
FUTURE PLANS AND USE OF [REDACTED]

FUTURE PLANS

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

USE OF [REDACTED]

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

- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, to improve our supply chain capabilities by enhancing our production capacity and efficiency. In particular:
 - o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, for increasing our production capacity to further implement our one-product-one-factory strategy for popular products as measured by amount of revenue derived, that are sold nationwide and currently have high annual procurement amounts. To this end, we plan to build, invest in, or acquire domestic and overseas upstream factories, purchase production equipment, and recruit production and quality inspection personnel. Specifically, we seek to select well-established food factories with sufficient production track record with at least one full year of operation and production capacity for the specific products for which we intend to implement our one-product-one-factory strategy, and are in close proximity to the sources of high-quality raw materials for such products. We would determine whether to obtain majority interest in the targets upon considering the target’s valuation, production capabilities and the circumstances of our negotiations. If the net [REDACTED] are insufficient to cover the acquisition costs, we will finance the shortfall either with our own funds or through bank loans. As of the Latest Practicable Date, we had not identified or committed to any strategic investment or acquisition targets.
 - o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, will be used to upgrade and expand our existing production plants and production lines to expand the offering of self-produced products, and hire approximately 90 additional employees in the next one to two years for our existing three production plants: (a) approximately [REDACTED]% of the net [REDACTED], or approximately HK\$[REDACTED] million) will be used to (1) to purchase new and upgrade

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existing equipment to enhance the automation level of our existing production and warehousing facilities to further improve operating efficiency and achieve greater economies of scale, and (2) construct new production lines in new buildings within our existing production plants; (b) approximately [REDACTED]% of the net [REDACTED], or approximately HK\$[REDACTED]) for the operation of the new production lines and equipment; and (c) approximately [REDACTED]% of the net [REDACTED], or approximately HK\$[REDACTED]) to hire additional procurement personnel, production personnel, warehouse management personnel as well as highly skilled personnel to operate such equipment and for the expanded production capacities. We plan to hire approximately 20 to 50 employees in 2023, followed by approximately 60 to 90 additional employees each year from 2024 to 2027. We plan to supplement any shortfall in the purchase of equipment and the construction of new production lines with internal resources, having considered the available financial resources, including our cash and cash equivalents as of August 31, 2023, and the cashflow from our operating activities.

- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] will be used for opening and operating our self-operated stores. Specifically, we plan to open premium stores in Hong Kong, Macau and selected cities in Southeast Asia to offer high-end products as well as expanding our overseas operation and marketing team by hiring approximately 30 employees in the next three years. We plan to open approximately 20 to 25 self-operated stores per year in 2024 and 2025 and hire approximately three employees for the operation and management of each store. We plan to supplement any shortfall in such costs with internal resources, having considered the available financial resources, including our cash and cash equivalents as of August 31, 2023, and the cashflow from our operating activities.
- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] will be used to build product R&D centers as well as upgrade and purchase related equipment. During the Track Record period, we acquired three production facilities to produce beef products, meatballs and hotpot soup base, and developed 66, 185, 173 and 45 new SKUs, which generally had higher profit margins, in 2020, 2021, 2022 and the four months ended April 30, 2023, respectively. We plan to continue to build joint R&D centers in collaboration with upstream suppliers, universities, and other institutions, as well as independently setting up new R&D centers targeting our core products and high-end product lines. For example, we plan to establish a new R&D center in Luyi County, focusing on the R&D and testing of a wide range of products to innovate. We believe that developing new SKUs of comparatively higher profit margins and increasing the range of products produced by each of our production facilities will enhance the core competitive and operational efficiencies of our production facilities. Upon completion, this R&D center will collaborate with certified testing institutions and universities with renowned food technology R&D departments to focus on the production

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development and food quality research of beef, lamb, soup base and ready-to-cook meals, among others. We also expect to purchase or upgrade relevant equipment for new and existing R&D centers and continue to expand our R&D team through hiring approximately 20 to 30 R&D personnel in the next three years to enhance our capabilities of developing new products with high quality.

- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED], as working capital and for general corporate uses.

In the event that the [REDACTED] is set at the maximum [REDACTED] or the minimum [REDACTED] of the indicative [REDACTED], the net [REDACTED] of the [REDACTED] will increase or decrease by approximately HK\$[REDACTED], respectively.

The additional net [REDACTED] that we would receive if the [REDACTED] were exercised in full would be (i) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the maximum [REDACTED] of the indicative [REDACTED]), (ii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED]) and (iii) HK\$[REDACTED] (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the minimum [REDACTED] of the indicative [REDACTED]).

To the extent that the net [REDACTED] from the [REDACTED] are either more or less than expected, we will adjust our [REDACTED] of the net [REDACTED] for the above purposes on a pro rata basis.

To the extent that the net [REDACTED] of the [REDACTED] are not immediately used for the above purposes or if we are unable to effect any part of our future development plans as intended, we may hold such funds in short-term deposits with licensed banks or authorized financial institutions in Hong Kong or the PRC for so long as it is deemed to be in the best interests of the Company. In such event, we will comply with the appropriate disclosure requirements under the Listing Rules.