
FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

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

USE OF [REDACTED]

We estimate the [REDACTED] of the [REDACTED] which we will receive, assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-end of the [REDACTED] range stated in this document), will be approximately HK\$[REDACTED], after deduction of [REDACTED] fees and [REDACTED] and estimated expenses payable by us in connection with the [REDACTED] and assuming the [REDACTED] is not exercised.

In line with our business strategies, we intend to use the [REDACTED] of the [REDACTED] for the following purposes:

- approximately [REDACTED]% (or HK\$[REDACTED]) will be used to expand the overseas footprint of our cold chain agricultural product sales business and digital and intelligent cold chain integrated solutions. In particular:
 - (i) approximately [REDACTED]% (or HK\$[REDACTED]) will be used to expand our cold chain agricultural product sales business to selected overseas markets, with a strategic focus on developing our “*Yueshi Selected*” branded products through closer collaboration with upstream overseas suppliers. Through this initiative, we intend to establish a proprietary cold chain agricultural product brand system under the “*Yueshi Selected*” brand, whereby products sourced directly from designated origin regions will be supplied directly to selected overseas markets, including Southeast Asia, North America and Europe.

During the initial pilot stage, we intend to prioritize the promotion of the “*Yueshi Selected*” brand in Southeast Asia and progressively implement the plan through the following key steps: (a) conducting preliminary market research to identify suitable overseas markets, assess local consumer demand and analyze market characteristics; (b) based on the results of such market research, initially focusing on product categories with strong local demand and in which we already possess relevant trading experience, such as beef products, and gradually expanding into additional product categories as the business scales; (c) strengthening cooperation with upstream source suppliers through longer-term framework supply arrangements, joint product development, co-branded packaging and other commercial cooperation models, with a view to enhancing supply stability and developing differentiated branded products; (d) establishing local sales, marketing and customer service teams and developing distribution channels to support the direct-from-origin supply model and facilitate localized operations in overseas markets; and (e) carrying out brand positioning and marketing activities to enhance the overseas recognition of the “*Yueshi Selected*” brand and cultivate long-term customer loyalty.

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The following table sets forth the timeframe of [REDACTED] utilization for the promotion of “Yueshi Selected” brand in overseas markets:

	Year ending December 31,		
	2027	2028	2029
	(HKD in [REDACTED])		
Preliminary market research	[REDACTED]	[REDACTED]	[REDACTED]
Product development and branding	[REDACTED]	[REDACTED]	[REDACTED]
Supplier cooperation arrangement	[REDACTED]	[REDACTED]	[REDACTED]
Marketing, sales and operational support	[REDACTED]	[REDACTED]	[REDACTED]
Total [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

The [REDACTED] allocated to supplier cooperation arrangements will primarily be used to deepen our cooperation with selected upstream overseas suppliers with whom we already maintain trading relationships or intend to establish strategic partnerships. Such cooperation may include entering into longer-term framework supply arrangements, conducting joint product development, developing co-branded packaging and carrying out supplier qualification assessments and product quality inspections. These initiatives are intended to strengthen our direct sourcing relationships with overseas suppliers, enhance supply stability and product traceability, and support the development of differentiated products under the “Yueshi Selected” brand.

Our Directors believe that the overseas expansion plan is commercially feasible and achievable. We intend to prioritize selected Southeast Asian markets during the initial pilot stage, which we believe are attractive due to their growing demand for imported cold chain agricultural products, relatively mature cold chain infrastructure and geographic proximity to the PRC. In addition, we already maintain trading relationships with suppliers and business partners in certain Southeast Asian countries, which provide us with market insights and operational experience that can facilitate our initial market entry and expansion. Furthermore, our overseas expansion strategy will initially focus on product categories and sourcing regions with which we already have substantial trading experience, such as beef products sourced from South America and fruits sourced from Southeast Asia. We intend to leverage our existing supplier resources, procurement capabilities and industry know-how to reduce execution risks associated with entering overseas markets.

