i-Control Holdings Limited
超智能控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock code: 8355

PLACING

Sole Sponsor

Pan Asia 泛亞金融有限公司 Pan Asia Corporate Finance Limited

Joint Bookrunners and Joint Lead Managers

Quam Securities & Futures 華富嘉洛證券期貨

Pan Asia 泛亞金融有限公司 Pan Asia Corporate Finance Limited

If you are in any doubt about this prospectus, you should obtain independent professional advice.

i-Control Holdings Limited
超智能控股有限公司

(Incorporated in the Cayman Islands with limited liability)

LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF PLACING

Number of Placing Shares	**:**	**250,000,000 Shares (subject to the Offer Size Adjustment Option)**
Placing Price	**:**	**Not more than HK$0.39 per Placing Share and expected to be not less than HK$0.30 per Placing Share, plus brokerage of 1%, Stock Exchange trading fee of 0.005% and SFC transaction levy of 0.0027% (payable in full on application in Hong Kong Dollars)**
Nominal value	**:**	**HK$0.01 per Share**
Stock code	**:**	**8355**

Sole Sponsor

Pan Asia 泛亞金融有限公司 Pan Asia Corporate Finance Limited

Sole Coordinator

Quam Securities & Futures 華富嘉洛證券期貨

Joint Bookrunners and Joint Lead Managers

Quam Securities & Futures 華富嘉洛證券期貨

Pan Asia 泛亞金融有限公司 Pan Asia Corporate Finance Limited

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, having attached thereto the documents specified in the section headed "Documents Delivered to the Registrar of Companies and Available for Inspection" in Appendix VII to this prospectus, has been registered with the Registrar of Companies in Hong Kong as required under Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this prospectus or any other documents referred to above.

The Placing Price is expected to be determined by the Price Determination Agreement between the Joint Lead Managers and our Company on or before Tuesday, 19 May 2015. If, for any reason, the Joint Lead Managers and our Company are unable to reach an agreement on the Placing Price by 9:00 p.m. (Hong Kong time) on Tuesday, 19 May 2015, the Placing will not become unconditional and will lapse immediately. The Placing Price will fall within the Placing Price range stated in this prospectus unless otherwise announced, as explained below. The Placing Price is expected to be not more than HK$0.39 per Placing Share and not less than HK$0.30 per Placing Share.

Prior to making an investment decision, prospective investors should consider carefully all of the information set forth in this prospectus, including the risk factors set forth in the section headed "Risk Factors" in this prospectus.

Prospective investors of the Placing Shares should note that the Underwriters are entitled to terminate their obligations under the Underwriting Agreement by notice in writing to be given by the Joint Lead Managers upon the occurrence of any of the events set forth in the section headed "Underwriting — Underwriting Arrangements, Commissions and Expenses — Grounds for Termination" in this prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date. It is important that prospective investors refer to that section for further details.

14 May 2015

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

We will issue an announcement in Hong Kong to be published on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.i-control.com.hk** if there is any change in the following expected timetable[(Note 1)] of the Placing.

Expected Price Determination Date[(Note 2)]	Tuesday, 19 May 2015
Announcement of the final Placing Price, the indication of the levels of interest in the Placing to be published on the Stock Exchange's website at **www.hkexnews.hk** and our Company's website at **www.i-control.com.hk** from	Tuesday, 26 May 2015
Allotment of the Placing Shares on or before	Tuesday, 26 May 2015
Deposit of share certificates into CCASS on or before[(Notes 3 and 4)]	Tuesday, 26 May 2015
Dealings in our Shares on GEM to commence at 9:00 a.m. on	Wednesday, 27 May 2015

Notes:

1. All times refer to Hong Kong local time. Details of the structure of the Placing, including its conditions, are set forth in the section headed "Structure and Conditions of the Placing" in this prospectus. If there is any change in this expected timetable, an announcement will be published on the Stock Exchange's website at **www.hkexnews.hk** and our website at **www.i-control.com.hk**.

2. The Price Determination Date is expected to be on Tuesday, 19 May 2015. If, for whatever reason, the Joint Lead Managers and our Company are unable to reach an agreement on the Placing Price on the Price Determination Date, the Placing will not proceed and will lapse.

3. Share certificates for the Placing Shares to be distributed via CCASS are expected to be deposited into CCASS on Tuesday, 26 May 2015 for credit to the respective CCASS Participant's stock accounts designated by the Underwriters, the placees or their agents, as the case may be. No temporary documents or evidence of title will be issued.

