FUTURE PLANS

Please refer to the section headed "Business – Our Strategies" in this document for detailed discussion of our future plans.

[REDACTED]

Assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the mid-point of the **[REDACTED]** range between HK$**[REDACTED]** and HK$**[REDACTED]** and assuming the **[REDACTED]** is not exercised, we estimate to receive **[REDACTED]** from the **[REDACTED]** of approximately HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million), after deducting the **[REDACTED]** fees and commissions and estimated expenses payable by us in connection with the **[REDACTED]**.

We intend to use the **[REDACTED]** of the **[REDACTED]** (based on the mid-point of the **[REDACTED]** range stated in this document) for the purposes and in the amounts set forth below:

	1 January to 31 December 2027	After 1 January 2028	Total	Approximate percentage of [REDACTED]
	RMB million	*RMB million*	*RMB million*	
Constructing our new production base				
Constructing and renovating the production space	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Acquiring and installing equipment and machinery	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Subtotal	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Product development				
Procuring equipment and software	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Recruitment of staff	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Other expenses relating to our product development initiatives	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Subtotal	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Sales and marketing				
Offline marketing initiatives	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Online marketing initiatives	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Subtotal	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
General working capital	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%

- approximately **[REDACTED]**%, or HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million), of the **[REDACTED]** will be used to construct our self-owned new production base with an expected total site area of around 19,900 sq.m. and gross floor area of not less than approximately 39,000 sq.m. in Foshan, Guangdong Province, the PRC. We plan to utilize the new production base as our headquarter centralizing our major functions, which enables us to further expand our production capacity in view of our growing business and increasing international demand. In particular, of all the funds allocated to the construction of our new production base:

  (a) approximately **[REDACTED]**%, or HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million) will be used for the construction and renovation of our new production base. We plan to house a total of six production lines for cooker hoods and six production lines for hobs which ramp up our production capacity of cooker hoods and hobs to 1.5 million and one million per annum, respectively; and

  (b) approximately **[REDACTED]**%, or HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million) will be used for the procurement of equipment and machinery as well as production management and optimization software to upgrade our production capabilities. Such equipment and machinery will include, amongst others, automated vertical storage system, turret punch press machines and welding robots, as well as work station infrastructure optimization. We also intend to upgrade our manufacturing execution system (MES) to enhance our production processes and its management. We also plan to upgrade our warehousing infrastructure with the introduction of automated guided vehicles.

  We expect to commence construction of our new production base in Foshan, Guangdong Province, the PRC by the first quarter of 2027 and commence production by the first quarter of 2029.

- approximately **[REDACTED]**%, or HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million), of the **[REDACTED]** will be used for our product development initiatives, aimed at expanding our product portfolio and enhancing the overall user experience of our products, namely (i) improving the efficiency and noise emission level of our cooker hoods, and (ii) integrating smart AI technologies and connectivity into our line of products. For more details, please refer to the section headed "Business – Our Strategies – Increase investment in product development and expand product portfolio" in this document. In particular, of all the funds allocated to strengthening our product development capabilities:

  (a) approximately **[REDACTED]**%, or HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million) will be used for the procurement of various equipment and software for product design and development processes;

  (b) approximately **[REDACTED]**%, or HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million) will be used to recruit product development personnel. Specifically, within the three years after the **[REDACTED]**, we plan to recruit approximately (i) ten product development personnel with a bachelor's degree or above in disciplines relating to electrical engineering, product design, applications development and other relevant fields, and (ii) one management personnel with either a bachelor's degree or above and/or considerable experience in management and other fields as outlined above, offering them competitive compensation in line with market standards; and

(c) approximately **[REDACTED]**%, or HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million) will be used for market research, procurement of testing materials, functionality certifications and/or for other purposes relating to our product development initiatives.

- approximately **[REDACTED]**%, or HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million) will be used to expand our branded business' market presence. Our historical sales and marketing activities have enabled us to significantly increase our exposure to target consumers and build strong brand awareness. Going forward, we plan to continue to ramp up and optimize our sales and marketing efforts to further consolidate our market shares in our key strategic markets. In particular, of all the funds allocated to our marketing initiatives:

  (a) approximately **[REDACTED]**%, or HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million) will be used for our offline marketing initiatives. We intend to deepen our market penetration and brand awareness in strategic locations in key EU locations by localizing a part of our operations overseas such as participating in international trade fairs, opening pop up stores, experience stores and showrooms; and

  (b) approximately **[REDACTED]**%, or HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million) will be used for our online marketing initiatives. We intend to enhance our online brand vitality via strategies including, amongst others, (i) ramping up targeted advertising on social media platforms and collaborations with key opinion leaders, (ii) strengthening our proprietary brand "Ciarra" and directing more sales towards our own online store, and (iii) further diversifying our sales channels in strategic markets.

- approximately **[REDACTED]**%, or HK$**[REDACTED]** million (equivalent to approximately RMB**[REDACTED]** million), of the **[REDACTED]** will be used for general working capital and general corporate purposes.

If the **[REDACTED]** is fixed at HK$**[REDACTED]** per **[REDACTED]**, being the high-end of the **[REDACTED]** range and assuming the **[REDACTED]** is not exercised, the **[REDACTED]** from the **[REDACTED]** will increase to approximately HK$**[REDACTED]** million, after deducting the **[REDACTED]** fees and commissions and estimated expenses payable by us in connection with the **[REDACTED]**. If the **[REDACTED]** is fixed at HK$**[REDACTED]** per **[REDACTED]**, being the low-end of the **[REDACTED]** range and assuming the **[REDACTED]** is not exercised, the **[REDACTED]** will decrease to approximately HK$**[REDACTED]** million, after deducting the **[REDACTED]** fees and commissions and estimated expenses payable by us in connection with the **[REDACTED]**. Under such circumstances, we will adjust the allocation of the intended use of the **[REDACTED]** for the above purposes on a pro rata basis.

If the **[REDACTED]** is exercised in full and assuming the **[REDACTED]** is HK$**[REDACTED]** per **[REDACTED]**, being the mid-point of the **[REDACTED]** range, we estimate that the **[REDACTED]** from the **[REDACTED]** will be approximately HK$**[REDACTED]** million, after deducting the **[REDACTED]** fees and commissions and estimated expenses payable by us in connection with the **[REDACTED]**. If the **[REDACTED]** is set at the high-end or low-end of the **[REDACTED]** range, the **[REDACTED]** of the **[REDACTED]**, including the **[REDACTED]** from the exercise of the **[REDACTED]**, will increase to approximately HK$**[REDACTED]** million or decrease to HK$**[REDACTED]** million, respectively. Under such circumstances, we will adjust the allocation of the intended use of the **[REDACTED]** for the above purposes on a pro rata basis.

To the extent that the **[REDACTED]** from 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 may deposit such funds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO/the applicable laws and regulations in other jurisdictions) for so long as it is deemed to be in the best interests of the Company. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.

If any part of our development plan does not proceed as planned for reasons such as changes in government policies that would hinder the development of any of our projects, or the occurrence of force majeure events, our Directors will carefully evaluate the situation and may reallocate the **[REDACTED]** from the **[REDACTED]**. We will make an appropriate announcement if there is any material change to the above proposed **[REDACTED]** in accordance with the Listing Rules.