addition, the Several Measures on Further Cultivating New Growth Drivers and Promoting Prosperity in Cultural and Tourism Consumption (《關於進一步培育新增長點繁榮文化和旅遊消費的若干措施》) issued by the State Council in January 2025 further encourages, among others, the enrichment of the cultural and tourism consumption scenarios, development of night time cultural and tourism economy and diversity of night time consumption offerings. In addition, in December 2023, Xiaoqinhuai River district launched a conservation and renewal project, which significantly improved the water quality of Xiaoqinhuai River; and in January 2025, Xiaoqinhuai River district was officially launched as one of the first urban renewal pilot projects in Jiangsu Province as an integrated development of culture and tourism in Yangzhou. Nowadays, Xiaoqinhuai River district serves as a key culture and tourism area promoted by local government and backed up by provincial and municipal policy support. We believe that the New Water Tour Route Project at Xiaoqinhuai River highly aligns with both national and regional strategic cultural and tourism development objectives.
- *Market demand and visitor volume.* In recent years, consumer demand for tourism products has become increasingly diversified, experiential and in-depth with rapid shifting towards an immersive and in-depth cultural experience. Yangzhou, renowned as a vital hub for cultural tourism as well as a popular tourist destination in China, received more than 100 million visitors in 2024. However, the existing tourism consumption are limited to a few core attractions such as the Slender West Lake, Ge Garden, He Garden and Dongguan Street. As such, there is an urgent market need for

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new cultural tourism products to meet visitor demand for more diverse and in-depth cultural tourism experience, extending visitor stay duration, and enhancing the vibrancy of the night time economy in Yangzhou. In addition, in recent years, with the enhancement of the environmental landscape around the Xiaoqinhuai River area, the “Yangzhou Ancient City Tour (揚州古城游)” has become increasingly popular among visitors. We believe that the New Water Tour Route Project at Xiaoqinhuai River, by offering an immersive perspective of “experiencing Yangzhou from the water (水上看揚州),” is well positioned to meet the market’s demand for culturally rich and differentiated tourism offerings. In addition, Xiaoqinhuai River district is situated at an established tourist attraction with densely distributed commercial activities nearby, presenting substantial commercial potential for creative cultural development, commercial collaborations and night time performances along the New Water Tour Route at Xiaoqinhuai River, thus benefiting us from the district’s existing visitor flow and convenient transportation links.

- *Potential profitability.* Having considered the expenses associated with the development and daily maintenance of the New Water Tour Route Project at Xiaoqinhuai River, including the upfront investment on the 24 sightseeing boats, construction of relevant infrastructure including lighting and landscape enhancement, and taking into account the proposed boat ticket price of RMB[REDACTED] per boat and the estimated annual visitor volume, as well as the potential growth in visitor volume as we further penetrate the market through enhancing our brand awareness in the broader tourism industry, our operation of the Xiaoqinhuai River tour route is expected to be a new revenue driver, together with the themed C&C retail store, significantly enhancing our Company’s market competitiveness in the immersive tourism experience service offering and the broader cultural tourism industry.

We consider that the project represents a pivotal step for our Company in implementing its strategy of expanding geographically through new water tour routes. The project will enable our Company to replicate our core competitive advantages by deploying our expertise in water sightseeing boat service operation and management, a deep understanding of the water cultural interpretation, and an experienced team of operation and management team in Yangzhou, where we originate from. This will allow us to create another iconic water-based tourism product in addition to our existing water sightseeing boat service business in the Shugang-Slender West Lake Scenic Area and the Ancient Canal Area, and develop a synergistic tourism service matrix across all our service areas in Yangzhou. Further, the Xiaoqinhuai River district has established commercial district and densely distributed commercial activities along the new route, presenting a great potential for revenue generation from ticket sales and great opportunities for our Company to develop ancillary business in the district, such as C&C products, commercial collaborations and night time performances. Lastly, by providing in-depth interpretation and showcasing of the salt merchant residences, ancient bridges, and local street stories along the Xiaoqinhuai River, our Company will elevate our role from being merely an operator of sightseeing boats to an interpreter and promoter of Yangzhou’s ancient city culture, further enhancing our market influence in the water-based cultural tourism industry and the value of our brand “Slender West Lake Cultural & Tourism (瘦西湖文旅).” Our Directors are of the view that, having considered the feasibility studies conducted by our Company, the New Water Tour Route Project at Xiaoqinhuai River has great potential to attract visitors.