4. Share certificates will only become valid certificates of title at 8:00 a.m. (Hong Kong time) on the Listing Date (such date is currently expected to be Wednesday, 27 May 2015) provided that (i) the Placing becomes unconditional in all respects; and (ii) the right of termination as described in the section headed "Underwriting — Underwriting Arrangements, Commissions and Expenses — Grounds for Termination" below has not been exercised and has lapsed.

5. No dealing in the Placing Shares should take place prior to the Listing Date. Investors who trade the Placing Shares on the basis of publicly available allocation details prior to the receipt of the share certificates or prior to the share certificates becoming valid certificates of title do so entirely at their own risk.

Particulars of the structure of the Placing, including the conditions thereto, are set out in the section headed "Structure and Conditions of the Placing" in this prospectus.

Pursuant to the force majeure provisions contained in the Underwriting Agreement, the Joint Lead Managers have the right in certain circumstances, subject to its sole and absolute opinion, to terminate the obligations of the Underwriters under the Underwriting Agreement at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date (which is currently expected to be Wednesday, 27 May 2015). Further details of the terms of the force majeure provisions are set out in the section headed "Underwriting" in this prospectus.

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IMPORTANT NOTICE TO INVESTORS

This prospectus is issued by our Company solely in connection with the Placing and does not constitute an offer to sell or a solicitation of an offer to buy any securities other than the Placing Shares offered by this prospectus pursuant to the Placing. This prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances.

You should rely only on the information contained in this prospectus to make your investment decision. Our Company, the Sole Sponsor, the Sole Coordinator, the Joint Bookrunners, the Joint Lead Managers and the Underwriters have not authorised anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not made in this prospectus must not be relied on by you as having been authorised by our Company, the Sole Sponsor, the Sole Coordinator, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors, officers or representatives, or any other person or party involved in the Placing.

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This summary aims to give you an overview of the information contained in this prospectus and should be read in conjunction with the full text of this prospectus. As the following is only a summary, it does not contain all the information that may be important to you. You should read the prospectus in its entirety before you decide to invest in the Placing Shares.

There are risks associated with any investment. Some of the particular risks in investing in the Placing Shares are set out in the section headed "Risk Factors" in this prospectus. You should read that section carefully before making any decision to invest in the Placing Shares.

Various expressions used in this summary are defined in the section headed "Definitions" in this prospectus.

BUSINESS OVERVIEW

We are a Hong Kong-based service provider of video conferencing and multimedia audiovisual solution. Our services provided to our clients during the Track Record Period can be generally divided into two lines, namely the provision of: (i) solution for audiovisual, conferencing, presentation and multimedia control systems including installation services; and (ii) audiovisual system maintenance services. The provision of solution for audiovisual, conferencing, presentation and multimedia control systems including installation services is our major line of services, which accounted for approximately 96.2%, 93.2% and 92.2% of our total revenue for the two years ended 31 March 2014 and the nine months ended 31 December 2014, respectively.

We set up our business in 1987 and have been in operation for over 28 years. Our key operations generally range from (i) consultation and design; (ii) equipment procurement and installation; to (iii) maintenance. According to the Ipsos Report, we accounted for approximately 9.8% of total industry revenue in Hong Kong in 2014 and ranked third in the industry in Hong Kong by the same benchmark.

We undertake projects in both the public and private sectors. Our revenue attributable to projects in public sector accounted for approximately 31.5%, 25.1% and 25.8% of our total revenue for the two years ended 31 March 2014 and the nine months ended 31 December 2014, respectively.

Our clients mainly include multi-national enterprises, listed companies, institutions of tertiary education and various contractors. Our largest market is Hong Kong, which accounted for approximately 90.7%, 93.9% and 84.8% of our total revenue for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively. We also had clients from the PRC, Singapore and Macau during the Track Record Period.

Our suppliers include local distributors of video conferencing and multimedia audiovisual equipment in Hong Kong and overseas manufacturers headquartered in the United States, Canada and Finland. As at the Latest Practicable Date, we were the authorised distributor of three of our video conferencing and multimedia audiovisual equipment suppliers.

As at the Latest Practicable Date, we had a total of 489 projects either in progress or yet to commence, which are expected to be completed on or before 30 September 2015. As at the Latest Practicable Date, the total contract sum of these 489 projects was approximately HK$24.9 million, and the total amount of revenue to be recognised for the year ending 31 March 2016 was approximately HK$24.9 million. Among these 489 projects, there were 9 projects in progress or yet to commence with a total contract sum of more than HK$0.4 million. These 9 projects included projects in the public and private sectors and were located in Hong Kong and Macau. As at the Latest Practicable Date, the total contract sum of these 9 projects was approximately HK$10.8 million. The total amount of revenue to be recognised for the year ending 31 March 2016 was approximately HK$10.8 million.

