
FUTURE PLANS AND [REDACTED]

FUTURE PLANS AND PROSPECTS

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

[REDACTED]

We estimate that we will receive [REDACTED] from the [REDACTED] of approximately HK\$[REDACTED] million, after deducting [REDACTED], fees and estimated expenses payable by us in connection with the [REDACTED], and assuming the [REDACTED] being not exercised and an [REDACTED] of HK\$[REDACTED] per Share, which is the mid-point of the indicative [REDACTED] stated in this document. If the [REDACTED] is set at HK\$[REDACTED] per Share, which is the high end of the indicative [REDACTED], the [REDACTED] from the [REDACTED] will increase by approximately HK\$[REDACTED] million. If the [REDACTED] is set at HK\$[REDACTED] per Share, which is the low end of the indicative [REDACTED], the [REDACTED] from the [REDACTED] will decrease by approximately HK\$[REDACTED] million.

Assuming an [REDACTED] at the mid-point of the [REDACTED], we currently intend to apply these [REDACTED] for the following purposes:

- [REDACTED]%, or approximately HK\$[REDACTED] million, will be used to enhance our service capabilities, improve customer coverage, and expand categories of intralogistics equipment. Specifically:
- [REDACTED]%, or approximately HK\$[REDACTED] million, will be used to strengthen our marketing capabilities. We plan to expand our sales team and improve sales and marketing methods.

We plan to recruit 8 sales personnel in our sales team each year during the next three years to enhance our capability in acquiring more customers. Approximately HK\$[REDACTED] million will be used to pay their salaries and approximately HK\$[REDACTED] million will be used to pay the sales and marketing expenses of the sales team such as vehicle expenses and other traveling expenses.

The remaining balance of the allocated [REDACTED] of approximately HK\$[REDACTED] million will be used to expand our marketing methods, including participating exhibitions and conducting online and offline advertising activities to increase brand awareness and attract additional customers from the manufacturing, logistics, and other targeted industries.

FUTURE PLANS AND [REDACTED]

- [REDACTED]%, or approximately HK\$[REDACTED] million, will be used to expand our service outlets, further enhancing our service efficiency and customer outreach. As of April 30, 2023, we established a nationwide service network with 67 service outlets covering 47 cities in China. In the upcoming years, we plan to increase the number of service outlets located in key manufacturing and logistics hubs across China.

In particular, we plan to build 13 new service outlets each year during the next three years, which will be mainly located in Yangtze River Delta Region, Pearl River Delta and Bohai Economic Rim, to further improve our service coverage, reach more customers, and provide timely services to meet their various needs.

- [REDACTED]%, or approximately HK\$[REDACTED] million, will be used to expand the scale and categories of our intralogistics equipment fleet. We plan to continuously invest in acquiring intralogistics equipment, expanding our categories of intralogistics equipment, and providing corresponding lifecycle solutions to increase our market shares and demonstrate our scale advantages.

To expand the scale and categories of our equipment fleet, we plan to use [REDACTED] from the [REDACTED] of HK\$[REDACTED] million, HK\$[REDACTED] million and HK\$[REDACTED] million, in each of the three years from 2024 to 2026, respectively, to purchase approximately 100 units of intralogistics equipment, including counterbalanced forklifts, reach trucks, walkie trucks and other intralogistics equipment, covering storage, sorting and conveying equipment.

- [REDACTED]%, or approximately HK\$[REDACTED] million, will be used to expand and upgrade our supply chain infrastructure. This includes both improving our existing supply chain facilities and constructing new supply chain bases according to our strategies. Specifically:
 - [REDACTED]%, or approximately HK\$[REDACTED] million, will be used to expand and upgrade our existing supply chain facilities, specifically for our main supply chain bases, equipment part warehouses at our headquarter and automated warehouses in local bases. Approximately HK\$[REDACTED] million will be used to expand and enhance our current main supply chain bases in Foshan, Guangdong and in Langfang, Hebei and approximately HK\$[REDACTED] million will be used to renovate and upgrade our equipment part warehouses at our headquarter and automated warehouses in local bases to further improve efficiency during the next three years. We plan to perform maintenance on our manufacturing processes and upgrade equipment and service capacities. Our aim is to streamline our supply chain by automating the storage and retrieval of parts, resulting in reduced manual labor and increased accuracy.