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Licensing requirements

According to information published on the website of the Yangzhou Urban Waterway Management Office (揚州市城市河道管理處) and upon consulting the Yangzhou Transportation Bureau, the Xiaoqinhuai River is classified as non-navigable waters. Therefore, prior to the launch of the project, we shall complete the filing procedures for waterway sightseeing operations in non-navigable waters in accordance with applicable PRC laws and regulations. Further, as the Xiaoqinhuai River area does not fall within any scenic area or historical site, there is no requirement for us to obtain operation right in relation to our operation of the New Water Tour Route Project at Xiaoqinhuai River.

In relation to any enhancement and upgrades proposed to be made to the wharves and related facilities and equipment involving fixed asset investment, we may be subject to the fixed asset investment project filing procedures in accordance with relevant PRC laws and regulations and the opinions of local development and reform authorities.

Implementation plan

The following table sets forth the implementation plan for the project:

Time Frame	Implementation stages
January to March 2026	Refining the project operation and implementation details, including the design of relevant infrastructure
April to June 2026	- Based on the design of relevant infrastructure, carrying out landscaping enhancement on the banks of Xiaoqinhuai River, including: - selection of local plants, seasonable flowers and greenery - setting up and advancing the layered lighting system
July to September 2026	- Finalizing the themed performance contents tailored to Yangzhou’s cultural heritage and the riverside surroundings - Leasing and renovating the themed C&C retail store that integrates elements of Yangzhou’s gardens and canal culture - Initiating the public tender process to select qualified suppliers of boats, and completing the procurement of 24 sightseeing boats - Initiating the public tender process to select qualified suppliers of supporting facilities and equipment, and completing the procurement and installation of relevant safety, audio, visual and other relevant on board systems - Enhancing and upgrading the wharves and related facilities and equipment, including waiting area shelters - Setting up a designated operational team, and completing the trainings in safety, service and management to the team
October to November 2026	Launching trial operation
December 2026	Officially launching operation

— approximately HK\$[REDACTED] million (or RMB[REDACTED] million), will be used to develop two new water-based projects within established tourist attractions and visitor flow (“**New Water-based Tourism Projects**”), which are estimated to be completed by the end of 2026. Details are below:

- (i) approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the construction of two integrated terminals, including fixed wharves and floating docks, ticket box offices, commercial spaces and dedicated boat charging facilities for the New Water-based Tourism Projects;

We plan to develop one terminal for each of the two tourist attractions and upgrade existing floating dock facilities with additional floating dock platforms to meet visitors’ boarding needs and offer additional boat berthing space. We also plan to set up ticket box offices, charging facilities and relevant leisure and retail

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spaces for visitors at those terminals, wharves and floating docks, to support our daily business operation needs to enhance visitor experiences from ticketing, boat onboarding and other consumption scenarios;

- (ii) approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the purchase of 15 high-quality dual-seat recreational leisure boats together with 20 replaceable power batteries to cater to the consumption and experiential demands of family and younger visitors for each of the New Water-based Projects. Additional replaceable power batteries will be supplied to support extended operational hours. The 15 high-quality boats will be manufactured with high-strength, high-density and environmentally friendly antibacterial materials to ensure enhanced anti-collision protection for visitors;
- (iii) approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the construction and establishment of ancillary facilities, including firefighting equipment, emergency and safety devices, signage, ancillary operating tools and patrol boats; and
- (iv) approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the recruitment and remuneration of operating staff expenses, covering a total of ten personnel engaged in ticketing and operations, boat services, logistics and safety.