BUSINESS MODEL

We are able to provide to our clients high quality, integrated and tailor-made video conferencing and multimedia audiovisual solution that we believe is simple to operate and maintain.

In general, our project cycle may range from 2 to 4 months (excluding the relevant maintenance period), depending on the project size. We do not offer any fixed package of video conferencing and multimedia audiovisual solution to our clients. Types of our video conferencing and multimedia audiovisual solution provided to our clients during the Track Record Period include: (i) digital signage systems integration; (ii) conference room solutions; and (iii) multimedia classroom and lecture theatre installations.

In general, when our clients approach us, our staff in the sales and marketing department will arrange a consultation with our clients. We will then provide our clients with a design proposal, which is generally presented in the form of drawings and floor plan layouts together with illustrations. When our clients accept our design proposal, we provide them with our quotation. In other cases, our clients or their contractors may directly provide us with all the necessary specifications and drawings for us to prepare the quotation or tender. We will then prepare and submit our quotation or tender for our clients to consider.

The price included in our quotation or tender is generally based on our cost estimates plus certain mark-up margins. We may require our clients to settle 50% of our total fee upon their acceptance of our quotation or tender as prepayment. We generally issue invoices to our clients for the remaining balance of our total fee upon completion of the installation. We generally allow an average credit period of 30 days to our clients. In some cases, our clients will request the right to withhold approximately 5% of our total agreed contract sum due to us as retention monies. The retention monies are generally released to us after the expiry of our standard one-year maintenance service period.

After our client has confirmed its acceptance of our quotation or tender, we will generally form a project team which will be responsible for the administration of the project. We then generally proceed to procure the equipment required. We will firstly check our warehouse to determine if our inventory of the equipment required is sufficient to meet the relevant installation orders. If the inventory we hold is not sufficient, we will place orders with our suppliers for the equipment. The ordered equipment is usually delivered to our warehouse but, in some situations, we may arrange for direct delivery of the same to our clients' site for installation.

The time required for delivery depends on the location of our suppliers' distribution points, and generally requires one to two weeks. We will inspect the equipment after their arrival and, if defective equipment is identified, it will be returned to our suppliers for replacement.

We generally carry out installation through our team of technicians. On some occasions, however, we may outsource part of our work to contractors which are Independent Third Parties.

Upon completion of the installation work, we will carry out a user acceptance test which generally comprises a series of performance checkings to ensure that the installed equipment and installation services that we provide are up to the standards as agreed with our clients. We normally require our clients to sign a commissioning form which will evidence our completion of the user acceptance test. After our clients sign the commissioning form, we will issue invoices to them for the remaining balance of the total fee. We generally allow an average credit period of 30 days to our clients.

After the equipment installed comes into operation, we will circulate to our clients a set of user manuals which sets out the functions and operational details of these items of equipment for their future reference. Depending on our clients' needs and requests, we normally provide one to three sessions of free training to our clients on the daily operation of the equipment that we have installed.

Our quotation or tender will normally include a standard one-year maintenance service to our clients in relation to the equipment installed by us. Upon expiry of such one-year maintenance service, our clients may request renewal of our maintenance service. Subject to our negotiation with our clients, we may renew our maintenance service for another one year with a pre-paid annual service fee. We also provide maintenance services to clients whose equipment are not installed by us.

In general, our annual maintenance service will include: (i) on-site service telephone calls or repair visits; (ii) replacement and equipment on-loan services where any equipment becomes defective during the maintenance period; and (iii) monthly preventive maintenance visits, depending on our clients' requirements. Depending on our clients' needs, we may also station our technicians at a designated venue of our clients for a specified period to provide on-site support services.

Our top five clients for the two years ended 31 March 2014 and the nine months ended 31 December 2014 were mostly multi-national enterprises, listed companies, institutions of tertiary education and various contractors. Their length of business relationship with our Group ranged from one year to 21 years. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our total revenue attributable to our top five clients amounted to approximately HK$32.9 million, HK$29.6 million and HK$29.7 million, respectively, accounting for approximately 30.4%, 28.9% and 34.0% of our total revenue, respectively.

Our top five suppliers for the two years ended 31 March 2014 and the nine months ended 31 December 2014 included local distributors of video conferencing and multimedia audiovisual equipment in Hong Kong and overseas manufacturers headquartered in the United States, Canada and Finland. Their length of business relationship with our Group ranged from one year to 28 years. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our total purchase attributable to our top five suppliers amounted to approximately HK$20.1 million, HK$17.6 million and HK$15.8 million, accounting for approximately 32.5%, 31.4% and 30.6% in aggregate of our total purchase of materials amount, respectively.

