
FUTURE PLANS AND [REDACTED]

1. FUTURE PLANS

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

2. USE OF [REDACTED]

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

- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used for our business expansion. We intend to expand our business scale and provide consumers with quality products. In particular:
 - o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used to enhance our supply chain management systems, among which:
 - (i) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to establish global prototyping centers to enable quick prototyping and standardization, optimize product development and reduce product development expenses. According to Frost & Sullivan, in recent years, the demand for furniture and home furnishings from overseas consumers has evolved quickly. Leading e-commerce companies in the furniture and home furnishings market are progressively setting up their own prototyping centers to promptly address the real-time needs of these consumers which will enhance the efficiency of developing serialized products and accelerate the speed of new product launches. Standardized prototyping centers will also expand the advantages of large-scale production, achieving cost reduction and efficiency improvements. We plan to:
 - (a) use approximately [REDACTED]%, or HK\$[REDACTED] million, to establish five leading prototyping centers in China, Southeast Asia, the U.S. and Mexico. Unlike our existing product development facilities, these prototyping centers will be equipped with proprietary or jointly developed automated equipment for prototyping, enabling us to independently produce prototypes to validate and improve our product definitions and designs without relying on manufacturing suppliers. These prototyping centers will enable us to expedite the product design process and, coupled with our continuous efforts to register patents in China and overseas, help us enhance intellectual property protection during the product development process. Specifically, the intended use of the prototyping center in China is to support the increasing product development and prototyping needs in China primarily in line with the growth of our business in sales of goods; the intended use of the prototyping centers in Southeast Asia is to support the increasing product development and prototyping needs in Southeast Asia, primarily in line with the growth of our business in sales of goods

FUTURE PLANS AND [REDACTED]

as well as our plans to expand the supply chain network in overseas regions, including Southeast Asia, and enhance collaboration with local suppliers. The prototyping centers in the U.S. and Mexico will collaborate with other prototyping centers across the globe to enable the validation of product definitions and designs in the markets where the products will be sold, allowing us to develop products more tailored to the markets where end-consumers are located. These prototyping centers will implement a globally interconnected information network to enable collaborative prototyping at various locations through data and design sharing, supporting high-quality, efficient, large-scale and standardized product development in different regions and expediting the entire process from product design to last-mile delivery;

- (b) use approximately [REDACTED]%, or HK\$[REDACTED] million, to purchase prototyping equipment; and
 - (c) use approximately [REDACTED]%, or HK\$[REDACTED] million, to establish our prototyping team to recruit 120 experts and technicians with backgrounds in structure design, production, materials and equipment automation;
- (ii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to establish our supply chain management center to strengthen operation capabilities. We plan to (a) use approximately [REDACTED]%, or HK\$[REDACTED] million, to construct a supply chain management center in China and (b) use approximately [REDACTED]%, or HK\$[REDACTED] million, to improve our supply chain management capabilities and recruit eight professionals;
- (iii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used for overseas supply chain expansion. We plan to establish partnership with more suppliers in Southeast Asia and other overseas regions to reduce production costs and better meet the needs of different markets;
- o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used for our product development. We plan to strengthen our product development and continue developing products to meet consumer needs, among which:
- (i) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to enrich our product portfolio to solidify our leading position in the global B2C e-commerce market for furniture and home furnishings. We plan to (a) use about [REDACTED]%, or HK\$[REDACTED] million, to expand product lines around "home and life" scenarios to capture market demands, accelerating our coverage of the sub-categories of furniture and home furnishings that we do not currently sell, such as more sub-categories in the living room, study room and outdoor settings. Our ongoing commitment to product line expansion involves the development of new lines and the design of new products with tailored styles and features based on continuous market research on the evolving consumer demands across different countries and regions. In particular, we intend to invest continuously in developing and launching medium-to-oversized products, such as new designs of tables and sets of chairs used in different

FUTURE PLANS AND [REDACTED]

home settings, by leveraging the existing advantages of our medium-to-large goods and (b) use about [REDACTED]%, or HK\$[REDACTED] million, to expand our purchasing team and recruit 30 employees for medium-to-oversized product development;