We have identified two new landmarks at a prime locations at the Slender West Lake Scenic Area and the Sanwan Park which embody the canal culture of Yangzhou, expansive water areas, established tourism facilities with visitor flow of 5.0 million visits or more per year and picturesque ecological environment for these two new projects. We plan to introduce water-based recreational services to complement existing facilities such as museum within the area, delivering an integrated tourism services combining cultural sightseeing, ecological immersion and dynamic recreation, which is anticipated to be highly appealing to visitors. Further details are set out below:

The New Water-based Tourism Projects

We plan to develop two new cultural and tourism projects, which combine water-based entertainment, cultural experiences and recreational consumption at two locations at the Slender West Lake Scenic Area and the Sanwan Park which is within the Ancient Canal Area, both of which are within our current service areas. Together with the existing cultural and tourism infrastructure, we aim to develop a comprehensive water-based leisure complex within the scenic area and fills the market gap for interactive water-based service offerings. Under the New Water-based Tourism Projects, we plan to offer customized water sightseeing boat service tailored to the target customers and surroundings and a variety of water-based interactive leisure activities to meet the diverse and personalized needs of different visitors to deliver a whole new leisure experience.

We plan to offer a dual-seat recreational leisure boats (which can be self-operated at the option of the visitors) for the New Water-based Tourism Projects. We believe that such uniquely designed boats to be utilized for the New Water-based Tourism Projects will offers significantly enhanced experiential, interactive and entertainment features as well as enhanced safety standards, making them an ideal activity for family and younger generation.

Feasibility and benefits

We have undertaken feasibility studies in connection with the New Water-based Tourism Projects at the Slender West Lake Scenic Area and the Sanwan Park, in particular, we have conducted evaluations on unique location and resource conditions of the two locations,

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market demand and potential visitor volume and the potential profitability and we believe that the New Water-based Tourism Projects have great potential to attract visitors and further diversify our water sightseeing service offerings:

- *Unique location and resource conditions.* The Slender West Lake serves as the “ecological heart” and “cultural soul” of Yangzhou and is intrinsically linked to the Grand Canal. The Sanwan Park is located at the Sanwan section of the Ancient Canal and stands as the “heart” of the Grand Canal cultural and the city’s ecosystem. These sites are seamlessly integrated with major transport networks, facilitating convenient access to all principal hubs within 30 minutes. Further, the water quality in the Slender West Lake and the Sanwan Park meets the required Class III standards set out in the Environmental Quality Standards for Surface Water (《地表水環境質量標準》) issued by the Ministry of Ecology and Environment of the PRC, together with the expansive surfaces, are suitable for sightseeing boat tours and water-based leisure activities. Lastly, culturally, the Slender West Lake represents a living chronicle of Chinese garden artistry while the Sanwan Park is a vibrant showcase of Yangzhou’s canal civilization and historical legacy with various cultural landmarks and modern museums.
- *Market demand and visitor flow.* Leveraging the unique location and natural resources of the Slender West Lake and the Sanwan Park as well as their existing stable annual visitor flow, we project that the demand for our sightseeing boat and other recreational service offerings will be sufficient, and will be higher during weekends and holidays.
- *Potential profitability.* We had carefully considered the expenses and costs associated with the development and daily maintenance of the New Water-based Tourism Projects, including the upfront investment on the total of 15 boats and 20 replaceable power batters as well as the construction of ancillary facilities, taking into account our proposed boat ticket price of RMB60 per dual-seat boat per three minutes and the estimated annual visitor volume, as well as the potential growth in visitor volume as we further penetrate the market through enhancing our brand awareness in the broader tourism industry, our operation of the New Water-based Tourism Projects is expected to be a new revenue driver, further enhancing our Company’s market competitiveness in the cultural and tourism service offering in the broader cultural tourism industry.

Licensing requirements

The Slender West Lake is situated within the Slender West Lake Scenic Area, while Sanwan Park is located within the Ancient Canal Area, both of which are classified as non-navigable waters and have already been included in the Company’s completed filing for tourism and sightseeing business operations in non-navigable waters* (非通航水域遊覽經營活動備案). As we have obtained operation right for water sightseeing boat service within the Slender West Lake Scenic Area and the Ancient Canal Area, there is no requirement for us to obtain operation right in relation to our operation of the New Water-based Tourism Projects at the Slender West Lake and the Sanwan Park.

In relation to proposed construction of an integrated wharf, including a fixed dock and floating pier, ticketing office and commercial space, as well as dedicated charging facilities, that involves fixed asset investment, we may be subject to the fixed asset investment project filing procedures in accordance with relevant PRC laws and regulations and the opinions of local development and reform authorities.