FUTURE PLANS AND [REDACTED]

- [REDACTED]%, or approximately HK\$[REDACTED] million, will be used to build new supply chain bases in strategic locations across China to better synergize our resources. We plan to improve our connectivity with both upstream and downstream industry sectors with high transportation efficiency and accessibility.

In particular, approximately HK\$[REDACTED] million will be used to build a new supply chain base in Kunshan, Jiangsu and approximately HK\$[REDACTED] million will be used to build a new supply chain base in Wuhan, Hubei from 2024 to 2025. Approximately HK\$[REDACTED] million will be used to build a new supply chain base in Shenyang, Liaoning and approximately HK\$[REDACTED] million will be used to build a new supply chain base in Chengdu, Sichuan from 2025 to 2026.

- [REDACTED]%, or approximately HK\$[REDACTED] million, will be used to strengthen our technology capabilities and infrastructure. Specifically:
 - [REDACTED]%, or approximately HK\$[REDACTED] million, will be used to enhance our core technology capabilities. Approximately HK\$[REDACTED] million will be used to upgrade our IoT infrastructure, among which, approximately HK\$[REDACTED] million will be used to upgrade the host engine rooms, and the remaining will be used to recruit 6 relevant technicians from 2024 to 2026. The upgrade of IoT infrastructure will enable efficient tracking and recording of intralogistics equipment. Approximately HK\$[REDACTED] million will be used to collaborate with research institutions and leading companies across China to establish a cooperative platform for IoT intelligent management.
 - [REDACTED]%, or approximately HK\$[REDACTED] million, will be used to enhance our overall digital technology capabilities. We plan to enhance our data analysis by investing in big data, cloud computing, and other new software technologies. Approximately HK\$[REDACTED] million will be used to construct and upgrade the machine rooms and purchase relevant equipment and approximately HK\$[REDACTED] million will be used to recruit relevant technicians from 2024 to 2026.
- [REDACTED]%, or approximately HK\$[REDACTED] million, will be used to conduct strategic mergers and acquisitions that align with our regional coverage, industry focus, and business priorities. We will particularly focus on participants that have strengths in terms of asset quality, service capacities, customer resources, market influence and talent pool that complement our business and strategy.

Our strategic merger and acquisition plan involves expanding into specific regional markets and deepening our presence within target industries. One of our primary objectives is to expand our presence in key regional markets, including the Southwest, Northwest, Northeast, and Central China. To achieve this goal, we will prioritize target companies that predominantly operate within these specific regional markets, which will allow us to supplement and strengthen our existing regional

FUTURE PLANS AND [REDACTED]

market coverage. In addition, we aim to deepen our penetration within the manufacturing industry, focusing on industries such as automotive, ceramics, paper manufacturing, and electrical appliances. Our merger and acquisition strategy will involve identifying and acquiring companies whose primary customer base consists of customers engaging in the manufacturing industry, which will enable us to enhance our presence and service offerings within such industry.

As of the Latest Practicable Date, we had no specific acquisition plans nor identified any specific targets. We will seek collaboration opportunities in a sustainable and prudent manner after the [REDACTED].

- [REDACTED]%, or approximately HK\$[REDACTED] million, will be used for our general working capital and general corporate purposes.

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

If the [REDACTED] is exercised in full, the [REDACTED] that we will receive will be approximately HK\$[REDACTED] million, assuming an [REDACTED] of HK\$[REDACTED] per Share (being the mid-point of the indicative [REDACTED]). In the event that the [REDACTED] is exercised in full, we intent to apply the additional [REDACTED] to the above purposes in the proportions stated above.

To the extent that the [REDACTED] from the [REDACTED] are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, so long as it is deemed to be in the best interests of the Company, we may hold such funds in short-term demand deposits with licensed banks or authorized financial institutions as defined under the Securities and Futures Ordinance in Hong Kong. We will issue an appropriate announcement if there is any material change to the above [REDACTED].