SUMMARY

***This summary aims to give you an overview of the information contained in this document and is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial information appearing elsewhere in this document. As it is a summary, it does not contain all the information that may be important to you and we urge you to read the entire document carefully before making your investment decision. Various expressions used in this summary are defined in the section headed "Definition" and "Glossary of Technical Terms" in this document. There are risks associated with any* [REDACTED]*. Some of the particular risks in investing in the* [REDACTED] *are set out in the section headed "Risk Factors" in this document. You should read that section carefully before you decide to* [REDACTED] *in the* [REDACTED]*. You should read the entire document before you decide to* [REDACTED] *in the* [REDACTED].**

OVERVIEW

We are a leading manufacturer and exporter of decorative gardening products, primarily decorative plastic planters for indoor and outdoor use. We supply major North American mass-merchandise and home-improvement retailers, including Lowe's, Walmart, Sam's Club and Costco, through long-standing commercial relationships. During the Track Record Period, the majority of our revenue was derived from sales to the United States, with additional sales to Canada, Mexico and Australia. We currently operate six production facilities in the PRC and Cambodia. We manage product design, mold development, materials procurement and manufacturing processes largely on an integrated basis.

According to CIC, the global gardening market in terms of retail sales amounted to approximately US$108.6 billion in 2025, and is projected to grow to approximately US$135.1 billion by 2030, representing a CAGR of approximately 4.5% during this period. Among the various product categories within the global gardening market, gardening planters accounted for approximately 7.1% of the total market size in 2025, representing a market size of approximately US$7.7 billion, and are projected to grow at a CAGR of approximately 7.3% from 2025 to 2030.

Within the gardening planter category, decorative planters represent a key sub-segment which accounted 59.8% of market share within the gardening planter in 2025. Decorative plastic planters, which constitute our principal product category, accounted for approximately 51.5% of the decorative planter market by revenue in 2025. According to CIC, we were the world's largest manufacturer by revenue in 2024 and 2025 in the decorative plastic planter industry, with a market share of 4.6% in each year. We were also the largest exporter by revenue among PRC-based planter manufacturers in 2024 and 2025. Our market position reflects our production scale, manufacturing capacity and established supply relationships with large-scale retailer customers.

We are also among the few manufacturers globally capable of managing product design, mold development and large-scale production fully in-house, enabling faster development cycles, consistent quality control and reliable fulfillment for high-volume retail programs. Our product portfolio includes outdoor decorative planters (generally above 12-inch diameter), indoor decorative planters (generally below 12-inch diameter), and other gardening products. With scale capacity across six production facilities in the PRC and Cambodia, we have developed into a prominent global player with a leading position in the decorative plastic planter supply chain, benefiting from cost-efficient production, export resilience and deep customer engagement. Our products are External Quality Assessment certified, audited under Business Social Compliance Initiative and Supplier Compliance Audit Network programs, and comply with the Recycled Claim Standard.

According to CIC, the North American decorative planter market reached approximately US$1.8 billion in 2025. Within this market, decorative plastic planters accounted for approximately 55.4% of total market value, representing a sub-segment size of approximately US$1.0 billion in 2025. The decorative plastic planter segment recorded a compound annual growth rate of approximately 5.9% over the period from 2021 to 2025, reflecting growth that outpaced the broader decorative planter market. The expansion of the decorative plastic planter segment has been supported by several structural factors, including: (i) differences in tariff treatment applicable to plastic and ceramic planter products, which may influence sourcing decisions and product mix preferences of certain customers, (ii) cost and handling advantages associated with plastic products, and (iii) continued improvements in resin-based molding and plastic aesthetics. Against this industry backdrop, leveraging our long-standing relationships with major U.S. mass-merchandise and home-improvement retailers, we have established ourselves as a key supplier in the U.S. decorative plastic planter market and one of the largest manufacturers by revenue among China-based manufacturers serving this market.

During the Track Record Period, our revenue amounted to HK$357.5 million, HK$474.5 million and HK$501.8 million for the years ended December 31, 2023, 2024 and 2025, respectively, representing a CAGR of approximately 18.5%. Our gross profit reached HK$199.9 million, HK$282.4 million and HK$289.4 million for the three years ended December 31, 2023, 2024 and 2025, representing gross profit margins of 55.9%, 59.5% and 57.7%, respectively. Net profit for the same periods was HK$79.7 million, HK$126.0 million and HK$81.8 million, respectively. Overall growth during the Track Record Period was primarily driven by rising order volumes from North American retailers, deeper SKU penetration, and improvements in production efficiency.

We intend to expand our product development capability, increase automation, strengthen material sourcing across the PRC and Southeast Asia and continue scaling production in the PRC and Cambodia. With an established customer base, diversified manufacturing footprint and industry tailwinds in the decorative plastic planter segment, we believe we are well-positioned for further growth.

OUR COMPETITIVE STRENGTHS

We believe that the following competitive strengths contribute to our success and set us apart from our competitors:

- we are a globally recognized leader in the design and manufacture of decorative plastic planter products, supported by long-term customer partnerships and a proven track record of delivery;
- we develop a highly adaptable product portfolio focused on customization and sustainability to address diverse consumer needs;
- we operate a vertically integrated global production system that combines large-scale capacity with exceptional operational flexibility;
- our direct sales-driven network allows us to precisely capture customer needs and cultivate a stable, high-value client portfolio; and
- our Group is led by an experienced management team with deep expertise spanning the entire decorative gardening planter supply chain.

For more details of our competitive strengths, please refer to the section headed "Business — Our Competitive Strengths" in this document.

OUR STRATEGIES

We aim to further grow our business by pursuing the following strategies:

- focusing on high-growth segments and enhancing core product competitiveness;
- advancing our global production capacity upgrades and optimizing supply chain efficiency;
- driving comprehensive digital transformation in production and strengthening design, research and product development innovation and operational efficiency;
- optimizing the international sales network and customer portfolio, reducing reliance on key clients, and lowering regional market dependence;
- expanding new material product categories and upgrading the product portfolio.

