
FUTURE PLANS AND [REDACTED]

3BUSINESS OBJECTIVES

Our business objective is to continue to strengthen our position and expand our presence in the agricultural food products industry in the PRC. We intend to leverage on our established brand, high product quality, diversified product portfolio and innovative product development capabilities to capture growth opportunities.

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Please refer to the paragraphs headed “Business — Business Strategies” in this document for further information.

[REDACTED]

We estimate the [REDACTED] from the [REDACTED] which we will receive, assuming an [REDACTED] of HK\$[REDACTED] per Share (being the [REDACTED] of the [REDACTED] stated in this document), will be approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), after deduction of [REDACTED] and other expenses payable by us in relation to the [REDACTED] and assuming the [REDACTED] is not exercised.

We intend to use the [REDACTED] of the [REDACTED] for the following purposes:

- approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used to build a new factory building and acquire new production lines in our Guangchang Plant by around June 2024 (subject to the progress of construction work) to increase our designed annual production capacity by approximately 1,200 tonnes of instant vegetable snack products and 2,000 tonnes of instant meat snack products, of which:
 - [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used to construct the new factory building to house our new production lines. We expect that the construction will be completed by around January 2024;
 - approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used for purchasing and installing a new production line for production of instant vegetable snack products. We expect we would complete installation of machines and equipment in or around March 2024,

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finish testing of the new production line in or around May 2024, and commence commercial production upon completion of relevant completion inspection or other regulatory filings in or around June 2024;

- approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used for purchasing and installing a new production line for production of instant meat snack products. We expect we would complete installation of machines and equipment in or around March 2024, finish testing of the new production line in or around May 2024, and commence commercial production upon completion of relevant completion inspection or other regulatory filings in or around June 2024; and
- approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used for purchasing and installing a small scale production line specialising in product development and prototype and sample production. We expect we would commence installation of the machines in or around October 2023 and complete testing and relevant completion inspection or other regulatory filing in or around June 2024.

For details of our expansion plans, please refer to the paragraph headed “Business — Business Strategies — Expansion of our production capacity and enriching our product offerings” in this document.

- approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used to enhance our marketing efforts and expand our sales channels, of which:
 - approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used to expand our sales network by recruiting additional five sales representatives in the next two years to promote our products and brand with an aim to expand our product presence in Southwestern China, particularly Sichuan Province and Chongqing. The sales representatives will visit operators of local supermarket chains and grocery stores, and develop relationships with local corporate companies to look for potential business opportunities. In addition, we plan to strategically replicate our successful concessionary counter model into Southwestern China, particularly Sichuan Province, by expanding our concessionary counter network in supermarkets to expand our concessionary counters by opening concessionary counters in 14 supermarket stores in the next two years;

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- approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used in our promotional activities with supermarket chain customers. In particular, we plan to organise promotional activities together with supermarket stores outside or at their store entrance by setting up promotional booths which our promoters as well as supermarket staff will display our products, offer our products for pedestrians to try and taste, offer free gifts to or organise lucky draws for end consumers who purchase over a minimum amount; and
- approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used to expand our marketing and advertising efforts to enhance the awareness of our brands and products, of which:
 - approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used for placing advertisements on public transports, television commercials, radio broadcast, high-traffic locations such as train stations, airports and bus stations, as well as social media such as WeChat;
 - approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used for launching promo packs of instant vegetable snacks and instant meat snacks printed with on-pack codes where end consumers may scratch to win prizes or free products, or organise lucky draws for those who purchase a minimum spending amount of our instant snack products; and
 - approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), will be used for organising promotional activities in high schools or tertiary education institutions, opening short-term pop-up stores or organising short-term sales events at locations with high traffic, such as major shopping malls in city centre to make direct sales to end consumers and promote our brands.

Please refer to the paragraph headed “Business — Business Strategies — Increase our sales through enhancement of marketing efforts and expansion of sales channels” in this document for further details.

- approximately [REDACTED]%, or approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), for working capital and other general corporate purposes.

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If the [REDACTED] is fixed at the high-end of the indicative [REDACTED], being HK\$[REDACTED] per [REDACTED], the [REDACTED] we receive from the [REDACTED] will increase to approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]). We intend to [REDACTED] the additional [REDACTED] for the above purposes on a pro-rata basis. If the [REDACTED] is set at the low-end of the indicative [REDACTED], being HK\$[REDACTED] per [REDACTED], the [REDACTED] we receive from the [REDACTED] will decrease to approximately HK\$[REDACTED] (equivalent to RMB[REDACTED]). We intend to reduce the [REDACTED] for the above purposes on a pro-rata basis.

If the [REDACTED] is exercised in full, we estimate that the [REDACTED] from the [REDACTED] including these additional Shares to be received by us, after deduction of [REDACTED] and other expenses payable by us, will be (i) approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), assuming the [REDACTED] is fixed at the high-end of the [REDACTED], being HK\$[REDACTED] per [REDACTED]; (ii) approximately HK\$[REDACTED] million (equivalent to approximately RMB[REDACTED] million), assuming the [REDACTED] is fixed at the [REDACTED] of the [REDACTED], being HK\$[REDACTED] per [REDACTED]; and (iii) approximately HK\$[REDACTED] (equivalent to approximately RMB[REDACTED]), assuming the [REDACTED] is fixed at the low-end of the [REDACTED], being HK\$[REDACTED] per [REDACTED]. Any additional proceeds received by us from the exercise of the [REDACTED] will also be [REDACTED] to the above businesses and projects on a pro-rata basis.

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 intend to deposit them in interest-bearing accounts with licensed commercial banks or financial institutions. In such event, we will also comply with the appropriate disclosure requirements under the Listing Rules.

In the event of any material change in our use of [REDACTED] from the purposes described above or in our allocation of the [REDACTED] among the purposes described above, we will make appropriate announcement as soon as practicable.