FUTURE PLANS

See "Business – Development 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 commissions and other estimated expenses paid and payable by us in relation to the **[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the mid-point of the **[REDACTED]** from HK$**[REDACTED]** to HK$**[REDACTED]** per H Share, and assuming that the **[REDACTED]** is not exercised.

In line with our strategies, we intend to use the net **[REDACTED]** from the **[REDACTED]** (assuming the **[REDACTED]** is not exercised) for the purposes and in the amounts set forth below:

Purposes	Total amount of net [REDACTED] to be used [REDACTED]	Allocation %
Establishment of optical operation centre	[REDACTED]	[REDACTED]
Establishment of self-operated stores	[REDACTED]	[REDACTED]
Brand building and precision marketing	[REDACTED]	[REDACTED]
General corporate purposes and working capital	[REDACTED]	[REDACTED]
Total	**[REDACTED]**	**[REDACTED]**

- **Establishment of optical operation centre**

We plan to allocate approximately **[REDACTED]**% (or approximately HK$**[REDACTED]**, assuming the **[REDACTED]** is fixed at the mid-point of the indicative **[REDACTED]** and assuming the **[REDACTED]** is not exercised) of the net **[REDACTED]** from the **[REDACTED]** towards the establishment of our optical operation centre in Hangzhou.

The proposed use of **[REDACTED]** for this initiative includes:

- **Acquisition of industrial building**: Approximately **[REDACTED]**% (HK$**[REDACTED]**) to participate in a government tender and acquire a building in Shangcheng District, Hangzhou to establish our optical operation centre. The building has an expected gross area of more than 13,000 sq.m.. This initiative aligns with our strategy to enhance operational efficiency, expand warehousing and processing capabilities, and support long-term growth in our eyewear retail business. The building is available for tender to qualified enterprises of meeting criteria, including total revenue exceeding RMB156.6 million and profit before tax exceeding RMB15.7 million for the latest financial year, as outlined in the relevant guidelines issued by the subdistrict office.

  Following preliminary discussions with the relevant government authorities, we have entered into letter of intent dated 31 March 2026, confirming our eligibility to participate in the tender process based on our business profile and proposed utilisation plan. Our Directors are confident in our ability to succeed in the tendering process due to our strong alignment with the government's selection criteria.

- **Establishment of advanced processing centre**: Approximately **[REDACTED]**% (HK$**[REDACTED]**) will be used to establish an advanced processing centre to increase our processing capacity and improve processing quality. The project includes the planned deployment of (i) fully automated cutting and edging machinery; (ii) robotic systems for automated material retrieval from the warehouse (which is expected to be built within the optical operation centre); and (iii) automated inspection machinery to enhance quality control. We expect this processing centre to enhance the prevision and accuracy of lens and frame. For details, please refer "Business – Development Strategies – Strategic Initiative: Optical Operation Centre and Advanced Processing Centre" for details.

  The following table sets forth the breakdown of the estimated costs and expenses associated with the establishment of our advanced processing centre, categorised by major components for the years 2026, 2027 and 2028:

		For the six months ended 31 December 2026	For the year ended 31 December 2027	For the year ended 31 December 2028	Total amount of net [REDACTED] to be used	Allocation proportion
			[REDACTED]		[REDACTED]	%
Item	Notes					
Machinery and equipment	Automated optical processing equipment.	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Renovation and infrastructure	Fit-out and upgrade of retail and production facilities.	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Warehousing and logistics system	Development of distribution centres and supply chain capabilities.	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total					**[REDACTED]**	**[REDACTED]**

- **Establishment of Training Centre and headquarters relocation:** We intend to use our internal resources to the interior fit-out of a dedicated training centre, procurement of training equipment and simulation tools, renovation of office space, and associated relocation expenses, which we intend to implement using our internal resources. At present, we primarily conduct training by renting third-party venues (such as hotel conference rooms), which limits scheduling flexibility, increases recurring costs, constrains access to specialised equipment, and results in variability in training conditions. Establishing a purpose-built training centre is intended to provide a stable environment with standardised facilities and curricula for onboarding and upskilling optometrists, technicians and relevant staff, thereby improving service consistency and reducing error and remake rates. The establishment of the optical operation centre is not intended for aggressive capacity expansion beyond the needs of our current and planned store network. Instead, it aims to enhance operational reliability, product quality consistency, and support for customised offerings, thereby strengthening our competitive position in the eyewear retail industry. Full operation of the advanced processing centre is targeted by the end of 2027.