For more details of our development strategies, please refer to the section headed "Business — Our Development Strategies" in this document.

OUR BUSINESS SEGMENTS AND PRODUCTS

We primarily produce decorative plastic planters for indoor and outdoor use, forming the core of our product offering. Our outdoor decorative planters are generally above 12 inches in diameter for patio and garden applications, while indoor decorative planters are typically below 12 inches and positioned for household décor and interior display. In addition to planters, we also manufacture a range of other gardening products, including growers pots, resin pots, saucers, self-watering planters, vertical garden products and hose bowls. This enables us to serve broader use scenarios across home gardening, landscaping and seasonal décor categories.

Our product portfolio is extensive. We typically introduce more than 220 new SKUs annually during the Track Record Period, covering a wide variety of styles, material formulations, textures, shapes and color finishes while maintaining program-based recurring items that are reordered seasonally, supporting both continuous innovation and stable replenishment volume. Product development is supported by in-house mold design and tooling capability, allowing us to launch new collections, theme assortments and customized formats aligned with retailer planning cycles. For more information of our products portfolio, please refer to the section headed "Business — Our Products" in this document for more information.

We adopt a contract manufacturing model supplying primarily to major U.S. retailers. Through long-term collaboration, we engage with customers from product ideation to final delivery, providing design input, mold development, materials sourcing, production scheduling and quality-assured manufacturing to meet merchandising and seasonal program requirements. Selected product lines utilize recycled resin materials and comply with External Quality Assessment, amfori Business Social Compliance Initiative, Supplier Compliance Audit Network and the Recycled Claim Standard standards, reflecting our commitment to quality, social accountability and sustainability. Sales under our proprietary brand contributed less than approximately 2.5% of revenue during the Track Record Period and currently represent a non-core component of our overall business. Our Group does not have any current plan to expand our proprietary branded business, and such activities are primarily serving as a supplementary channel to enhance market visibility.

The following table sets out a breakdown of revenue of our Group by our product categories for the periods indicated:

	Year ended December 31,		
	2023	**2024**	**2025**
	HK$'000	*HK$'000*	*HK$'000*
Decorative planters products			
— Outdoor decorative planters	230,877	324,967	326,674
— Indoor decorative planters	79,477	87,660	102,962
Other gardening products	47,191	61,850	72,180
Total	**357,545**	**474,477**	**501,816**

The following table set forth the number of units we have sold during the Track Record Period.

	Year ended December 31,		
Units Sold (1)	**2023**	**2024**	**2025**
	'000	*'000*	*'000*
Decorative planters products			
— Outdoor decorative planters	4,927	6,983	6,462
— Indoor decorative planters	4,273	4,062	4,556
Other gardening products	3,888	6,314	9,821
Total	**13,088**	**17,359**	**20,839**

Note: (1) For the avoidance of doubt, references to the number of units sold in the table above refer to sales units as defined by our Group's pricing and customers' order practices and preferences, rather than individual product pieces. Depending on customer specifications and product configurations, a single unit may comprise multiple pieces packaged or sold together. Accordingly, the number of units sold does not directly correspond to the number of individual pieces shipped. Unit volume data is presented for information purposes only and is not intended to be used as the primary basis for period-to-period comparison, which should instead be assessed by reference to revenue, product mix and margin information.

The following table set forth the ASP for each of our product line during the Track Record Period.

	Year ended December 31,		
ASP (1)	**2023**	**2024**	**2025**
	HK$	*HK$*	*HK$*
Decorative planters products			
— Outdoor decorative planters	46.9	46.5	50.6
— Indoor decorative planters	18.6	21.6	22.6
Other gardening products	12.1	9.8	7.3
All products	**27.3**	**27.3**	**24.1**

Note: (1) We have presented an ASP per unit, calculated by dividing revenue of each product line by the number of units sold for the relevant period. However, such ASP per unit should not be regarded as a meaningful indicator of our pricing strategy or period-to-period performance, for the following reasons: (1) units are not the same across products. A "unit" is a commercial ordering unit determined by customer specifications and may comprise different numbers of individual pieces, sizes and packaging formats. As a result, units sold across products and periods are not directly comparable on a like-for-like basis; (2) changes in product mix. Our sales comprise a wide range of products with different specifications and price points. A shift in the types of products sold in a given period may affect the calculated average selling price per unit without reflecting any change in underlying pricing; and (3) order-specific pricing arrangements. Pricing is negotiated on a customer-by-customer and order-by-order basis, taking into account order size, and other commercial terms, which limits the analytical value of such ASP. Accordingly, the ASP per unit is included for reference only and should be read together with revenue, sales volume, product mix and margin information, rather than as a standalone indicator of our operating performance.

OUR CUSTOMERS AND SUPPLIERS

Our Customers

Our customers primarily comprise major mass-merchandise and home-improvement retailers in North America. We supply decorative plastic planters and gardening products to these retailers on a B2B basis, and do not sell directly to end consumers. We have maintained long-standing commercial relationships with several leading U.S. chains, including Lowe's, Walmart, Sam's Club and Costco, and also distribute to Canada, Mexico and Australia. Sales to the United States accounted for the majority of our revenue during the Track Record Period. For more information in relation to our customers, please refer to the section headed "Business — Major Customers and Suppliers — Our Customers" in this document.

High Customer and U.S. Market Concentration

Our revenue is highly concentrated among a limited number of customers and is substantially derived from the United States market. During the Track Record Period, our five largest customers accounted for approximately 96.6%, 94.7% and 92.9% of our total revenue in 2023, 2024 and 2025, respectively. In addition, revenue generated from the United States market amounted to approximately 94.8%, 93.5% and 93.5% of our total revenue in 2023, 2024 and 2025, respectively. Given such concentration, any reduction in orders, delay or cancellation of purchases, non-renewal of contracts, deterioration in our relationships with major customers, or failure by major customers to perform their contractual obligations may materially and adversely affect our business, financial condition and results of operations.

