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## FUTURE PLANS AND USE OF [REDACTED]

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### FUTURE PLANS

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

### USE OF [REDACTED]

After deducting the [REDACTED] fees, commissions and estimated expenses payable by us in relation to the [REDACTED], we estimate that we will receive net [REDACTED] of:

- approximately HK\$[REDACTED] million from the [REDACTED], assuming the [REDACTED] is determined to be [REDACTED] per [REDACTED], being the high-end of the indicative [REDACTED] stated in this document;
- approximately HK\$[REDACTED] million, assuming the [REDACTED] is determined to be [REDACTED] per [REDACTED], being the low-end of the indicative [REDACTED] stated in this document; or
- approximately HK\$[REDACTED] million, assuming the [REDACTED] is determined to be [REDACTED] per [REDACTED], being the mid-point of indicative [REDACTED] stated in this document.

Assuming an [REDACTED] at the mid-point of the indicative [REDACTED], we intend to use the net [REDACTED] from the [REDACTED] for the following purposes and in the amounts set out below, subject to changes in light of our evolving business needs and changing market conditions:

- **approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to expand our logistics networks, improve our infrastructure, and strengthen our sorting and warehouse capacity and capabilities in Southeast Asia and other existing markets, including:**
  - o For machinery and equipment upgrade: We plan to increase the number of our automated sorting machines and equipment, upgrade our hardware and software with data analytics and AI-enabled intelligent decision making capability at our sorting centers, to optimize delivery routes and timing and deliver greater estimated delivery accuracy with real-time visibility, reducing human error and labor costs per parcel thereby increasing efficiency and optimizing capacity. We will continue to invest in establishing six new customized integrated logistics centers and upgrading of our existing sorting centers in China and selected Southeast Asian countries including the Philippines and Malaysia. We plan to equip our sorting centers with advanced sorting and loading machines and automation equipment and technologies, to achieve efficient multi-equipment collaborative operation and fully automated operation. In the following 12 to 36 months, we plan to set up around 200 sets of cross-belt sorters with necessary associated equipments such as belt conveyors in China, and around 60 sets of cross-belt sorters with appropriate numbers of conveyor lines in Southeast Asia;
  - o For line-haul network: We plan to further strengthen our line-haul network through acquiring additional transportation vehicles to expand self-owned fleet, adding additional line-haul routes and peak network capacity. We plan to invest in acquiring and upgrading self-owned high-capacity line haul vehicles in China from 2024 to 2027. Specifically, we plan to acquire a total of approximately 2,000 vehicles in China, including 9.6-meter-length trucks and 16.5-meter-length longer heavier

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vehicles. We also plan to focus on expanding and upgrading our vehicles in Southeast Asian countries including Indonesia, Thailand, Malaysia and Vietnam. Specifically, we plan to acquire (i) a total of over 700 vehicles in Indonesia, (ii) a total of over 400 vehicles in Thailand, (iii) over 100 vehicles in Malaysia and (iv) more than 300 vehicles in Vietnam. We will invest in different models of vehicles that cater to local demand and operating environment in each market. To enhance our line-haul transportation efficiency, we will also enhance our line-haul capacities by selectively engaging transportation service providers with efficient and premium services; and

- o For sorting center and warehouse network expansion: We plan to strategically acquire land use rights or properties, and enter into lease agreements in certain areas or locations to expand our sorting center and warehouse network. We have acquired lands with total area of approximately 104,391 square meters and 91,336 square meters in Malaysia and the Philippines, respectively, for construction of new customized logistics centers in light of the estimated growth of parcel volume in these countries in the near future. While most of our sorting centers are located on leased lands or in leased, properties significant investments are required for the construction of facilities, customization of leased properties and installation of logistics equipment. We plan to use the [REDACTED] from the [REDACTED] for the investments and construction of our customized integrated logistics centers in China, the Philippines and Malaysia to include a suite of logistics functions as comprehensive distribution centers and warehouses that offer additional value-added services to customers and enable us to expand our service offerings solutions. Currently in China, we are constructing an integrated logistics center covering a floor area of over 190,000 square meters in Yangzhou, Jiangsu Province, and an integrated logistics center covering a floor area of approximately 209,242 square meters in Guangzhou, Guangdong Province. We intend to build three integrated logistics centers in the Philippines and one integrated logistics center in Malaysia, the construction period of which is now planned for 2024 and 2025. We expect these integrated logistics centers, upon completion of construction and commencement of operation, to significantly increase our sorting capacity in our existing markets, shorten distance from sorting centers to outlets and our network partners, lower cost for us and our network partners, and improve our capabilities to serve a more extensive network.
- **approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to expand in new markets and diverse our service offering, including:**
  - o New Markets and geographical service coverage expansion: We plan to replicate our success in other carefully selected markets including the New Markets that we just entered into in 2022. We plan to further invest in infrastructure such as sorting centers, line-haul transportation, facilities and equipment in these markets. We intend to further invest in building pickup and delivery outlets and capabilities. We will also explore cooperation with network partners in these areas to acquire the capability of last-mile pickup and first-mile delivery capacities. To achieve these goals and capitalize on growth potential in these markets, we expect to invest in recruitment of dedicated local teams and personnel, lease of offices and facilities, pre-stage market surveys, as well as advertising to grow our customer base and brand awareness;