- (ii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to enhance our product design and development. We plan to (a) use approximately [REDACTED]%, or HK\$[REDACTED] million to increase our investment in design and development, including materials and structures, to enhance the competitiveness of our products; (b) use approximately [REDACTED]%, or HK\$[REDACTED] million, to expand our product design team and recruit 20 professionals; and (c) use approximately [REDACTED]%, or HK\$[REDACTED] million, to expand our product development team that is responsible for researching and developing the innovative application of materials and structures and modular design and recruit 50 professionals;
- (iii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to conduct market research. We plan to (a) expand our data research team to analyze changing consumer needs, and quickly formulate new product strategies based on consumer preference in different countries and (b) purchase access to related databases;
- o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used to upgrade our warehousing and logistics systems, among which:
 - (i) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to expand and enhance our overseas warehouse network. According to Frost & Sullivan, with the continuous expansion of the cross-border e-commerce market, there is a swift increase in the number of overseas warehouses. In line with the smart warehousing evolution, B2C export e-commerce logistics solution providers are adopting advanced technologies such as artificial intelligence, the Internet of Things, and blockchain to enhance the level of intelligence and optimize operational efficiency of overseas warehouses. Consequently, the transition of overseas warehouses to smart warehousing helps B2C export e-commerce logistics solution providers reduce costs, improve operational efficiency and strengthen competitiveness in the market. We plan to establish five smart warehousing centers in the U.S. and Mexico and develop automated equipment in these centers to adapt to our rapid growth and evolving business needs;
 - (ii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to improve our installation and after-sales services. We plan to establish a professional on-site installation and after-sales service team that is responsible for providing on-site installation and aftersales services to customers and recruit eight professionals to ensure our consumers to receive comprehensive support and assistance in purchasing and using our products;

FUTURE PLANS AND [REDACTED]

- o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used to further expand our sales channels, among which:
 - (i) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to further improve and expand our offline sales channels. We intend to establish and deepen the cooperation with offline sales channels to expand our offline business in developed countries such as Europe and the U.S. We plan to (a) recruit sales and customer service employees and (b) place relevant advertisements and purchase marketing solutions for offline channels;
 - (ii) approximately [REDACTED]%, or HK\$[REDACTED] million, will be used to continuously promote our key brand strategy. We intend to further strengthen our brand recognition and consumer loyalty, increase product repurchase rates and expand brand awareness. We plan to (a) recruit marketing experts and (b) place relevant advertisements and purchase marketing solutions;
- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used to enhance our digitalization. We intend to further improve our information management systems. In particular:
 - o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used to improve automation and digitalization of our warehousing and logistics processes. We plan to (i) use approximately [REDACTED]%, or HK\$[REDACTED] million to independently or jointly research and develop warehousing equipment that can be operated automatically; (ii) use approximately [REDACTED]%, or HK\$[REDACTED] million to upgrade our existing warehousing management systems to streamline the processes for order receipt, selection, packaging and dispatch, which will significantly reduce human error and increase operational efficiency; and (iii) use approximately [REDACTED]%, or HK\$[REDACTED] million; to set up a dedicated automation and digitalization product development team that is responsible for developing our information management systems for the research and development of automatic equipment and recruit 12 employees;
 - o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used to enhance information technology infrastructure construction and integrate data to increase the efficiency of supply chain management. We plan to (i) use approximately [REDACTED]%, or HK\$[REDACTED] million to strengthen the digitalized management of suppliers and integrate the data across product development, production and sales, thereby achieving visualized and standardized supply chain management to improve the efficiency of our supply chain operation and (ii) use approximately [REDACTED]%, or HK\$[REDACTED] million, to establish a digitalized management team that is responsible for managing digitalization across our supply chain operation and recruit 30 employees;

FUTURE PLANS AND [REDACTED]

- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used for potential investment or mergers and acquisitions opportunities along the industry chain. In particular:
 - o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used for mergers and acquisitions to enhance our supply chain. We intend to (i) invest in or acquire manufacturing partners whose operations are synergistic with our business and (ii) invest in or acquire overseas logistics solutions providers to improve our global supply chain efficiency. As of the Latest Practicable Date, we had not entered into any letters of intent or agreements with respect to acquisitions nor had we identified any definite acquisition targets;
 - o approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used for the acquisition of third-party brands. We intend to (i) invest in or acquire companies operating furniture and home furnishings brands with strong sales networks and (ii) establish strategic cooperation with, or acquire companies operating, potential brands that complement our business;