Such high customer and geographic concentration exposes us to risks associated with changes in procurement strategies, sourcing arrangements, inventory management decisions, order volumes or commercial terms adopted by our major customers, as well as adverse developments in the U.S. retail market, fluctuations in consumer demand and changes in U.S. trade policies or tariff measures. Any material reduction in purchases by, or loss of, one or more of our major customers could have a material adverse effect on our business, financial condition and results of operations.

Our Suppliers

As of December 31, 2025, we sourced our key raw materials, including resin, paint and packaging materials, from a diversified pool of more than 50 suppliers. We only engage suppliers that meet our internal qualification standards. Our procurement team conducts assessments covering business operations, product quality, past performance, financial stability and capability to satisfy our technical and quality requirements. We procure strictly in compliance with relevant laws and regulations, and we seek to source materials only from legitimate and traceable channels.

To ensure supply stability and mitigate price volatility, we maintain multiple supply options for major raw materials, with around 30 qualified alternative suppliers within the PRC and Cambodia for each core material category. As confirmed by our Directors, we did not encounter any material raw material shortages or delays during the Track Record Period and up to the Latest Practicable Date. For more information in relation to our suppliers' arrangements, please refer to the section headed "Business — Major Customers and Suppliers — Our Suppliers" in this document.

OUR PRODUCTION FACILITIES

We operate a network of production facilities across the PRC and Cambodia. As of December 31, 2025, we had five production facilities in the PRC (located in Huizhou, Guangdong Province, with an aggregate gross floor area of 123,750.28 sq.m.) and one production facility in Cambodia with a gross floor area of 12,703 sq.m., collectively delivering a designed production capacity exceeding 28.8 million pieces per annum. Our production footprint and scale enable us to support a broad range of product offerings and meet the evolving demands of our customers in the decorative gardening sector.

In 2024, we commenced the establishment of a new production facility in Cambodia (the "**Cambodia Facility**") as part of our "China Plus One" expansion strategy. The Cambodia Facility is designed with a higher degree of automation and benefits from relatively lower labor costs, which together are expected to enhance our overall cost efficiency over time. As of the Latest Practicable Date, the Cambodia Facility was in the ramp-up and trial phase and contributed less than 10% of our total production capacity. We expect its contribution to increase to approximately 30% of our total production capacity over the next few years as utilization improves.

The establishment of our Cambodia Facility enhances our operational flexibility by diversifying our production footprint, thereby reducing geographic concentration risk and improving our ability to respond to changes in trade policies and customer sourcing strategies. It also provides additional capacity to accommodate large-volume orders and supports production continuity and delivery reliability, particularly for our international customers. As utilization improves, the Cambodia Facility is expected to enhance cost absorption and production efficiency.

Below is a summary of annual production capacity, including the number of production machines, annual designed capacity, annual actual capacity and utilization rate during the Track Record Period:

	For the years ended December 31,		
	2023	2024	2025
Number of Machines	51	60	77
Designed Capacity (pieces)	17,833,325	20,441,645	28,822,263
Actual Capacity (pieces)[1]	13,782,003	18,182,814	19,897,507
Utilization Rate (%)	77.3%	88.9%	69.0%

Note: (1) Annual capacity per machine is calculated based on 5.5 operating days per week, 52 weeks per year. The basis for calculating the annual capacity of our production facilities are based on the usual two shifts in total of 16 hours, assuming that all the production machines operate normally throughout the year.

Our utilization rate fluctuated during the Track Record Period, increasing from 77.3% in 2023 to 88.9% in 2024 and subsequently decreasing to 69.0% in 2025, primarily due to changes in customer demand and our production capacity expansion. For further details, please refer to "Business — Our Production Facilities".

U.S. TARIFF AND GARDENING EXEMPTION

A substantial portion of our products is exported to the United States. Our U.S. legal counsel has advised that, during the Track Record Period, our products, primarily decorative plastic planters classified under relevant headings of the Harmonized Tariff Schedule of the United States, were not subject to additional tariffs under Section 301 measures and were eligible for tariff exclusion or exemption commonly referred to as the "Gardening Exemption." Our U.S. legal counsel has further advised that the various additional tariff measures introduced by the Trump Administration, including tariffs imposed under Section 301 of the Trade Act of 1974 and subsequent tariff measures introduced pursuant to Executive Orders and Presidential Proclamations, did not amend or override the Chapter 98 HTSUS provisions governing the Gardening Exemption. Accordingly, products that continue to satisfy the applicable tariff classification and exemption requirements remain eligible for such exemption. As a result, we did not incur any direct tariff costs during the Track Record Period. For further details, including the basis of the advice of our U.S. legal counsel, potential tariff exposure and sensitivity analyses, please refer to "Business — U.S. Tariff and Gardening Exemption".

Notwithstanding the foregoing, developments in U.S. tariff policies may indirectly affect our business. In particular, certain customers adopted a more cautious replenishment approach amid tariff-related uncertainties, resulting in selective order deferrals and adjustments to delivery schedules. There can be no assurance that the Gardening Exemption will continue to apply in the future. If such exemption is modified or withdrawn, our products exported to the United States may become subject to additional tariffs, which could increase costs, reduce price competitiveness, and adversely affect our business, financial condition and results of operations. For further details, please refer to the section headed "Business — U.S. Tariff and Gardening Exemption."

REVENUE BY GEOGRAPHICAL MARKETS

During the Track Record Period, our revenue was predominantly derived from the United States market, with supplementary contributions from Canada, Mexico, Australia and other countries. The table below sets out the breakdown of our revenue by geographical region for the years ended December 31, 2023, 2024 and 2025.

	Year Ended December 31,					
	2023		2024		2025	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
U.S.	338,994	94.8%	443,832	93.5%	469,045	93.5%
Canada	7,071	2.0%	7,947	1.7%	8,375	1.7%
Mexico	5,850	1.6%	13,728	2.9%	13,317	2.6%
Australia	3,496	1.0%	5,665	1.2%	4,558	0.9%
Other countries	2,134	0.6%	3,305	0.7%	6,521	1.3%
Total	**357,545**	**100.0%**	**474,477**	**100.0%**	**501,816**	**100.0%**

Note: Other countries primarily consists of United Kingdom, Chile and Guatemala.

