

## FUTURE PLANS AND [REDACTED]

### FUTURE PLANS

For a detailed description of our future plans, see “Business — Our Business Strategies”.

[REDACTED]

The table below sets forth the estimated [REDACTED] of the [REDACTED] which we will receive after deduction of [REDACTED] fees and commissions and estimated expenses payable by us in connection with the [REDACTED] (assuming the [REDACTED] is not exercised):

Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the mid-point of the [REDACTED])	HK\$[REDACTED] million
Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the high end of the [REDACTED])	HK\$[REDACTED] million
Assuming an [REDACTED] of HK\$[REDACTED] per [REDACTED] (being the low end of the [REDACTED])	HK\$[REDACTED] million

In line with our strategies, we intend to use the [REDACTED] from the [REDACTED] for the purposes and in the amounts set forth below:

#### Enrichment of our fintech capabilities

We will continue to grow and expand the fintech department and invest continuously in building our core fintech capabilities during our operation process. In particular, we plan to continue enhancing and upgrading our fintech capabilities by developing platform for our BNPL service, establishing and enhancing our CDP and improving our K Cash GO Platform. To achieve the above, approximately [REDACTED] of the [REDACTED] or approximately HK\$[REDACTED] million will be used for enrichment of our fintech capabilities.

#### *Development of platform for our BNPL service*

Approximately [REDACTED] or approximately HK\$[REDACTED] million of the [REDACTED] will be used to develop a platform to support our BNPL services, which will be built by our in-house fintech department. In particular,

- (i) we plan to use [REDACTED] or approximately HK\$[REDACTED] million of the [REDACTED] to attract talents for designing IT solutions in order to fulfill the Payment Card Industry Data Security Standard (PCI DSS) as a mandatory requirement of a global credit card network provider who we cooperate with. PCI DSS is a set of security standards applied by major credit card companies to help protect against credit card fraud and data breaches. Hence, consumers can make payments through our BNPL services by utilizing the issued credit cards. These new talents are also responsible for building our cloud-based platform supporting our BNPL service. Details of our recruitment plan are as follows:

Role	Responsibilities	Headcount	Relevant Experience	Expected range of annual salary <i>(HK\$'000)</i>
Project manager	Overall project planning, including feasibility study, project research, project schedule and implementation	1	At least 4 years	420–700

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<u>Role</u>	<u>Responsibilities</u>	<u>Headcount</u>	<u>Relevant Experience</u>	<u>Expected range of annual salary</u> <i>(HK\$'000)</i>
Payment platform delivery leader	Lead development team to implement the Payment processor platform and integrate with various components	1	At least 6 years	720–1,200
Frontend developer	Design, build and maintain applications for iOS platform and Android platform	2	At least 4 years	480–720
Backend and payment developer	Design and build the credit card payment backend, and work with the project team to deliver the backend application	2	At least 3 years	360–600

(ii) we plan to use [REDACTED] or approximately HK\$[REDACTED] million of the [REDACTED] to invest in different kinds of cybersecurity tools and measures to ensure that our platform supporting our BNPL service complies with PCI DSS. In particular, we plan to subscribe the following security tools:

- a. Approximate HK\$[REDACTED] million will be used to subscribe the network firewalls and web application firewalls and penetration testing tools, which are used to protect and identify potential vulnerabilities in the cardholder data environment.
- b. Approximate HK\$[REDACTED] million will be used to subscribe the customer identity and access management solutions to manage the identity and access of customers.
- c. Approximate HK\$[REDACTED] million will be used to subscribe the application protection and application security testing tools and services, ensuring that applications are built securely, reducing the risk of security vulnerabilities. It also protects against attacks that target the container infrastructure.

(iii) we plan to use [REDACTED] or approximately HK\$[REDACTED] million of the [REDACTED] to settle the service fees payable to payment infrastructure, including but not limited to payment processor platform, digital token service provider service and other risk manager and authentication related services. We will also acquire other miscellaneous software components to build the backend and mobile application to the platform supporting our BNPL service. The estimated subscription fees to be charged by payment infrastructure will be approximately HK\$[REDACTED] million each year.