As a new entrant in the relevant overseas markets, we do not intend to compete solely on price or pursue rapid large-scale expansion. Instead, we plan to initially target selected customer groups and product categories where demand for high-quality and traceable cold chain agricultural products is strong. By leveraging our direct-from-origin supply model, closer cooperation with upstream suppliers and the “Yueshi Selected” brand, we seek to differentiate ourselves through product quality, supply stability and traceability. We also intend to adopt a phased approach by initially launching pilot projects in selected markets and progressively expanding our product offerings and market coverage based on market response and operational experience. Our digital and intelligent cold chain integrated solutions, including our capabilities in demand forecasting, supply chain coordination and inventory management, are expected to support the efficient operation of our overseas business.

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We believe that the promotion of the “Yueshi Selected” brand in overseas markets will enhance our gross margin potential through proprietary branded products, improve product quality consistency and traceability, strengthen customer retention and supply stability, and optimize working capital management through deeper cooperation with upstream suppliers. This initiative is also expected to diversify our revenue streams beyond the PRC market and create cross-selling opportunities for our “Yueshi Selected” branded products and digital and intelligent cold chain integrated solutions;

- (ii) approximately [REDACTED]% (or HK\$[REDACTED]) will be allocated to expanding the overseas footprint of our digital and intelligent cold chain integrated solutions. This initiative will primarily focus on deploying our solutions in selected overseas markets where we already maintain established commercial relationships, with Southeast Asia expected to be the initial focus region.

Under this initiative, we plan to: (a) conduct preliminary assessments of overseas warehousing resources at key agricultural product circulation nodes, including on-site evaluations, third-party due diligence, legal and compliance assessments, and negotiation of framework cooperation arrangements; (b) enhance the international adaptability of our solutions through modular upgrades, including multilingual functionality, integration with local warehouse management systems, and adaptation to local operational and regulatory requirements, to support scalable overseas deployment; (c) deploy our solutions at selected overseas warehousing facilities as pilot and demonstration projects to validate system applicability, operational integration and execution effectiveness; and (d) progressively expand deployment to additional circulation nodes and, where appropriate, origin-based consolidation warehouses, subject to pilot results and commercial feasibility.

In addition, we plan to establish localized technical support and customer service capabilities, including local team set up, personnel training and compliance support, to facilitate the localized implementation and operation of our solutions.

The following table sets forth the timeframe of [REDACTED] utilization for expansion of our digital and intelligent cold chain integrated solutions:

	Year ending December 31,		
	2027	2028	2029
	(HKD in [REDACTED])		
Preliminary assessment	[REDACTED]	[REDACTED]	[REDACTED]
Modular upgrades	[REDACTED]	[REDACTED]	[REDACTED]
Technical support and customer service	[REDACTED]	[REDACTED]	[REDACTED]
Total [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

We believe this initiative will strengthen our overseas operational capabilities and enhance the international scalability of our digital and intelligent cold chain integrated solutions. It is also expected to deepen our relationships with overseas supply chain participants, support cross-border cold chain circulation, create cross-selling opportunities with our cold chain agricultural product sales business and “Yueshi Selected” branded products, and diversify our revenue sources geographically;

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- approximately [REDACTED]% (or HK\$[REDACTED]) will be used to deepen the penetration of our cold chain agricultural product sales business in the domestic market. In particular:

- (i) approximately [REDACTED]% (or HK\$[REDACTED]) will be used for diversification of imported cold chain agricultural product offerings. Leveraging the data analytics capabilities of the *Yueshi Intelligent Cold Chain Cloud Platform*, we will identify high-potential product categories based on historical transaction data, customer procurement behavior and regional demand characteristics, and conduct pilot procurement in controlled volumes to validate market acceptance, supply chain feasibility and inventory risk before progressively scaling up commercially viable categories.

We intend to apply these [REDACTED] to expand and optimize our imported cold chain agricultural product portfolio through a phased approach: (a) identifying high-potential product categories using data analytics, and conducting pilot procurement, including system enhancement and initial inventory and logistics support; (b) establishing and strengthening direct sourcing relationships with overseas primary suppliers through supplier identification, on-site inspections, qualification, certification, and contractual arrangements; and (c) scaling up procurement of validated product categories, such as frozen beef and beef by-products, frozen seafood and aquatic products, and tropical fruits and frozen fruit pulp, and expanding distribution across customer network. We also intend to source and distribute new product categories in the Chinese Mainland, including lamb and fruits from Chile, as well as fish from Peru, Oman and Spain. In addition, we will allocate certain [REDACTED] to support supply chain stability through foreign exchange risk management, cross-border trade insurance, and ongoing compliance and certification.