We generally select targets for investment or acquisition among high-quality domestic and overseas brands, our upstream companies and companies that have synergies with our business. The targets' business scale as well as financial and operational performance are evaluated on a case-by-case basis. We generally aim to acquire a stake of 30% or less in high-quality domestic and overseas brands and our upstream companies. For companies that have synergies with our business, we typically seek to acquire a majority stake of 51.0% or greater. According to Frost & Sullivan, in terms of our potential targets, as of April 30, 2024, there were approximately 5 million companies that own high-quality domestic or overseas brands, approximately 200,000 upstream companies and fewer than 100,000 international freight forwarders in China that could have potential synergies with our business. In addition, as of April 30, 2024, there were approximately 2,000 export e-commerce logistics solutions providers by revenue generated from the pre-sale stocking model that could have potential synergies with our business.

As of the Latest Practicable Date, we had not entered into any letters of intent or agreements with respect to acquisitions nor had we identified any definite acquisition targets;

- approximately [REDACTED]% of the net [REDACTED], or HK\$[REDACTED] million, is expected to be used for working capital and 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] million or HK\$[REDACTED] million, respectively.

FUTURE PLANS AND [REDACTED]

The additional net [REDACTED] that we would receive if the [REDACTED] were exercised in full would be (i) HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the maximum [REDACTED] of the indicative [REDACTED]); (ii) HK\$[REDACTED] million (assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the indicative [REDACTED]); and (iii) HK\$[REDACTED] million (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 allocation 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 will only hold such funds in short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or applicable laws and regulations in other jurisdictions) 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.

IMPLEMENTATION PLAN

| Purpose | Implementation targets | Estimated investments from net [REDACTED] for the first year after [REDACTED] ⁽¹⁾ | Estimated investments from net [REDACTED] for the second year after [REDACTED] ⁽¹⁾ | Estimated investments from net [REDACTED] for the third year after [REDACTED] ⁽¹⁾ |
|---|--|--|---|--|
| Business expansion | | | | |
| Enhancing supply chain management systems . . . | (i) Establish global prototyping centers | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| | (ii) Establish supply chain management center | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| | (iii) Expand overseas supply chain | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| Product development . . . | (i) Enrich product portfolio | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| | (ii) Enhance product design and development | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| | (iii) Conduct market research | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| Warehousing and logistics systems upgrade | (i) Expand and enhance overseas warehouse network | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| | (ii) Improve installation and after-sales services | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |

FUTURE PLANS AND [REDACTED]

| Purpose | Implementation targets | Estimated investments from net [REDACTED] for the first year after [REDACTED]⁽¹⁾ | Estimated investments from net [REDACTED] for the second year after [REDACTED]⁽¹⁾ | Estimated investments from net [REDACTED] for the third year after [REDACTED]⁽¹⁾ |
|---|--|--|---|--|
| Expanding sales channels | (i) Improve and expand offline sales channels | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| | (ii) Promote key brand strategy | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| Enhancing digitalization | | | | |
| Improve automation and digitalization of warehousing and logistics processes. | (i) Research and develop warehousing equipment | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| | (ii) Upgrade existing warehousing management system | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| | (iii) Set up a dedicated automation and digitalization product development team | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| Enhance information technology infrastructure construction and integrate data | (i) Strengthen the digitalized management of suppliers and integrate the data across product development, production and sales | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| | (ii) Establish a digitalized management team | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| Potential investment or mergers and acquisitions opportunities | | | | |
| Mergers and acquisitions to enhance our supply chain | (i) Invest in or acquire manufacturing partners | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| | (ii) Invest in or acquire overseas logistics solutions providers | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |

FUTURE PLANS AND [REDACTED]

| Purpose | Implementation targets | Estimated investments from net [REDACTED] for the first year after [REDACTED]⁽¹⁾ | Estimated investments from net [REDACTED] for the second year after [REDACTED]⁽¹⁾ | Estimated investments from net [REDACTED] for the third year after [REDACTED]⁽¹⁾ |
|---|--|--|---|--|
| The acquisition of third-party brands | (i) Invest in or acquire companies operating furniture and home furnishings brands with strong sales networks | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| | (ii) Establish strategic cooperation with, or acquire companies operating, potential brands that complement our business | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |
| Working capital and general corporate uses | | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million | Approximately HK\$[REDACTED] million |

Note:

(1) Under the mid-point of the indicative [REDACTED].