COMPETITION LANDSCAPE

The decorative planter and gardening products sector has relatively high entry thresholds, particularly for new participants. The market is niche compared with broader gardening categories, resulting in a limited pool of specialized talent and manufacturing know-how. New entrants typically require time to build product development capability, mold engineering experience and supply chain scale. Retail procurement cycles are lengthy, and vendor onboarding often spans multiple seasons, making rapid supplier substitution uncommon. Customer relationships tend to be sticky once cooperation is established, driven by tooling compatibility, repeat ordering requirements and quality consistency. Many international retailers also adopt a "China-plus-One" sourcing approach, favoring suppliers with production capability in both the PRC and alternative regions such as Southeast Asia. While Southeast Asia has increased capacity in recent years, it still lags behind the PRC in molding expertise, industrial clustering and resource integration, meaning only a small number of suppliers can meet dual-location manufacturing, quality and scale requirements.

Competition in our core product category is relatively concentrated and primarily comprises a small group of specialized suppliers, including U.S.-based suppliers without in-house production facilities. In contrast, we operate a vertically integrated model with in-house design, mold development, production management and quality inspection, allowing tighter control over cost structure, lead times and product consistency. Our integrated manufacturing footprint across the PRC and Cambodia, combined with tooling capability and established relationships with major North American retailers, provides us with sustained competitive advantages in scalability, cost efficiency and product innovation. For more information in relation to our competition landscape, please refer to the section headed "Business — Competition Landscape" in this document.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth a summary of our historical financial information for the Track Record Period, extracted from the Accountant's Report set out in Appendix I. The summary of consolidated financial data set forth below should be read together with the consolidated financial statements in this document, including the related notes. Our historical financial information are derived from the consolidated financial statements which has been prepared based on the accounting policies in conform with the HKFRS Accounting Standards issued by the HKICPA.

Selected Information from Consolidated Statements of Profit or Loss

	Year ended December 31,		
	2023	2024	2025
	HK$'000	*HK$'000*	*HK$'000*
Revenue	357,545	474,477	501,816
Cost of sales	(157,615)	(192,100)	(212,421)
Gross profit	**199,930**	**282,377**	**289,395**
Other income	3,667	3,455	4,183
Other gains and losses, net	(9,709)	939	(4,316)
Selling and distribution costs	(30,316)	(40,208)	(61,437)
Administrative expenses	(64,498)	(90,509)	(99,109)
[REDACTED]	—	—	(19,765)
Finance costs	(2,024)	(1,635)	(1,485)
Profit before tax	**97,050**	**154,419**	**107,466**
Income tax expense	(17,325)	(28,378)	(25,665)
Profit for the year attributable to owners of the Company	**79,725**	**126,041**	**81,801**
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
(Reversal of impairment loss) impairment loss on trade receivables at FVTOCI, net	(4)	26	(57)
Fair value change on trade receivables at FVTOCI	(2,235)	(849)	(4,480)
Reclassification adjustment on derecognition of trade receivables at FVTOCI	2,235	849	4,480
Exchange differences arising on translation of foreign operations	(1,419)	(2,499)	4,763
Total comprehensive income for the year attributable to owners of the Company	**78,302**	**123,568**	**86,507**

Non-HKFRS Financial Measures

We use adjusted net profit (Non-HKFRS measure), which is a non-HKFRS financial measure, to evaluate our operating results and for financial and operational decision-making purposes. We define adjusted net profit (Non-HKFRS measure) as net profit adjusted by adding back **[REDACTED]**. We believe this measure is useful because it facilitates a supplemental assessment of our operating performance. **[REDACTED]** primarily refer to the expense incurred in relation to this **[REDACTED]**. See "Financial Information — Non-HKFRS Financial Measure" for details.

The following table presents our non-HKFRS financial measure for the years ended December 31, 2023, 2024 and 2025.

	For the year ended December 31,		
	2023	2024	2025
	HK$'000	*HK$'000*	*HK$'000*
Net profit for the year	**79,725**	**126,041**	**81,801**
Add: **[REDACTED]**	—	—	19,765
Adjusted net profit for the year (non-HKFRS measure)	**79,725**	**126,041**	**101,566**

Our adjusted net profit increased from HK$79.7 million in 2023 to HK$126.0 million in 2024, primarily due to the increase in revenue and gross profit resulting from the recovery in customer demand and increased sales volume during the year. Our adjusted net profit subsequently decreased to HK$101.6 million in 2025, primarily due to (i) the increase in selling and distribution expenses and administrative expenses associated with the expansion of our business operations; (ii) an increase in net other losses during the year; and (iii) the expansion of our production capacity, including the ramp-up of our Cambodia Facility, which resulted in additional operating costs being incurred ahead of the full utilization of such capacity. As a result, although our revenue increased in 2025, our adjusted net profit decreased compared to 2024.

Revenue

We generate revenue primarily from the sale of (i) outdoor decorative planters; (ii) indoor decorative planters; and (iii) other gardening products. During the Track Record Period, outdoor decorative planters were our largest revenue contributor. In 2023, 2024 and 2025, our revenue amounted to HK$357.5 million, HK$474.5 million and HK$501.8 million, respectively.

Outdoor Decorative Planters: For the years ended December 31, 2023, 2024 and 2025, revenue from outdoor decorative planters amounted to HK$230.9 million, HK$325.0 million and HK$326.7 million, representing 64.6%, 68.5% and 65.1% of our total revenue for the respective years. The increase from 2023 to 2024 primarily reflected the normalization of retailer inventory levels following destocking and the resumption of more typical seasonal ordering patterns. Revenue remained broadly stable from 2024 to 2025, with the slight increase mainly reflecting continued procurement demand, notwithstanding some adjustments in customers' ordering pace and delivery scheduling during 2025 amid tariff-related cost considerations.