The following table sets forth the timeframe of [REDACTED] utilization for diversification of imported cold chain agricultural product offerings:

	Year ending December 31,		
	2027	2028	2029
	(HKD in [REDACTED])		
Product selection and pilot procurement	[REDACTED]	[REDACTED]	[REDACTED]
Direct sourcing relationship development	[REDACTED]	[REDACTED]	[REDACTED]
Scaling of procurement and distribution	[REDACTED]	[REDACTED]	[REDACTED]
Supply chain risk management and operational support	[REDACTED]	[REDACTED]	[REDACTED]
Total [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

- (ii) approximately [REDACTED]% (or HK\$[REDACTED]) of the [REDACTED] will be used to develop and promote the “*Yueshi Selected*” branded product portfolio in the Chinese Mainland market. Unlike our overseas expansion initiative, which focuses on establishing localized overseas operations and direct-from-origin supply capabilities in selected overseas markets, this domestic initiative will primarily focus on product development, supplier integration, brand promotion and domestic channel expansion within the Chinese Mainland market.

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Under this initiative, we intend to selectively develop “*Yueshi Selected*” branded products from both our imported and domestically sourced product portfolio by identifying product categories and SKUs that meet our standards for quality, consistency and traceability. Such products will then be progressively launched in the Chinese Mainland market under the “*Yueshi Selected*” brand.

At the same time, we plan to strengthen cooperation with selected domestic upstream agricultural producers and suppliers to improve product standardization, quality control and traceability. In particular, we intend to establish “*Yueshi Selected*” brand demonstration bases in selected regions within the Chinese Mainland and, where appropriate, enter into longer-term cooperation arrangements with qualified domestic suppliers to secure stable access to quality supply. Certain “*Yueshi Selected*” branded products developed under our overseas sourcing initiative may also be introduced into the Chinese Mainland market as part of the domestic branded product portfolio.

In addition, we intend to enhance the domestic market recognition of the “*Yueshi Selected*” brand through participation in industry events, targeted customer engagement activities and closer cooperation with domestic distributors and cold chain circulation participants. Through these efforts, we aim to expand customer coverage, improve sales execution efficiency, strengthen customer loyalty and support the scalable growth of our domestic cold chain agricultural product sales business.

The establishment of the “*Yueshi Selected*” proprietary brand is an important component of our long-term growth strategy in both the Chinese Mainland and overseas markets. Through proprietary branding, we aim to enhance product differentiation, strengthen customer recognition and loyalty, deepen cooperation with upstream suppliers and develop differentiated products tailored to customer preferences. In the Chinese Mainland, we intend to leverage our existing customer base to promote branded products through cross-selling and expand into customer segments with higher requirements for product standardization and traceability. In overseas markets, we seek to establish a direct-from-origin supply model and gradually build the recognition of the “*Yueshi Selected*” brand.

Compared with traditional trading activities, proprietary branded products are expected to provide greater gross margin potential by enabling us to capture additional value through branding, product standardization and closer integration with upstream suppliers. In addition, we believe that product standardization, quality consistency and traceability will strengthen customer retention and support more stable revenue generation. The development and promotion of the “*Yueshi Selected*” brand may result in additional costs, including expenses relating to branding and marketing activities, supplier cooperation arrangements, product development and quality control, which may increase our operating expenses and working capital requirements in the short term. However, we believe that, as our branded product portfolio expands, such investments will be supported by enhanced gross profit generation, improved customer retention and more stable procurement arrangements.

The development of the “*Yueshi Selected*” brand may also expose us to additional business and operational risks, including risks relating to market acceptance, brand development, product quality consistency and overseas expansion. For details, see “Risk Factors — Risks Relating to Our Business and Industry — If we are unable to manage our expansion effectively or successfully implement our future plans, our business prospects and results of operations may be materially and adversely affected.”