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- o New service offerings: We plan to invest in the expansion and development of our business primarily on an organic basis, including expanding our services offerings in warehousing, transportation, supply chain solutions, etc. We may also consider selective investment and acquisition opportunities strategically across the logistics value chain. For a potential acquisition or investment, we will consider various criteria, including (i) the target’s existing logistics infrastructure and network and if it is complementary to our geographical coverage, (ii) the target’s service capabilities and quality, (iii) the target’s existing customer base, operating history and reputation, (iv) potential synergies with our business and (v) the target’s financial performance. According to Frost & Sullivan, in 2022, there were around several thousands of players in Africa, Latin America and Middle East. In 2022, the penetration rate of the e-commerce market in Africa, Latin America and Middle East is around 5%, 11% and 11%, respectively, and is expected to increase to around 16%, 23% and 26%, respectively, in 2027. Based on the aforementioned information as advised by Frost & Sullivan, our knowledge, experience and expertise, our Directors are of the view that we will be able to identify suitable investment or acquisition targets in the market that meet the criteria. We might acquire majority or minority interests in the targets, depending on our commercial needs. As of the Latest Practicable Date, we had not identified or committed to any investment or acquisition targets for our use of net [REDACTED] from the [REDACTED]; and
- o Investment in cross-border services: To leverage our well-developed domestic logistics network in Southeast Asia and other existing markets and better service our customers and e-commerce platforms, we plan to make select investment in the cross-border industry, including but not limited to enhancing our cross-border network by increasing the number of warehouses and deepening business relationship with logistics service providers.
- **approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for research and development and technology innovations, including:**
  - o IT system and infrastructure: We believe that with a strengthened IT system and the resulting highly efficient operations, we are able to enhance the efficiency and connectivity of our logistics network and cater to the evolving needs of the market. We aim to continuously invest in developing and upgrading our IT infrastructure and equipment. We plan to further invest in build and upgrade our technology equipment for (i) intelligent and automated weighing, sorting, handling and labeling, (ii) real-time display of key indicators of orders and parcel delivery in a centralized system connecting our sorting centers, outlets and back office for management purpose, (iii) providing data analysis support for our network partners’ daily management and service quality improvement, and (iv) building up of a global online settlement platform for key account customers. In addition, we plan to continually develop our cloud infrastructure and system and develop our proprietary JMS system to cater to our globalized operations, including adding more customized modules and functions tailored for different markets and service offerings, for more effective deployment of the system in new markets we enter into or for new service offering we launch in the future. We also intend to further develop our integrated technology platform and enhance functionalities across data management, network management, service quality management, customer relationship management, transportation management, and device and materials management, among others. We will develop more applications and APIs to further improve customer experience and enhance our operational efficiency;

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- o Automated sorting: We plan to further develop our automated sorting system and enhance the connectivity of equipment across sorting centers. We intend to deploy more AI technologies in our system to increase traceability of the parcels and improve the accuracy and speed for parcel sortation, in order to further increase capacity and reliability of our sorting centers and optimize the overall delivery process;
  - o AI and data analytics: We plan to further unify the data scattered across our daily operations through our data management platform and develop more advanced machine learning and deep learning algorithms. We intend to further improve our data analytics capabilities based on advanced machine learning in order to coordinate logistics resources in real time, perform more accurate forecasting of delivery demands, and optimize delivery routes and allocation of parcels across our logistics network; we also intend to invest in cloud such as Internet of Things (IoT), Natural Language Processing (NLP), and computer vision, among others, to employ AI across our business operations to improve our efficiency and enhance end customer experience; and
  - o R&D and IT investment: We plan to invest in our R&D team and in partnership with other institutions globally for enhanced technology capabilities, R&D and technology innovations endeavors. We will enhance and strength our talent pool by incentivizing and retaining our R&D personnel, as well as attracting top experts, senior engineers and specialized talents in areas such as AI, data analysis, algorithm, and technology infrastructure. We expect to recruit approximately 270 R&D talents and 70 management personnel in the next three years. We will also invest in the training of our employees to improve their skills and provide them with technical support in order to strengthen our service capabilities.
- **approximately [REDACTED]%, or HK\$[REDACTED], will be used for general corporate purposes and working capital needs.**

The above allocation of the net [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] range stated in this document.

If the [REDACTED] is exercised in full, the net [REDACTED] that we will receive will be (i) approximately HK\$[REDACTED] million, assuming an [REDACTED] of [REDACTED] per [REDACTED] (being the high-end of the indicative [REDACTED]); (ii) approximately HK\$[REDACTED] million, assuming an [REDACTED] of [REDACTED] per Share (being the low-end of the indicative [REDACTED]); and (iii) approximately HK\$[REDACTED] million, assuming an [REDACTED] of [REDACTED] per [REDACTED] (being the mid-point of the indicative [REDACTED]). In the event that the [REDACTED] is exercised in full, we intent to apply the additional net [REDACTED] to the above purposes in the proportions stated above (as defined under the Securities and Futures Ordinance) or applicable laws in the relevant jurisdictions for non-Hong Kong based deposits.

To the extent that the net [REDACTED] of the [REDACTED] are not immediately required for the above purposes or if we are unable to put into effect any part of our plan as intended, to the extent permitted by applicable law and regulations and so long as it is deemed to be in our best interests, we will hold such funds in short-term interest-bearing accounts at authorized licensed banks or financial institutions.

We will issue announcements, where required, if there is any material change in the use of [REDACTED] mentioned above.