FUTURE PLAN

For details of our future plans, see "Business — Our Strategies."

USE OF [REDACTED]

Assuming that the [**REDACTED**] is not exercised, after deducting the [**REDACTED**] and other estimated [**REDACTED**] expenses payable by us in connection with the [**REDACTED**], and assuming an [**REDACTED**] of HK$[**REDACTED**] per Share (being the mid-point of the indicative [**REDACTED**] of HK$[**REDACTED**] and HK$[**REDACTED**]), we estimate that we will receive [**REDACTED**] of approximately HK$[**REDACTED**] million from the [**REDACTED**]. We intend to use the [**REDACTED**] from the [**REDACTED**] for the purposes and in the amounts set forth below:

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used to invest in our wall panel products, primarily through the establishment of our dedicated wall panel production base in Tongxiang, Zhejiang Province, China, with the view to enhancing our domestic wall panel product production capacity. We believe this expansion will allow us to successfully (i) enhance the digitalization and automation of our production capacity for wall panel products by establishing an automated manufacturing facility, and (ii) expand the variety of our wall panel products, as well a s accessories such as baseboard, skirting board, base molding, and wall trim, to expand our product portfolio and capture new market opportunities. As of the Latest Practicable Date, we are in the process of making the relevant filing with the relevant PRC authorities regarding this investment.

Production bases	Production capacity (per year)	Construction commencement time	Estimated completion time
The production base in Tongxiang, Zhejiang Province, China	7,000,000 m^2	2027	2028

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used to enhance our global supply chain capabilities through the construction of a modern, green production base in Hungary that integrates PVC flooring and wall panel manufacturing with circular recycling. This production base in Europe will be positioned as a future hub for the R&D, manufacturing and sale of high-end flooring products, primarily serving European customers and, to some extent, customers in North America.

  Furthermore, this production base will be developed into a benchmark production base for the circular economy of our flooring products in Europe, achieving a closed industrial loop from the recycling of old flooring to the production of new flooring, supporting our carbon reduction goals and ESG initiatives. We plan to establish the production base in Hungary to procure advanced full-line production equipment for PVC flooring and wall panels, as well as crushing, separation, and recycling equipment for end-of-life flooring and wall panels, together with supporting software management systems including manufacturing execution systems ("MES"), with the aim to establishing a closed-loop production model that covers the full lifecycle from the recycling of used flooring and wall panels to the manufacture of new flooring and wall panels (the "floor-to-floor" model). As of the Latest Practicable Date, we are preparing for the outbound direct investment (ODI) filing regarding the construction of our production facility in Hungary.

Production bases	Production capacity (per year)	Construction commencement time	Estimated completion time
The production base in Hungary	8,000,000m^2	2028	2029

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used for the continuous investment in our Thailand production base which is located in Chonburi Province, Thailand. This project will focus on (i) expanding our product offering, including wall panels and digital printing products; (ii) expanding raw material storage capacity and upgrading to intelligent warehouse management; (iii) establishing showrooms and research and development center; and (iv) building office facilities. As of the Latest Practicable Date, we are preparing for the ODI filing regarding the investment in our Thailand production base.

Production bases	Production capacity (per year)	Construction commencement time	Estimated completion time
The production base in Thailand	10,000,000m^2	2027	2029

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used to procure and upgrade equipment in our existing production base in Tongxiang, Zhejiang Province, China, including: (i) digital printing equipment to meet customer demand for digital printing products; (ii) optimization and upgrade of the fully integrated production line spanning AI visual inspection, saw blade slotting, packaging, and automated guided vehicle (AGV) warehousing; and (iii) establishment of an AI knowledge base and development, optimization, and upgrade of information systems, including the Laboratory Information Management System (LIMS), Supplier Relationship Management (SRM), Warehouse Management System (WMS), Electronic Human Resources (EHR), Manufacturing Execution System (MES), etc. These investments will advance our goal of building a fully digitalized, smart green factory. As of the Latest Practicable Date, we are in the process of making the relevant filing with the relevant PRC authorities regarding this investment.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used for the establishment of our R&D center at our Tongxiang headquarters by establishing a new R&D research center building, introducing advanced R&D equipment and recruiting R&D specialists. In particular, the center will focus on R&D in areas including new materials and new applications, green and low-carbon high-end products, as well as intelligent manufacturing. As of the Latest Practicable Date, we have obtained the land for our R&D research center building, and submitted the relevant filing with the relevant PRC authorities regarding this investment.

- Approximately [**REDACTED**]%, or HK$[**REDACTED**] million, will be used for our working capital and general corporate purposes.

The above allocation of the [**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 mid-point of the indicative [**REDACTED**] stated in this document. If the [**REDACTED**] is exercised in full, the [**REDACTED**] that we will receive will be approximately HK$[**REDACTED**] million, assuming an [**REDACTED**] of HK$[**REDACTED**] per Share (being the mid-point of the indicative [**REDACTED**]). In the event that the [**REDACTED**] is exercised in full, we intend to apply the additional [**REDACTED**] to the above purposes in the proportions stated above.

To the extent that our [**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 [**REDACTED**] from the [**REDACTED**] are not immediately used for the purposes described above and to the extent permitted by the relevant laws and regulations, they will be placed in short-term demand deposits with licensed banks or financial institutions so long as it is deemed to be in the best interests of our Company. We will make an appropriate announcement if there is any material change to the above proposed use of [**REDACTED**].