- **Establishment of self-operated stores**

We plan to allocate approximately **[REDACTED]** % of the net **[REDACTED]**, or approximately HK$**[REDACTED]**, to steadily extend our self-operated store network in cities with existing presence and penetrating surrounding cities, under Mao Yuan Chang. Site selection will follow our standardised, data-driven methodology, which assesses demographics, foot traffic and catchment quality, and competitive intensity. Leveraging our established store rollout, we aim to increase network density in target regions. We manage and standardise our self-operated store expansion through a centralised process overseen by our Expansion and Operations departments. See "Business – Standardised Store Expansion and Management Process for Self-operated Store" in this Document for further details.

We plan to open approximately 5, 9 and 11 self-operated stores for the six months ended 31 December 2026 and for the year ended 31 December 2027 and 2028, respectively, with a focus in Hangzhou, Lanzhou and Shaoxing. The format mix will primarily comprise shopping mall stores (to capture high-traffic, premium consumer segments) and standard community stores (to enhance local accessibility). Based on historical records, we estimate the average upfront investment per new self-operated store to be approximately RMB1.4 million, mainly covering initial costs associated with operating a new self-operated stores and capital requirements for recurring expenses before reaching operational breakeven. We expect the operational breakeven period (averaging eight months), initial investment payback period (averaging 11 months) for these new stores to be broadly consistent with the historical performance of our self-operated stores opened during the Track Record Period and remained in operation as at the Latest Practicable Date. See "Business – Operational Breakeven Period and Initial Investment Payback Period" in this document for further details.

According to the Euromonitor Report, Zhejiang Province's offline eyewear retail market increased from RMB4,940 million in 2019 to RMB5,492 million in 2024 and is expected to reach approximately RMB6,843 million by 2029, representing a CAGR of approximately 4.2% from 2025 to 2029. Gansu Province's offline eyewear retail market increased from RMB689 million in 2019 to RMB795 million in 2024 and is expected to reach approximately RMB1,068 million by 2029, representing a CAGR of approximately 5.9% from 2025 to 2029. The growth of these markets is expected to be supported by continued advancement in youth myopia prevention and control, stronger demand for professional and compliant dispensing services, greater penetration of functional products, and ongoing digitalisation in traffic acquisition and retail operations. These trends are expected to provide favourable conditions for our planned store expansion in Zhejiang Province and Gansu Province and to support the strengthening of our competitive position.

The following table sets out the number of self-operated stores under Mao Yuan Chang to be opened, by city and type of stores, for the six months ended 31 December 2026 and for the year ended 31 December 2027 and 2028.

		For the six months ended 31 December 2026	**For the year ended 31 December 2027**	**For the year ended 31 December 2028**
Shopping Mall Stores	Hangzhou	2	3	4
	Shaoxing	2	3	3
	Lanzhou	1	2	2
Standard Stores	Hangzhou	–	–	–
	Shaoxing	–	1	1
	Lanzhou	–	–	1
	Number of stores	**5**	**9**	**11**

The table below sets forth the breakdown of the initial costs associated with opening new self-operated stores and capital requirements for recurring expenses before reaching operational breakeven, categorised by major components for the six months ended 31 December 2026 and for the year ended 31 December 2027 and 2028:

		For the six months ended 31 December 2026	For the year ended 31 December 2027	For the year ended 31 December 2028	Total amount of net [REDACTED] to be used	Allocation proportion
			[REDACTED]		[REDACTED]	%
Item	**Notes**					
Procurement cost	The procurement cost of eyewear products and retail supplies incurred during the initial 8-months period before reaching operational breakeven	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Renovation cost	One-time cost for store design, construction, and fit-out	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Rental expenses	Monthly rental expense during the initial 8-months period before reaching operational breakeven	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Staff cost	Salaries, benefits, and training costs for store staff during the initial 8-months period before reaching operational breakeven	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Fixed assets cost	Purchase of equipment for optometric examination, point-of-sale systems and furniture and fixtures	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Deposit	Refundable deposit paid to lessors under property lease agreements	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total					[REDACTED]	[REDACTED]

- **Brand building and precision marketing, approximately HK$[REDACTED], [REDACTED]%**

We aim to enhance our overall brand awareness and recognition among our target customers, improve customer acquisition efficiency through more focused marketing, and enhance customer loyalty. See "Business – Development Strategies – Deepen Customer Segmentation: Brand Building and Precision Marketing" in this document for further details.