Indoor Decorative Planters: For the years ended December 31, 2023, 2024 and 2025, revenue from indoor decorative planters amounted to HK$79.5 million, HK$87.7 million and HK$103.0 million, representing 22.2%, 18.5% and 20.5% of our total revenue for the respective years. Revenue in this category demonstrated a more stable growth trend relative to outdoor decorative planters, supported by continued home-décor preference trends, the rise of indoor gardening in urban living environments, and increasing consumer demand for smaller design-focused products. Growth in 2024 was driven by improved retail sell-through, expanded program participation by existing customers, including increased purchase volumes under both existing and newly launched products, and broadened SKU offerings featuring updated designs and functional formats (including lightweight materials and contemporary coatings). Revenue further increase in 2025 primarily driven by steady customer demand and incremental contributions from new product introductions and refreshed design offerings.

Other Gardening Products: For the years ended December 31, 2023, 2024 and 2025, revenue from other gardening products amounted to HK$47.2 million, HK$61.9 million and HK$72.2 million, representing 13.2%, 13.0% and 14.4% of our total revenue for the respective years This segment includes supplementary gardening and décor accessories such as growers pots, resin planters, saucers, self-watering systems, vertical garden pieces and hose bowls. Revenue in this category remained relatively stable over the Track Record Period. The increase from 2023 to 2024 primarily reflected customers expanding their product range as procurement patterns normalized following destocking, and the further increase in 2025 reflected continued normalization in ordering patterns and broader product assortment demand.

Across all product categories, performance movements during the Track Record Period reflected a mix of market-wide inventory adjustments and subsequent normalization in customer procurement patterns. The recovery observed in 2024 and continued into 2025 primarily reflected the resumption of regular ordering cycles, improved alignment between inventory levels and end-consumer demand, and stable underlying market demand across our product categories.

Cost of Sales

Our cost of sales primarily reflects the scale and mix of our manufacturing activities and is principally driven by raw material consumption, direct labor and manufacturing overheads. Raw materials, in particular resin-based inputs, represent the largest component of our cost of sales and are influenced by production volume, product specifications and prevailing market prices. Direct labor and manufacturing overheads are affected by production scale, factory utilization and the level of automation across our manufacturing processes. Accordingly, movements in our cost of sales during the Track Record Period were mainly attributable to changes in shipment volume and product mix, fluctuations in resin prices and movements in the exchange rate between Renminbi and United States dollars, as well as efficiency gains from ongoing automation initiatives.

Our cost of sales increased from HK$157.6 million in 2023 to HK$192.1 million in 2024, primarily driven by higher shipment volumes following the recovery in customer ordering after the 2023 destocking cycle, which led to increased consumption of raw materials, direct labor and manufacturing overheads. The increase was partially offset by (i) lower market prices of resin during the year, and (ii) the continued depreciation of Renminbi against United States dollars, which helped moderate Renminbi-denominated raw material procurement costs.

Our cost of sales further increased to HK$212.4 million in 2025, in line with continued growth in revenue and production volume. The increase also reflected changes in product mix, in particular a higher proportion of larger-sized outdoor decorative planters, which generally involve higher raw material consumption per unit and therefore increase overall cost intensity. In addition, cost of sales was affected by the appreciation of Renminbi against the United States Dollar during the year, which increased our production costs. Furthermore, following the expansion of our production capacity in the PRC and the ramp-up of newly established production facilities, including our Cambodia operations, certain newly added or reserved production capacity had not yet been fully utilized during the year, resulting in higher per-unit overhead absorption. These factors were partially offset by continued efficiency improvements arising from automation and production optimization initiatives.

Gross Profit and Gross Profit Margin

In 2023, 2024 and 2025, our gross profit amounted to HK$199.9 million, HK$282.4 million and HK$289.4 million, respectively, representing gross profit margins of 55.9%, 59.5% and 57.7%, for the corresponding years. The increase in gross profit margin from 2023 to 2024 was attributable to a combination of factors. In particular, more favorable input cost conditions during the period, including lower raw material costs and the impact of Renminbi depreciation against the United States Dollar, contributed to lower unit production costs. Changes in product mix within and across product categories also affected margin performance during the period. In addition, the gradual normalization of customer ordering patterns following the 2023 destocking cycle improved capacity utilization and operating leverage, resulting in lower per-unit overhead allocation.

In 2025, the decrease in gross profit margin compared to 2024 was primarily attributable to the appreciation of Renminbi against the United States Dollar, which increased our production costs. In addition, following the expansion of our production capacity in the PRC and the ramp-up of newly established production facilities, including our Cambodia operations, certain newly added or reserved production capacity had not yet been fully utilized, resulting in higher per-unit overhead absorption. These factors were partially offset by continued efficiency improvements arising from automation and production optimization initiatives.

Taken together, these factors supported our Group's gross profitability across the Track Record Period. The following table sets forth our gross profit and gross profit margin by product categories for the periods indicated:

	Year Ended December 31,					
	2023		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Decorative planters products						
— Outdoor decorative planters. . .	134,315	58.2%	198,419	61.1%	192,376	58.9%
— Indoor decorative planters . . .	41,830	52.6%	50,730	57.9%	56,525	54.9%
Other gardening products	23,785	50.4%	33,228	53.7%	40,494	56.1%
Total gross profit/gross profit margin	**199,930**	**55.9%**	**282,377**	**59.5%**	**289,395**	**57.7%**

Outdoor Decorative Planters: Our outdoor decorative planters are our largest revenue contributor during the Track Record Period. Gross profit margin for outdoor decorative planters improved in 2024 compared with 2023, primarily attributable to the recovery in shipment volume following the 2023 destocking cycle, which improved capacity utilization and reduced per-unit overhead absorption. In addition, lower resin prices and favorable exchange rate movements during the year contributed to lower unit production costs. In 2025, gross profit margin for outdoor decorative planters decreased slightly compared with 2024, primarily reflecting changes in product mix, including a higher proportion of larger-sized products. Larger-sized decorative planters generally require significantly greater resin and other raw material inputs per unit, resulting in higher manufacturing costs. Although such products typically command higher selling prices, the increase in production costs did not fully offset the corresponding increase in selling prices, resulting in lower gross profit margins compared with smaller-sized products. In addition, margin performance was affected by the appreciation of Renminbi against the United States Dollar during the year, which increased production costs denominated in Renminbi, as well as higher per-unit overhead absorption arising from the ramp-up of newly expanded production capacity. These factors partially offset by continued operational improvements and stable input cost conditions.