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Implementation plan

The following table sets forth the implementation plan for the projects:

Time Frame	Implementation stages
April to June 2026	- Refining and finalizing the project operation plan and implementation details, and the design of relevant infrastructure - Initiating the public tender process to select suppliers of boats, floating wharves and charging facilities etc. and completing the procurement process
July to September 2026	Based on the design of infrastructure, carrying out the construction or setting of relevant infrastructure, including floating wharves and floating platforms for embarkation and disembarkation, and conducting enhancement works of service facilities such as charging facilities
October 2026	- Completing the procurement of required boats - Setting up a designated operational team, and completing the trainings in safety, service and management to the team
November 2026	- Launching a half-month trial operation - Officially launching operation

See “Business — Our Strategies — Expand geographically through new water tour routes and water-based tourism projects.”

- approximately [REDACTED]%, or HK\$[REDACTED] million (or RMB[REDACTED] million), will be used to expand project portfolio under our management service segment with two targeted new tourist attractions or water-based tourism projects (the “**New Management Service Projects**”) to further extend our regional footprint and strengthen our high-net-worth customer base. We expect to use the [REDACTED] by the end of 2027. More specifically,
 - approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used to the recruitment and remuneration of a dedicated team of 17 personnel for the each of the New Management Services Projects, including one project manager overseeing the operation and management for each project, one project principal for each project responsible for operation, finance and employment matters, one operational manager for each project for daily operation and coordination across different teams relating to marketing activities and safety matters, four boat drivers for each project, two ticket clerks for each project, one manager for each project responsible for the development of various “Boat + Education” services, and seven operation personnel for each project for the day-to-day operation within the tourist attraction;
 - approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for facility upgrades and the development of a unique theme for the relevant tourist attraction, covering the construction of docking facilities, supporting service infrastructure, landscaping and lighting enhancements, and the installation of interactive features as well as the renovation of commercial spaces;
 - approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the implementation of smart tourism systems, including the deployment and enhancement of intelligent ticketing, online distribution, tourist attraction management, and big data analytics platforms; and
 - approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the establishment of the a brand new on-boat VR system, production of marketing videos, and other marketing activities to promote the service offering of the new projects.

FUTURE PLANS AND [REDACTED]

We plan to identify tourist attractions located in city centres or core entertainment districts with established tourism resources, commercial activity and visitor flow, and where the water quality shall be suitable for tourism development, and the owners have strong willingness to enhance water tourism service quality. We plan to offer a comprehensive set of business operation and management solutions to such tourist destinations, including asset solutions, marketing solutions and human resources solutions.

Selection of potential management output projects

We target to, through market searches and on-site research, select (i) urban leisure waterfronts which shall be moderately sized water area with natural surroundings, sound ecological conditions and good transport accessibility, (ii) high-quality natural water area with high resource scarcity, distinct product differentiation, potential for premium pricing and alignment with growing eco-tourism trends, or (iii) 3A-class or above scenic areas where underperformed water-based tourism service offering, which presents great potential for enhancement, development of unique cultural IP or ecological resources. We also require such places to have clear ownership or operational rights and must have aligned vision with us to ensure smooth cooperation.

We have initially screened tourist attractions or water area located at cities along the Grand Canal and that fulfill our selection criteria within Jiangsu Province and Zhejiang Province and we believe that management service projects of such nature are readily available driven by fast-changing tourism trends and consumption scenarios as well as heightened visitor expectations on service quality, demonstrating the market demand for experienced third party service providers to operate and manage relevant tourism projects. As of the Latest Practicable Date, we had identified two potential tourist attractions and were in the process of negotiating the terms of relevant management service agreement with them.

Our Directors are of the view that the owners of the relevant tourist attractions or water area are likely to engage our Company to provide management services for their water-based tourism projects instead of continuing with their historical self-management practices, having considered that (i) the prevailing operational challenges faced by our targeting tourist attractions such as unsatisfactory performance results, and (ii) our Company’s experience in providing management services to Gaoyou City Lake Tourism Resort, especially our Company’s experience in deploying modern operational protocols, implementing rigorous staff training and utilising smart ticketing solutions which further enhanced the visitor volume and revenue of Gaoyou City Lake Tourism Resort. Further, having considered that robust market demand for tourism consumption and intensification of competition among regional tourist attractions, our Directors believe that our provision of management solutions will be favoured by owners of those tourist attractions as a strategic development plan to ensure its sustainable growth, optimize its resource utilization and further reinforce their market positioning within the region.