### *Enhancement of our customer engagement technology capabilities*

Approximately [REDACTED] or approximately HK\$[REDACTED] million of the [REDACTED] will be used to establish our CDP, a customer data platform for managing customer data, allowing us to (i) deliver personalized customer experience by using the data to create targeted marketing campaigns, personalized product recommendations, and tailored content that matches the customer’s interest and needs, which optimizes our customer acquisition effort; (ii) engage customers across multiple channels; (iii) make data driven decisions around marketing personalization, product development, sales optimization and customer support activity; (iv) collect and analyze customer data, allowing us to respond to changing customer needs and market trends; and (v) manage customer data accurately and securely and mitigating the risk of data breaches. In particular,

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- (i) we plan to use [REDACTED] or approximately HK\$[REDACTED] million of the [REDACTED] to procure certain technical services from a market leading service provider. These services mainly include implementation guidance, strategic planning support and technical tools which assist us setting up and developing our own CDP solutions. With these technical support, we will use our in-house resources to build, develop and maintain our own CDP solutions, which aims to help us collect, organize, and analyze customer data from multiple sources, such as our mobile app, website, social media pages and email campaigns. Our CDP will include functions to track user behavior, analyze and categorize our customers into different segmentation based on their characteristics and attributes. With these information, we would be able to formulate personalized marketing approach to our customers, for example, sending automated text messages and promotional emails to them.
- (ii) we plan to use [REDACTED] or approximately HK\$[REDACTED] million of the [REDACTED] to subscribe for a cloud-based unified data analytics platform to support our CDP, and run data analysis. The estimated subscription fees to be charged by such platform will be approximately HK\$[REDACTED] each month.

### *Improvement of our operation platform — K Cash GO Platform*

Approximately [REDACTED] or approximately HK\$[REDACTED] million will be used to improve and upgrade our K Cash GO Platform to better suit our business growth and to meet dynamic demand of our existing customers and attract new customers. Our existing K Cash GO Platform can automate and streamline the entire lending process with our modular loan application system and loan management system. To constantly improve our efficiency in credit approval and provide innovative and customized services and products to retain and attract customers in order to meet the future demand, we intend to revamp our K Cash GO Platform by merging our various systems, including the payment processor system under our BNPL services, the eAML and our CDP systems, and enhancing the existing modules to include new functions to support our ongoing operation. The revamped K Cash GO Platform enables us to enhance our operation flow through enhancing the sharing of information and instant communication between various stages of our loan process, and collecting and storing data from our business activities using a common database, thereby increasing our efficiency and productivity, making our whole loan lifecycle more efficient and enriching our customer experience. By building our application on top of cloud computing infrastructure and incorporating the latest digital customer servicing technologies, our revamped K Cash GO Platform is expected to remain competitive in an increasingly digital and fast-paced business environment and can provide the best experience to our customers. To upgrade our K Cash GO Platform, we intend to implement the following:

- (i) we plan to use [REDACTED] or approximately HK\$[REDACTED] million to enhance our technology infrastructure to support our future business via the following:
  - a. Subscribing to the cloud computing infrastructures: Our revamped K Cash GO Platform will pursue a cloud-native application design, and thus we would be able to easily adjust the computing and storage capacity as needed. By taking advantage of cloud native security services and best practices provided by cloud computing vendor, it will be more reliable and secure and can better protect our customer data and application from security threats. The estimated subscription fees to be charged by such cloud computing infrastructure will be approximately HK\$[REDACTED] million each year.

