
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

See “Summary — Business Strategies” for a detailed discussion of our future plans.

USE OF PROCEEDS

Assuming an Offer Price of HK\$2.58 per H Share (being the mid-point of the stated range of the Offer Price of between HK\$2.28 and HK\$2.88 per H Share), we estimate that we will receive net proceeds of approximately HK\$2,375.7 million from the Global Offering after deducting the underwriting commissions and other estimated expenses, if the Over-allotment Option is not exercised.

In line with our strategies, we intend to use our proceeds from the Global Offering for the purposes and in the amounts (assuming the Over-allotment Option is not exercised) set forth below:

- approximately 70%, or HK\$1,663.0 million, will be used to increase the capital base of our micro and small loan business. We plan to expand our micro and small loan business and enhance its market position by establishing new micro and small loan subsidiaries across China;
- approximately 20%, or HK\$475.1 million, will be used to increase the capital base of our credit guarantee business. We plan to expand our credit guarantee business and enhance its competitive advantages through establishing new credit guarantee subsidiaries or branch offices across China; and
- approximately 10%, or HK\$237.6 million, will be used to (i) develop and offer new products and services to satisfy the diverse financing and business needs of SMEs and microenterprises, and (ii) replenish our working capital and for general corporate use.

If the Over-allotment Option is exercised in full, we estimate that the additional net proceeds to us from the offering of these additional H Shares will be approximately HK\$364.4 million, after deducting the underwriting commissions and other estimated expenses, assuming an Offer Price of HK\$2.58 per H Share (being the mid-point of the stated range of the Offer Price of between HK\$2.28 and HK\$2.88 per H Share). We intend to use all the additional net proceeds proportionately as earmarked above.

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The allocation of the proceeds used for the above will be adjusted in the event that the Offer Price is fixed at a higher or lower level compared to the mid-point of the estimated Offer Price range. If the Offer Price is fixed at HK\$2.88 per H Share, being the high end of the stated Offer Share range, our net proceeds will be (i) increased by approximately HK\$282.4 million, assuming the Over-allotment Option is not exercised; and (ii) increased by approximately HK\$689.2 million, assuming the Over-allotment Option is exercised in full. In such circumstances, we presently intend to use such additional proceeds to increase the net proceeds applied to the same purposes above on a pro rata basis. If the Offer Price is fixed at HK\$2.28 per H Share, being the low end of the stated Offer Share range, our net proceeds will be (i) decreased by approximately HK\$282.4 million, assuming the Over-allotment Option is not exercised; and (ii) increased by approximately HK\$39.5 million, assuming the Over-allotment Option is exercised in full. In such circumstances, we presently intend to reduce or increase the net proceeds applied to the same purposes on a pro rata basis.

To the extent that the net proceeds of the Global Offering are not immediately required for the above purposes, our Directors currently intend that such proceeds will be placed in short-term interest-bearing instruments such as bank deposits or money market funds with licensed banks or financial institutions in Hong Kong or the PRC.