See “Business — Our Strategies — Continue to expand project portfolio in asset-light management service business segment.”

- approximately [REDACTED]%, or HK\$[REDACTED] million (or RMB[REDACTED] million), will be used for the continuous upgrading of our water sightseeing boats and related facilities, with a focus on elevating the overall service quality and visitor experience. We plan to purchase six fully electric lithium battery-powered sightseeing boats to replace the existing ageing diesel-powered boats and construct relevant supporting infrastructure for such boats for use in the Ancient Canal Area. Each boat should have an overall length of approximately 25 to 28 metres and a moulded beam of approximately 5.3 to 6.5 metres, providing a spatial foundation that balances maneuverability with enhanced comfort and passenger capacity of the boats. Details are below:

FUTURE PLANS AND [REDACTED]

- approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the boat construction, including hull structures, decks, outfitting materials, and all essential fabrication costs. This boat construction requires advanced boat building techniques and durable materials to ensure the structural integrity and longevity of each boat;
- approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for core electrical and propulsion system enhancement, covering the acquisition of high-performance lithium iron phosphate battery packs, integrated vessel control systems, battery management systems (BMS), and propulsion motors, as well as the complete transmission assemblies. These systems are designed to deliver strong, stable power output, low noise operation, and high safety standards, aligning with the latest industry specifications and regulatory requirements; electrical system enhancements to further strengthen each vessel’s core energy and propulsion capabilities. This includes supplementary battery packs, advanced energy management solutions, and redundancy features to ensure operational reliability and extended cruising range.
- approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the outfitting and interior finishing of the boats, including the installation of high-quality passenger amenities such as premium seating, flooring, interior panels, ceilings, bar counters, restrooms, audio systems, and air conditioning systems. This aims to provide a comfortable, modern and relaxed environment for visitors, thereby enhancing the attractiveness and competitiveness of our water sightseeing boat service offerings.
- approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for the design and installation of exterior lighting displays on the boats. This will involve the use of specialized outdoor lighting fixtures, electronic display panels, control systems and programming, as well as installation works, so as to create a distinctive moving light and shadow art experience for night-time water tours, positioning the boats as iconic highlights of the night tourism experience; and
- approximately HK\$[REDACTED] million (or RMB[REDACTED] million) will be used for ancillary equipment and associated costs, including the installation of shore-based charging stations, life-saving and firefighting equipment, navigation systems, supervision and monitoring expenses, as well as China Classification Society (CCS) inspection and certification fees. These investments are intended to ensure the safety, regulatory compliance, and operational efficiency of the new boats.

Feasibility and benefits

Having considered the prevailing regulatory environment, the reasonableness of the estimated financial impacts, and the anticipated enhancement of our operational capabilities and overall service quality, our Directors consider that the new boats and construction of supporting infrastructure is feasible and strategically aligned with our long-term objectives.

- *Prevailing regulatory environment.* Since the commencement of our operation in the Ancient Canal Area up to date, there are no explicit regulatory restriction on the number of operating boats within the Ancient Canal Area and based on our estimation, the maximum number of boats that could operate in current service area within the Ancient Canal Area at a time is 62 and the maximum number of boats that currently operated by our Company within such area is 21 (taking into account allocation of themed boats from other tour routes in case of high demand), demonstrating the potential capacity for more operating boats in the Ancient Canal Area. See “Business — Our Business Model — Water Sightseeing Boat Service Business — Water Sightseeing Boat Services by Service Areas.” In addition, adoption of new energy boats also aligns with various governmental policies which encourages and supports the development and adoption of new-energy and clean-energy powered boats for both commercial and non-commercial operation.