As at the Latest Practicable Date, we were the authorised distributor of three of our video conferencing and multimedia audiovisual equipment suppliers. Our purchase of materials from these suppliers accounted for 20.4%, 18.7% and 17.5% of our total purchase of materials during the Track Record Period.

During the Track Record Period, we outsourced some of our system installation work to contractors. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, the cost for outsourcing our system installation work together accounted for approximately 10.3%, 11.9% and 15.2% of our cost of inventories sold, respectively.

OUR COMPETITIVE STRENGTHS

Our Directors believe that our Group possesses the following competitive strengths:

- we are an established video conferencing and multimedia audiovisual solution provider in Hong Kong;
- we provide high quality, integrated and tailor-made video conferencing and multimedia audiovisual solution to our clients from various industries;
- we have been able to secure a stable source of quality video conferencing and multimedia audiovisual equipment and as at the Latest Practicable Date, we were the authorised distributor of three of our video conferencing and multimedia audiovisual equipment suppliers;
- we have an extensive clientele; and
- we have an experienced and dedicated management team.

BUSINESS STRATEGIES

Our principal objectives are (i) to maintain and strengthen our position as one of the leading video conferencing and multimedia audiovisual solution providers in Hong Kong; and (ii) to expand our market share in the video conferencing and multimedia audiovisual industry in the PRC and Singapore. We aim to achieve these objectives by implementing the following strategies:

- to expand our sales and marketing department in Hong Kong;
- to acquire a warehouse in Hong Kong;

– to set up new regional offices with showrooms in Beijing, Shanghai and Singapore; and

– to carry out marketing and promotion in Hong Kong, the PRC and Singapore.

As at the Latest Practicable Date, we rented two warehouses in Hong Kong for our operating needs. Our Directors consider that it would not be in our best interest to continue to use leased properties as our warehouse because of: (i) the risk of substantial increases in rental expenses; and (ii) the risk of early termination or non-renewal of our tenancy agreements by the relevant landlords which is beyond our control. As such, we intend to acquire our own warehouse. We also intend to use part of such warehouse as a support centre for our clients.

FUTURE PLANS AND USE OF PROCEEDS

On the basis that the Placing Price is HK$0.345 (being the mid-point of the indicative range of the Placing Price), our Directors estimate that the net proceeds to be received by us from the Placing (after deducting the underwriting fees, brokerage, the Stock Exchange trading fee and SFC transaction levy for the Placing Shares and estimated listing expenses in connection to the Placing) will be approximately HK$63.1 million. Our Directors presently intend that the net proceeds payable to us from the Placing will be applied as follows:

Use	Approximate percentage or amount of net proceeds to be applied
To recruit approximately five senior and experienced sales staff to expand our video conferencing and multimedia audiovisual solution business in Hong Kong	Approximately 18.2% or HK$11.5 million
To acquire a warehouse in Hong Kong	Approximately 46.8% or HK$29.5 million
To set up new regional offices with showrooms and recruit approximately 15 new staff in Beijing, Shanghai and Singapore	Approximately 21.7% or HK$13.7 million
To carry out marketing and promotion activities on both traditional and new media platforms to improve public awareness of our Group and further strengthen our position in Hong Kong, the PRC and Singapore	Approximately 3.8% or HK$2.4 million

If the Offer Size Adjustment Option is exercised in full, assuming a Placing Price of HK$0.345 per Share, being the mid-point of the indicative Placing Price range of HK$0.30 to HK$0.39 per Share, we estimate the net proceeds to the Selling Shareholders will be approximately HK$11.6 million (to be received upon Listing), after deducting the underwriting fees, brokerage, the Stock Exchange trading fee and SFC transaction levy for the Shares sold pursuant to the exercise of the Offer Size Adjustment Option, and the relevant

portion of listing expenses in connection with the Placing. Our Company will not receive any proceeds from the Shares sold pursuant to the exercise of the Offer Size Adjustment Option in the Placing.

For further details on our future plans and use of proceeds, please refer to the section headed "Future Plans and Use of Proceeds" in this prospectus.

IMPACT OF OUR EXPANSION PLAN ON OUR 2016 RESULTS

In respect of our future business expansion plans, for which we intend to use the net proceeds from the Placing, despite the expected increase in revenue as a result of our deployment of these funds, the Directors consider that the financial results of our Group for the year ending 31 March 2016, will be adversely affected by (i) the expected lower revenue generated by each employee after hiring additional sale personnel in Hong Kong and the expenses incurred in setting up new offices overseas in the first year after the Listing, (ii) the increase in directors' remuneration for the year ending 31 March 2016 as compared to the year ended 31 March 2015, (iii) the increase in selling, promotion and exhibition expenses; and (iv) additional expenses such as listing fees and professional fees to be incurred after the Listing.