FUTURE PLANS AND USE OF [REDACTED]

- approximately [REDACTED]% (or HK\$[REDACTED]) will be used to continuously strengthen our research and development capabilities and further enhance the systems and tools supporting the sale of cold chain agricultural products. In particular:
 - (i) *Enhancing data-driven sales forecasting and pricing decision support.* We plan to further develop industry-specific AI models tailored to cold chain agricultural product sales. These models are intended to integrate multiple categories of data, including historical transaction records, seasonality patterns, regional consumption characteristics and relevant external factors, to improve the accuracy of downstream demand forecasting. Building on enhanced forecasting capabilities, we plan to develop pricing decision-support tools that dynamically reflect market conditions, inventory status and supply constraints, thereby supporting more disciplined pricing strategies; and
 - (ii) *Strengthening intelligent coordination and execution capabilities across sales fulfilment.* We plan to further develop intelligent coordination and scheduling capabilities within our digital and intelligent cold chain integrated solutions to improve coordination across order allocation, warehouse picking, transportation scheduling and delivery time estimation of sales activities. In addition, we plan to enhance data collection and processing capabilities across key circulation links, enabling more timely tracking, monitoring and analysis of operational data throughout the sales process;
- approximately [REDACTED]% (or HK\$[REDACTED]) will be used for strategic investments and acquisitions. Our prospective targets may include (i) domestic regional cold chain agricultural product wholesalers or trading companies in the PRC with established market presence and localized distribution capabilities; (ii) overseas cold chain agricultural product wholesalers or trading companies, primarily in Southeast Asia and the Middle East, with mature sourcing and distribution networks; and (iii) qualified domestic or overseas slaughter houses with stable production capacity and established positions in core product categories. Our selection criteria include both quantitative and qualitative factors. In terms of scale, we generally target wholesalers or trading companies with annual revenue ranging from approximately RMB30.0 million to RMB80.0 million, and slaughter houses with annual revenue or production capacity typically not less than RMB50.0 million. From a financial perspective, we prioritize targets with stable operating performance, including net profit margins generally in the range of 5% to 10%, leverage levels not exceeding industry norms and a track record of positive cash flows. In addition, we focus on targets with established operations, typically with more than five years of operating history, stable customer bases and supply networks, and regional presence in key agricultural production or distribution areas. According to Frost & Sullivan, over hundreds of potential targets in the market currently meet our preliminary screening criteria.

We intend to adopt flexible investment structures depending on the nature of the target and strategic objectives. For upstream or core production assets, we may pursue controlling acquisitions to enhance supply chain integration and strengthen upstream capabilities. For wholesalers or trading companies or complementary businesses, we may adopt minority investments to achieve strategic collaboration while maintaining operational flexibility. As of the Latest Practicable Date, we had not identified any definite acquisition targets, nor had we entered into any substantive commercial negotiations, memoranda of understanding, letters of intent, or binding agreements in connection with any potential acquisitions; and
- approximately [REDACTED]% (or HK\$[REDACTED]) will be used for working capital and general corporate purposes.

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If the [REDACTED] is fixed at HK\$[REDACTED] per [REDACTED] (being the high-end of the [REDACTED] range stated in this document) and assuming the [REDACTED] is not exercised, we will receive additional [REDACTED] of approximately HK\$[REDACTED]. If the [REDACTED] is fixed at HK\$[REDACTED] per [REDACTED] (being the low-end of the [REDACTED] range stated in this document) and assuming the [REDACTED] is not exercised, the [REDACTED] will be reduced by approximately HK\$[REDACTED]. To the extent our [REDACTED] are either more or less than expected, we will adjust our allocation of the [REDACTED] for the above purposes on a pro-rata basis.

The additional [REDACTED] that we would receive if the [REDACTED] were exercised in full would be (i) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the high-end of the [REDACTED] range stated in this document), (ii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the mid-end of the [REDACTED] range stated in this document), and (iii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED], being the low-end of the [REDACTED] range stated in this document). Additional [REDACTED] received due to the exercise of any [REDACTED] will be used for the above purpose accordingly on a pro-rata basis in the event that the [REDACTED] is exercised.

To the extent that the [REDACTED] are not immediately applied to the above purposes and to the extent permitted by applicable laws and regulations, we will only place the [REDACTED] from the [REDACTED] which are not immediately required for the disclosed purpose in short-term interest-bearing accounts at licensed banks and/or authorized financial institutions (as defined under the Securities and Future Ordinance or applicable laws and regulations in other jurisdictions). We will make an appropriate announcement if there is any change to the proposed use of [REDACTED] above or if any amount of the [REDACTED] will be used for general corporate purposes.