The following table sets forth the breakdown of the estimated costs and expenses associated with our brand building, categorised by major components for the six months ended 31 December 2026 and for the year ended 31 December 2027 and 2028:

Items	For the six months ended 31 December 2026	For the year ended 31 December 2027	For the year ended 31 December 2028	Total amount of net [REDACTED] to be used	Allocation proportion
		[REDACTED]		[REDACTED]	%
Offline advertising campaigns	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Brand events in key cities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Online and new media promotion	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Content production and distribution	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Brand visual identity enhancement	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total				**[REDACTED]**	**[REDACTED]**

Offline Advertising Campaigns: Funds will be used for targeted offline advertising campaigns, such as billboards in high-traffic areas of core cities, transit advertising in Hangzhou and Lanzhou, and in-mall promotions, to increase footfall and brand recall. These campaigns will highlight our professional services and product quality, enhance brand image and user awareness, and plan to allocate approximately HK$**[REDACTED]** for our offline advertising campaigns.

Brand Events in Key Cities: We will organise experiential brand events in Hangzhou, Lanzhou, Shaoxing, and other cities, such as pop-up optometry clinics, fashion shows, eye-health seminars, and outreach at schools and enterprises, to strengthen community ties and showcase our products. We plan to allocate approximately HK$**[REDACTED]** focusing on these experiential brand events.

Online and New Media Promotion: **[REDACTED]** will support digital marketing on platforms such as Douyin, Xiaohongshu, Dianping, Meituan, and Amap (Gaode), including paid advertising, and SEO optimisation, to target consumers interested in prescription spectacles (e.g., myopia control and progressive lenses for middle-aged and senior customers). We plan to allocate HK$**[REDACTED]** for our online and new media promotion.

Content Production and Distribution: We plan to produce high-quality content, including eye-health educational videos, product tutorials, and lifestyle stories featuring our eyewear, to be distributed via social media and our WeChat Official Account with over 250,000 followers as at the Latest Practicable Date. To this end, we will engage external content creators and leverage our in-house video team to plan and produce premium videos. A budget of approximately HK$**[REDACTED]** is planned to generate 10 pieces of content per year, increasing user engagement and, through data analytics, effectively converting online views into in-store visits.

Brand Visual Identity Enhancement: We will invest in updating our brand visual identity system of Mao Yuan Chang, including visual design, to create a more modern and cohesive brand image that better resonates with mid-to-high-end consumers. We will engage professional design agencies to ensure that, while honouring our heritage as a "China Time-Honoured Brand," we also appeal to younger demographics who value fashion and functionality. We plan to allocate approximately HK$**[REDACTED]** to support unified rollout across our self-operated stores and franchised stores under Mao Yuan Chang, offline media, and digital platforms.

- **General working capital, approximately HK$[REDACTED], [REDACTED]%**

The above allocation of the **[REDACTED]** as set out above will be adjusted on a pro rata basis in the event that the **[REDACTED]** is fixed below or above the midpoint of the indicative **[REDACTED]**.

If the **[REDACTED]** is fixed at HK$**[REDACTED]** per H Share (being the high end of the **[REDACTED]** stated in this document), we will receive additional net **[REDACTED]** of approximately HK$**[REDACTED]**, assuming the **[REDACTED]** is not exercised.

If the **[REDACTED]** is fixed at HK$**[REDACTED]** per H Share (being the low end of the **[REDACTED]** stated in this document), the net **[REDACTED]** we receive will be reduced by approximately HK$ **[REDACTED]**, assuming the **[REDACTED]** is not exercised.

In the event that the **[REDACTED]** is exercised in full, the additional net **[REDACTED]** that we would receive would be HK$**[REDACTED]** assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share, being the mid-point of the **[REDACTED]** stated in this document, after deduction of **[REDACTED]** fees and commissions and other estimated expenses paid and payable by us in relation to the **[REDACTED]**. Additional net **[REDACTED]** received due to the exercise of any **[REDACTED]** will be used for the above purposes accordingly on a pro-rata basis if the **[REDACTED]** is exercised.

Should our Directors decide to re-allocate the intended use of **[REDACTED]** to other business plans to a material extent and/or there be any material medication to the use of **[REDACTED]** as described above, we will make appropriate announcement(s) in due course.

To the extent that the net **[REDACTED]** of the **[REDACTED]** are not immediately used for the above purposes or if we are unable to effect any part of our future development plans as intended, we will only deposit those net **[REDACTED]** into short-term interest-bearing accounts at licenced commercial banks and/or other authorised financial institutions (as defined under the SFO or applicable laws, rules and regulations in the relevant jurisdictions). We will make an appropriate announcement should there be any changes in the proposed use of **[REDACTED]** above.