
FUTURE PLANS AND USE OF PROCEEDS

FUTURE PLANS

Please refer to the paragraph headed “Our business strategies” in the section headed “Business” in this prospectus for further details of our future plans.

USE OF NET PROCEEDS

Our Directors intend to apply the net proceeds from the Share Offer to finance our capital expenditure and business expansion, strengthen our capital base and improve our overall financial position. Based on the Offer Price of HK\$1.10 per Offer Share (being the mid-point of the indicative Offer Price range between HK\$1.00 and HK\$1.20 per Offer Share), the net proceeds from the Share Offer, after deducting underwriting commission and estimated expenses payable by us in connection thereto, are estimated to be approximately HK\$94 million. We presently intend to apply such net proceeds from the Share Offer as follows:

- as to approximately HK\$25 million or approximately 26.6% of the net proceeds from the Share Offer, will be used for enhancement of the quality of the Consultants through offering of (i) various external and internal continuous professional training programs; (ii) subsidies on recognised professional qualification courses; and (iii) incentives in recruitment of Consultants from other professions and countries, and expansion of the teams of Consultants through (a) offering of incentives in speeding up the organic growth under the Development Model; and (b) organising recruitment functions targeting individuals from different market sectors and other countries;
- as to approximately HK\$25 million or approximately 26.6% of the net proceeds from the Share Offer, will be used for expansion and promotion of ILAS, MPF schemes and other insurance businesses by (i) increasing promotional and marketing spending in our ILAS, MPF schemes and other insurance businesses to the general public; and (ii) offering sales incentive and promotional events to the Consultants;
- as to approximately HK\$25 million or approximately 26.6% of the net proceeds from the Share Offer, will be used for exploration of merger and acquisition opportunities and business collaboration with well-established companies, where no target or potential business collaboration with well-established companies had been identified as at the Latest Practicable Date;
- as to approximately HK\$15 million or approximately 16.0% of the net proceeds from the Share Offer, will be used for addition and extension of further services and distribution channels by developing an on-line application system and a comprehensive information management system and expanding our distribution network to e-marketing and direct-marketing channels; and
- as to approximately HK\$4 million or approximately 4.2% of the net proceeds from the Share Offer, will be used for working capital and other general corporate purposes.

If the Offer Price is finally determined at the highest end of the indicative Offer Price range between HK\$1.00 and HK\$1.20 per Offer Share, the net proceeds from the Share Offer will increase by approximately HK\$10 million to approximately HK\$104 million. In such event, our Directors intend to apply such additional net proceeds for the above usages on a pro-rata basis.

If the Offer Price is finally determined at the lowest end of the indicative Offer Price range between HK\$1.00 and HK\$1.20 per Offer Share, the net proceeds from the Share Offer will reduce

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by approximately HK\$10 million to approximately HK\$84 million. In such event, our Directors intend to reduce the intended use of proceeds for the above stated purposes on a pro-rata basis and we will finance such shortfall by internal cash resources and/or additional bank borrowings, as and when appropriate.

To the extent that the net proceeds from the Share Offer are not immediately required 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 and/or authorised financial institutions in Hong Kong for so long as it is in our best interest. We will also disclose the same in the relevant annual report.