Indoor Decorative Planters: Our indoor decorative planters generally achieve higher margins than outdoor products due to smaller unit size, lower resin usage and greater design-led differentiation. Demand remained resilient during the Track Record Period, supported by home décor trends, urban indoor gardening preferences and the introduction of refreshed collections. Margin stability also benefited from streamlined handling requirements and shorter production cycles compared with large-format planters. Gross profit margin for indoor decorative planters improved in 2024 as compared with 2023, supported by improved retail sell-through, an enhanced product mix resulting from increased sales of newly introduced smaller-sized indoor planter products and refreshed product offerings. Compared with outdoor decorative planter products, which are typically larger in size, such indoor products generally require less resin and other raw material inputs per unit and therefore typically achieve higher gross profit margins. In addition, lower resin prices during 2024 further reduced raw material costs and contributed to the improvement in gross profit margin. In 2025, gross profit margin for indoor decorative planters decreased compared with 2024. The decrease was primarily attributable to the appreciation of Renminbi against the United States Dollar, which increased production costs denominated in Renminbi, as well as higher per-unit overhead absorption associated with the ramp-up of newly expanded production capacity. These factors were partially offset by continued demand and a relatively consistent product mix, as well as increased adoption of automation in our production processes, which enhanced operational efficiency and cost control.

Other Gardening Products: Our other gardening products represent a smaller but stable revenue contributor with moderate margins that vary by SKU type. This category includes growers' pots, resin items, saucers, self-watering pots and other accessories sold as complementary products to core products. The improvement in our gross profit margin in 2024 compared with 2023 was primarily attributable to higher production volume and improved cost absorption following the 2023 destocking cycle, as well as lower resin prices. In 2025, gross profit margin for this category continue to increase, primarily driven by favorable product mix, with a higher contribution from higher-margin product lines. The positive impact of product mix more than offset the effects of Renminbi appreciation and higher per-unit overhead absorption associated with capacity expansion, together with relatively stable input cost conditions.

Net Profit and Net Profit Margin

Our profitability remained resilient over the Track Record Period with visible improvement in 2024 as customer order recovery and operational efficiency strengthened. In 2023, 2024 and 2025, our net profit amounted to HK$79.7 million, HK$126.0 million and HK$81.8 million, representing net profit margins of 22.3%, 26.6% and 16.3%, respectively.

The margin uplift in 2024 primarily reflected improved sell-through by U.S. retailers as destocking pressures eased, a more favorable product mix, including higher-margin indoor products and deeper SKU penetration, as well as lower resin prices and favorable movements in the RMB/USD exchange rate, which helped reduce raw material and production costs. In 2025, net profit and net profit margin decreased compared to 2024, primarily due to a combination of factors. In particular, the decrease in gross profit margin reflected changes in product mix within our outdoor decorative planters segment, including a higher proportion of larger-sized products, as well as the appreciation of Renminbi against the United States Dollar, which increased our production costs denominated in Renminbi. In addition, the ramp-up of our Cambodia production facility and expansion of production capacity in the PRC resulted in higher per-unit overhead absorption during the initial phase of operations. Further, administrative expenses increased during the year, primarily due to the recognition of **[REDACTED]**. These factors were partially offset by continued revenue growth and operational improvements during the year.

For detailed analysis, please refer to the section headed "Financial Information — Description of Major Components of Consolidated Statements of Profit or Loss and Other Comprehensive Income" in this document.

Selected Items in Our Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated:

	As of December 31,		
	2023	2024	2025
	HK$'000	*HK$'000*	*HK$'000*
Non-current assets	78,636	90,399	116,850
Current assets	348,927	397,131	347,765
Current liabilities	106,741	179,857	313,292
Net current assets	242,186	217,274	61,473
Non-current assets	22,339	24,775	8,840
Net assets	298,483	282,898	169,483

Fluctuation in Net Current Assets During the Track Record Period

Our net current assets decreased from HK$242.2 million as of December 31, 2023 to HK$217.3 million as of December 31, 2024, primarily due to an increase in current liabilities, including higher trade and other payables and the recognition of dividend payables during the year, which more than offset the increase in current assets.

As of December 31, 2025, our net current assets further decreased to HK$61.5 million, mainly reflecting a significant increase in current liabilities, including higher trade and other payables, borrowings and dividend payables, as well as an increase in amounts due to a director. While current assets also increased during the year, driven by higher inventories and trade receivables in line with business expansion, such increase was outpaced by the growth in current liabilities.

Fluctuation in Net Assets During the Track Record Period

As of December 31, 2023, our net assets were HK$298.5 million, primarily reflecting retained earnings generated from profit for the year of HK$79.7 million, partially offset by dividend recognized as distribution of HK$19.3 million and statutory reserve transfers.

As of December 31, 2024, our net assets decreased to HK$282.9 million, notwithstanding profit for the year of HK$126.0 million. The decrease was primarily attributable to dividend recognized as distribution of HK$139.2 million, which exceeded the profit generated during the year. Accordingly, the decrease in net assets in 2024 primarily reflected shareholder distributions rather than deterioration in operating performance.

As of December 31, 2025, our net assets further decreased to HK$169.5 million, primarily attributable to dividend recognized as distribution of HK$200.0 million during the year, which exceeded profit for the year of HK$81.8 million.