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- b. Engaging service providers to provide digital customer services solutions, which are service components to be integrated in mobile application/web to facilitate customer services: Our revamped K Cash GO Platform will use the latest digital customer service technologies to improve customer satisfaction and experience. In particular, we plan to make use of the following technology solutions:
- Omni-channel contact center solution. It enables interaction with customers across multiple channels including voice, email, chat, social media and provides a unified customer experience. In return, we can receive valuable insights into customer behavior and preferences, allowing us to better understand and meet the needs of our customers; and
  - AI chatbot solution. In addition to the customer service center that we currently operate, we will provide rule-based AI chatbot, which can provide quick and efficient responses to customer inquiries by leveraging language understanding and intent training technologies. Besides, AI chatbots can collect and analyze data on customer interactions, which can provide valuable insights into customer behavior and preferences.
- c. Hosting our K Cash GO Platform on a public cloud infrastructure and to engage different third party service providers or acquire software components and/or tools to facilitate various operation processes. These tools will also be used to enhance the functions of certain existing modules on the current K Cash GO Platform. For example, we will upgrade our existing Business Intelligence Report module to connect to certain new data sources, such as the platform supporting our BNPL service and CDP data source. We will also set up the electronic Direct Debit Authorization (“eDDA”) on the K Cash GO Platform to facilitate our collection process by providing a more efficient and convenient means of collecting loan repayments from our borrowers. With eDDA, borrowers can authorize us to collect loan repayments directly from their bank account on specific due dates, eliminating the need for manual payments and reducing the risk of late payments or defaults]. Additionally, our notification center module will be further enhanced to expand our existing message channels, such as in-App push notifications, which can enhance our communication with borrowers, increase efficiency and improve our customer services in long run.
- (ii) we plan to use [REDACTED] or approximately HK\$[REDACTED] million of the [REDACTED] to attract talents to enhance and upgrade our K Cash GO Platform.

<u>Role</u>	<u>Responsibility</u>	<u>Headcount</u>	<u>Relevant Experience</u>	<u>Expected range of annual salary</u> <i>(HK\$'000)</i>
System analyst	data & loan platform development	1	At least 8 years	600–900
Application developer	loan platform integration and modular development	1	At least 2 years	360–600

We will continue to grow and expand the fintech department and invest continuously in building our core fintech capabilities during our operation process.

## FUTURE PLANS AND [REDACTED]

The table below sets forth the expected implementation timetable of [REDACTED] for the enrichment of our fintech capabilities:

	For the year ending December 31,			Total
	2023	2024	2025	
	<i>(HK\$' million)</i>			
Development of platform for our BNPL service	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Enhancement of our customer engagement technology capabilities	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Improvement of our operation platform – K Cash GO Platform	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
<b>Total</b>	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

We expect our fintech maintenance, development and enhancement expenses will increase, by virtue of a further and deeper deployment of fintech technology in our operation process. We will continue to grow and expand the fintech department and invest continuously in building our core fintech capabilities. In the long run, as we will enhance our products offerings and deliver a better experience to borrowers with enriched features and functionalities, we expect our revenue to steadily grow as a result of the increased application of financial technologies and our improved competitiveness.

### Expansion of our loan portfolio

Approximately [REDACTED] or approximately HK\$[REDACTED] million of the [REDACTED] is expected to be used to expand our loan portfolio by providing more loans to existing and/or new customers. In more detail:

By implementing such plans, we expect that interest income generated from our loan portfolio will continue to grow as the growth and success of our future operations depends on the availability of adequate lending capital, and interest expenses we shall pay to obtain extra capital for loan out. We intend to grow our existing loan portfolio in the priority of Unsecured Property Owner Loans, Personal Loans and SME Loans. We focus the most on Unsecured Property Owner Loans because it presents a lower credit risk to us as compared to Personal Loans and SME Loans. We believe that there is sufficient market demand for all of our product lines. For more information on the total value of different unsecured loans granted by licensed money lenders in Hong Kong, see “Industry Overview — Overview of Licensed Money Lending Market in Hong Kong”.

### General working capital

Not more than [REDACTED] of the [REDACTED] or approximately HK\$[REDACTED] million will be used for working capital and general corporate purposes.

In the event that we receive [REDACTED] from the [REDACTED] higher or lower than the stated amounts above, we will increase or decrease the amount of the [REDACTED] intended to be used for the expansion of our loan portfolio, respectively.

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If the [REDACTED] is exercised in full, the additional [REDACTED] that our Company will receive will be approximately HK\$[REDACTED] million, assuming an [REDACTED] of HK\$[REDACTED] per Share, being the mid-point of the proposed [REDACTED]. Our Company may be required to issue up to an aggregate of [REDACTED] additional Shares pursuant to the [REDACTED].

If and to the extent that the [REDACTED] of the [REDACTED] are not immediately applied towards the above purposes, we will only deposit those [REDACTED] into short-term interest-bearing bank accounts at licensed commercial banks and/or other authorized financial institutions in Hong Kong (as defined under the Securities and Futures Ordinance).