FUTURE PLANS AND [REDACTED]

- *Cost reduction and profitability improvement.* The new boats are fully electric lithium battery-powered boats with high construction costs; however, such new energy boats will also bring long-term returns compared to boats powered by traditional energy such as diesel. According to our estimates, new energy boats could reduce energy costs by approximately of 40% compared to energy costs for traditional boats and significantly lower the associated maintenance costs by 75%. Such long-term cost advantage significantly outweighs the upfront high construction costs, thereby enhancing the overall profitability of our service offerings.
- *Adaptability to diverse consumption scenarios.* The new boats are all featured with lighting displays and high-end interiors and can be used for both night tours and day tours, including standard water sightseeing boat service, bespoke chartered boat service and various “Boat+” services, ensuring flexible adaptability to our diverse offering of consumption scenarios and a high utilization rate of the boats.
- *Social and environmental benefits.* We are committed to environmental protection as a responsible corporate. The new energy boats with zero emissions and low-noise operation, eliminating the risk of diesel exhaust and air pollution therefrom, directly contributing to the protection of the Grand Canal heritage and preserving the natural environment of the Grand Canal, and at the same time, greatly enhancing our Company’s reputation as a socially responsible corporate.

We expect that our boats will have a life ranging from five years to 20 years, depending on the model. To ensure high quality service offering, we are committed to upgrade our boat portfolio to deliver an evaluated service for our visitors. We believe that this continuous asset upgrading, leveraging advanced technology and premium outfitting, will significantly improve operational efficiency, reduce energy and maintenance costs, and create a superior, differentiated visitor experience. In addition, the introduction of these new boats will enable us to diversify our revenue streams through the development of night tours and day tours, including standard water sightseeing boat service, bespoke chartered boat service and various “Boat+” services, further strengthening our market position and supporting the sustainable growth of our water-based tourism business. Accordingly, our Directors believe that the expansion plan is in the best interests of the Company and its shareholders as a whole, and will contribute positively to our Group’s future development.

Implementation plan

The following table sets forth the implementation plan for purchasing the six new energy boats:

Time Frame	Implementation stages
January to June 2026	• Initiating and refining technical solutions for asset upgrading project • Initiating public tender process to select qualified suppliers of boats, and completing the procurement of and modification to (if needed) boats
July to December 2026	• Maintaining on-going discussion with the manufactures of boats, and continuing the construction of boats, including outfitting and interior works, and construction of infrastructure and other related facilities
January to June 2027	• Examining and accepting the delivery of boats • Running preliminary operation testing of the new boats and put such new boats into trial operation
By June 2027	• Officially putting the new boats and related facilities into operation

See “Business — Our Strategies — Continue to empower our business through continuous asset upgrading.”

- approximately [REDACTED]%, or HK\$[REDACTED] million (or RMB[REDACTED] million), will be used to provide funding for our working capital and other general corporate purposes.

FUTURE PLANS AND [REDACTED]

In case of any shortfall to cover the total expenditure of the expansion plans above, the Company will fund such expansion plans with its own funds and cash from its business operations.

The above allocation of 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 [REDACTED] of the estimated [REDACTED] or the [REDACTED] is exercised. If the [REDACTED] is fixed at HK\$[REDACTED] per [REDACTED] (being the [REDACTED] of the [REDACTED] stated in this document) and assuming the [REDACTED] is not exercised, we will receive [REDACTED] of approximately HK\$[REDACTED] million, after deduction of [REDACTED] fees and [REDACTED] and estimated expenses payable by us in connection with the [REDACTED]. If the [REDACTED] is fixed at HK\$[REDACTED] per [REDACTED] (being the [REDACTED] of the [REDACTED] stated in this document) and assuming the [REDACTED] is not exercised, the [REDACTED] we receive will be approximately HK\$[REDACTED] million, after deduction of [REDACTED] fees and [REDACTED]s and estimated expenses payable by us in connection with the [REDACTED].

In the event that the [REDACTED] is exercised in full, we will receive additional [REDACTED] ranging from approximately HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the [REDACTED] of the indicative [REDACTED]) to HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the [REDACTED] of the proposed [REDACTED]), after deduction of [REDACTED] fees and [REDACTED] and estimated expenses payable by us in connection with the [REDACTED].

To the extent that the [REDACTED] are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we intend to deposit the [REDACTED] into short-term interest-bearing deposits at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions). In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

We will issue an appropriate announcement if there is any material change to the above proposed [REDACTED].