Selected Items in Our Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flows during the Track Record Period:

	Year ended December 31,		
	2023	2024	2025
	HK$'000	*HK$'000*	*HK$'000*
Net cash flows generated from operating activities	160,796	117,001	141,717
Net cash flows used in investing activities	(142,700)	(36,281)	(189,143)
Net cash flows used in financing activities	(60,562)	(22,291)	27,242
Net (decrease)/increase in cash and cash equivalents	**(42,466)**	**58,429**	**(20,184)**
Cash and cash equivalents at beginning of year	90,586	47,080	103,764
Effect of foreign exchange rate changes	(1,040)	(1,745)	2,019
Cash and cash equivalents at end of year	**47,080**	**103,764**	**85,599**

Key Financial Ratios

The following table sets forth a summary of our key financial ratios during the Track Record Period and should be read in conjunction with the Accountants' Report included as Appendix I to this document.

	As of December 31,		
	2023	2024	2025
Current ratio [(1)]	3.27x	2.21x	1.20x
Quick ratio[(2)]	3.01x	2.01x	0.94x
Return on assets[(3)]	18.7%	25.9%	16.6%
Return on equity[(4)]	26.7%	44.6%	48.3%
Interest coverage ratio[(5)]	48.95x	95.45x	73.37x
Gearing ratio[(6)]	12.3%	15.6%	33.7%

Notes:

1. Current ratio is calculated by dividing total current assets by total current liabilities as of the end of respective year.
2. Quick ratio is calculated by dividing total current assets less inventories by total current liabilities as of the end of respective year.
3. Return of assets is calculated by dividing net profit by total assets as of the end of the respective year and multiplied by 100%.
4. Return on equity is calculated by dividing net profit by total equity as of the end of the respective year and multiplied by 100%.
5. Interest coverage ratio is calculated by dividing profit before interest and tax by interest expenses for the respective year.
6. Gearing ratio is calculated by dividing total interest-bearing liabilities by total equity as of the end of the respective year and multiplied by 100%.

For details, please refer to the section headed "Financial Information — Summary of Financial Ratios" in this document.

DIVIDENDS

During the Track Record Period, our Group declared dividends of HK$19.3 million, HK$139.2 million and HK$200.0 million for the financial years ended December 31, 2023, 2024 and 2025, respectively. The aggregrate outstanding dividend payable as of December 31, 2025 amounted to HK$62.6 million. As of the Latest Practicable Date, all outstanding dividends had been fully settled and there was no outstanding dividend payable. The declaration and payment of such dividends were determined by our Board of Directors having regard to our Group's financial position, cash flow position and operational needs at the relevant times. Please also refer to "— Recent Developments and No Material Adverse Change" in this section for details of how we plan to settle the outstanding payable dividends.

Upon **[REDACTED]**, we will adopt a general annual dividend policy of declaring and paying dividends on an annual basis of no less than 20% of our profit attributable to Shareholders of the Company for the relevant year. The dividends will be distributed to Shareholders based on a payment proposal by the Board, after taking into consideration of compliance with any applicable financial covenants and, if any, with further financial needs of the Company.

Save as disclosed above, we do not currently have any other formal dividend policy or any fixed or pre-determined dividend payout ratio, and any declaration of dividends is subject to the discretion of our Directors, and, if necessary, the approval of our Shareholders. Our Board will take into account market conditions, our financial condition, results of operations, prospects, cash flow, capital requirements and reserves and potential limitations on the payment of dividends contained in financing agreements to which we are part of and other factors that our Directors consider relevant. Any declaration and payment as well as the amounts of dividends will be subject to our constitutional documents and applicable restrictions under Cayman law, including the approval from our Shareholders. Our future declarations of dividends may or may not reflect our historical declarations of dividends. In addition, our Directors may reassess our dividend policy in the future.

We may distribute dividends by way of cash or by other means that we consider appropriate. As advised by our legal advisor on Cayman Islands law, under the laws of the Cayman Islands, dividends may be declared and paid out of our profits or share premium account, provided that immediately following the date on which the distribution or dividend is proposed to be paid, our Company shall be able to pay its debts as they fall due in the ordinary course of business.

[REDACTED]

Based on the **[REDACTED]** of the indicative **[REDACTED]** and assuming the **[REDACTED]** is not exercised, we estimate that our **[REDACTED]** will be approximately **[REDACTED]**, **[REDACTED]**. Our total **[REDACTED]** consist of (i) **[REDACTED]** (including **[REDACTED]**, Stock Exchange trading fee, and SFC transaction levy and AFRC transaction levy) of **[REDACTED]**; and (ii) non-**[REDACTED]** related expenses of **[REDACTED]**, including (a) fees payable to Sole Sponsor, legal advisors and Reporting Accountants of **[REDACTED]** and (b) other fees and expenses of **[REDACTED]**.

[REDACTED], a total of **[REDACTED]** is expected to be accounted for as a deduction from equity in accordance with the relevant accounting standard, and the other **[REDACTED]** of **[REDACTED]** incurred after the Track Record Period is expected to be charged to our consolidated statements of profit or loss and other comprehensive income. The **[REDACTED]** above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate. Our Directors do not expect such expenses to materially impact our results of operations in 2025.

[REDACTED]

[REDACTED]

Assuming an **[REDACTED]** of **[REDACTED]** per **[REDACTED]** (being the **[REDACTED]** of the stated range of the **[REDACTED]** of between **[REDACTED]** and **[REDACTED]** per **[REDACTED]**) and that the **[REDACTED]** is not exercised, we estimate that we will receive **[REDACTED]** of approximately **[REDACTED]** from the **[REDACTED]** after deducting the **[REDACTED]** and other estimated expenses in connection with the **[REDACTED]**. In line with our strategies, we intend to use our **[REDACTED]** from the **[REDACTED]** for the purposes and in the amounts set forth below:

- Approximately **[REDACTED]** (or **[REDACTED]**) is expected to be used for the acquisition of factories.
- Approximately **[REDACTED]** (or **[REDACTED]**) is expected to be used for expanding the production capacities expansion of our Cambodia and PRC's facilities.
- Approximately **[REDACTED]** (or **[REDACTED]**) is expected to be used for the development, sales, and promotion of our new products as well as premium plant products targeting the high-end market.
- Approximately **[REDACTED]** (or **[REDACTED]**) is expected to be used for diversification efforts in the European and Australian markets.
- Approximately **[REDACTED]** (or **[REDACTED]**) is expected to be used for the procurement and implementation of a new Enterprise Resource Planning (ERP) systems.
- Approximately **[REDACTED]** (or **[REDACTED]**) is expected to be used for working capital and other general corporate purposes.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Since the end of the Track Record Period, our business operations have remained stable and continued to demonstrate positive operating momentum. Our revenue has continued to grow, supported by sustained customer demand and ongoing fulfillment of purchase orders from our major customers across our core product categories. Customer order intake has remained strong, with orders being placed on a regular basis and generally in line with customers' established procurement schedules and seasonal program. We have continued to execute customer orders in accordance with agreed delivery timelines, and have not experienced any material increase in order deferrals, cancellations, or abnormal changes to order terms since the end of the Track Record Period.

Cambodia Production Facility: As of the Latest Practicable Date, we operated a production facility in Cambodia comprising approximately 12,703 sq.m., the lease of which is scheduled to expire in January 2027. The Cambodia facility was initially established as our first production platform outside the PRC, enabling us to develop operational experience, establish local production capabilities and assess the operating environment in Cambodia. In light of our anticipated production requirements, including confirmed customer orders and production planning, we are currently evaluating potential production sites in Cambodia and are in the process of negotiating a lease for a new production facility comprising approximately 45,000 sq.m. We expect this new facility to become our principal production platform in Cambodia and to support both our near-term and long-term production capacity requirements. Subject to the successful completion of the lease negotiations, we currently intend to continue utilizing the existing Cambodia facility until the expiry of its lease term and gradually transition our operations to the new facility thereafter.

Customers Diversification Initiatives: We continue to explore opportunities to diversify our customer base and geographic market exposure beyond the United States. As of the Latest Practicable Date, such efforts remained at a preliminary stage and primarily involved market research and assessment of potential business opportunities in selected overseas markets, including Europe and Australia. As our planned expansion is expected to be funded substantially by the **[REDACTED]** from the **[REDACTED]**, our diversification efforts had not resulted in any material change to our customer concentration or geographic revenue profile as of the Latest Practicable Date.

Our Directors confirm that, as of the Latest Practicable Date, there has been no material adverse change in our financial or trading position, our business operations, customer demand, or overall operating conditions since the end of the Track Record Period.

As of December 31, 2025, our Group had cash and cash equivalents of approximately HK$85.6 million. The aggregate outstanding dividends payable amounted to HK$62.6 million as of the December 31, 2025. As of the Latest Practicable Date, all outstanding dividends had been fully settled and there was no outstanding dividend payable. Our Directors confirm that such outstanding dividends are expected to be settled from our Group's internal resources generated from operations, including accumulated profits and operating cash flows. For the year ended December 31, 2025, our Group recorded profit of HK$81.8 million and net operating cash inflow of HK$141.7 million. As of December 31, 2025, our Group also had retained earnings of HK$166.3 million. Our Directors consider these resources sufficient to support the payment of the outstanding dividends.

Our Directors confirm that, after giving effect to the proposed dividend and the arrangement described above, our Group will maintain sufficient working capital for its present requirements for at least the next 12 months from the date of this document, and the proposed dividend will not have a material adverse impact on our Group's liquidity position or operations.

Looking ahead, our Group plans to expand our new material product lines and upgrade our product portfolio. By focusing on product differentiation and innovation, we aim to create sustainable growth momentum and deliver greater value to our customers.

Our Directors confirm that our business operations and business model have remained stable after the Track Record Period and up to the date of this document as there were no material changes to our business model and the general economic and regulatory environment in which we operate.

OUR CONTROLLING SHAREHOLDER

As of the Latest Practicable Date, Mr. Lo is interested in and controls an aggregate of 78.2% of the issued share capital in our Company.

Upon completion of the Share Subdivision and the **[REDACTED]** (assuming that the **[REDACTED]** is not exercised, and without taking into account the Shares which may be issued upon the exercise of any options which have been granted under the **[REDACTED]** Share Option Scheme or may be granted under the **[REDACTED]** Share Option Scheme), Mr. Lo will be directly interested in and control an aggregate of **[REDACTED]** of the issued share capital in our Company.

Accordingly, Mr. Lo is our Controlling Shareholder. For the background of Mr. Lo, please refer to the section headed "Directors and Senior Management" in this document.

RISK FACTORS

Our business and the **[REDACTED]** involve certain risks as set out in "Risk Factors" in this document. You should read that section in its entirety carefully before you decide to **[REDACTED]**. Some of the major risks we face include:

- Our revenue during the Track Record Period was primarily driven by a concentrated group of customers, the majority of which are large retailers in the U.S.. Accordingly, our business is exposed not only to customer concentration risk but also to risks affecting the U.S. retail market, including changes in consumer demand, economic conditions, trade policies and tariff measures. Any reduction in orders, delay or cancellation of purchases, non-renewal of contracts, or failure by such customers to perform their contractual obligations may materially and adversely affect our business, financial condition and results of operations;
- The expansion and profitability of our business depend on the level of consumer demand and discretionary spending, which could be greatly affected by factors such as economic downturn and inflation globally;
- Our success is dependent on the continued popularity of our products, successful launches of new products, and our ability to anticipate and respond to changes in consumer preferences in a timely manner;
- Our financial performance may be affected by fluctuations in the price of raw materials and we may not be able to pass on the increase in raw materials cost to our customers;
- Fluctuations in currency exchange rates may lead to volatility in our results of operations;
- Uncertainty in global trade environment, geopolitical and armed border conflicts, could materially and adversely affect our results of operations and financial condition; and
- Our products that are shipped to the U.S. benefit from certain tax exemption regime, which may be changed in the future. In such event, these customers' operations may be negatively affected, and in turn affect our revenue generated from these customers.