SELECTED KEY OPERATIONAL AND FINANCIAL DATA

The following tables set out our summary of combined statements of profit or loss, combined statements of financial position and combined statements of cash flows during the Track Record Period, which are derived from the Accountants' Report set out in Appendix I to this prospectus. The summary of financial data should be read in conjunction with the consolidated financial information in the Accountants' Report set out in Appendix I to this prospectus.

Highlights of our combined statements of profit or loss

	Year ended 31 March		Nine months ended 31 December	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(unaudited)	
Revenue	108,119	102,474	71,182	87,246
Cost of inventories sold	(68,243)	(63,578)	(44,589)	(50,800)
Staff cost	(14,614)	(14,537)	(11,605)	(12,921)
Depreciation	(2,158)	(2,068)	(1,584)	(1,304)
Other income	1,948	22,431*(Note 1)*	21,206*(Note 1)*	170
Other operating expenses	(12,460)	(4,806)	(3,443)	(14,975)*(Note 2)*
Finance costs	(625)	(437)	(335)	(415)
Profit before taxation	11,967	39,479	30,832	7,001
Income tax expense	(2,059)	(3,499)	(2,090)	(3,407)
Profit and total comprehensive income for the year/period	9,908	35,980	28,742	3,594

Notes:

1. Included a gain on disposal of investment property of approximately HK$20.1 million for the year ended 31 March 2014 and the nine months ended 31 December 2013.

2. Included the listing expenses of approximately HK$10.9 million (which was classified as legal and professional fee) charged to the combined statements of profit or loss for the nine months ended 31 December 2014.

Highlights of our combined statements of financial position

	As at 31 March		As at 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Non-current assets	64,143	53,940	52,636
Current assets	42,154	53,564	53,940
Current liabilities	85,073	81,147	75,182
Net current liabilities	(42,919)	(27,583)	(21,242)
Total assets less current liabilities	21,224	26,357	31,394
Non-current liability	194	269	334
Net assets	21,030	26,088	31,060

Our Group recorded net current liabilities of approximately HK$42.9 million, HK$27.6 million and HK$21.2 million as at 31 March 2013, 31 March 2014 and 31 December 2014, respectively. The decrease of our net current liabilities as at 31 March 2014 as compared to 31 March 2013 was mainly due to the increase in our trade receivables of approximately HK$8.8 million which were mainly caused by several sizable projects which were completed near to the financial year ended 31 March 2014 and were not due for settlement as at 31 March 2014 and decrease in our outstanding bank borrowings of approximately HK$8.1 million upon disposal of our investment property for the year ended 31 March 2014. Our net current liabilities further decreased as at 31 December 2014 as compared to 31 March 2014 mainly due to the decrease in trade and bills payables of approximately HK$4.5 million, other payables and accruals of approximately HK$12.6 million which were mainly caused by (i) decrease in dividend payable from approximately HK$10.6 million as at 31 March 2014 to nil as at 31 December 2014 (we declared dividends of approximately HK$30.9 million for the year ended 31 March 2014 and paid approximately HK$20.3 million and HK$10.6 million for the year ended 31 March 2014 and the nine months ended 31 December 2014 respectively) and (ii) the decrease of customer deposits (for trade) from approximately HK$6.3 million as at 31 March 2014 to approximately HK$1.8 million as at 31 December 2014, amounts due to directors of approximately HK$8.0 million, amounts due to related companies of approximately HK$14.5 million and partly offset by the increase of bank borrowings of approximately HK$30.5 million.

Bank borrowings with a repayment on demand clause were all included in the current liabilities as at each of the financial position dates. At 31 March 2013, 31 March 2014 and 31 December 2014, the aggregate undiscounted principal amounts of these bank borrowings amounted to HK$28,365,000, HK$20,270,000 and HK$50,757,000, respectively. Taking into account our Group's financial position, our Directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. Our Directors believe that such bank loans will be repaid more than one year after the reporting date in accordance with the scheduled repayment dates set out in the loan agreements.

As mentioned in the section entitled "Working capital" in the Financial Information section of this prospectus, our Group's net current liabilities during the Track Record Period were largely due to bank borrowings classified as current liabilities due to "repayable on demand" clauses in the relevant facility agreements. The loans mainly included mortgage loans for our Group's land and buildings, tax loans and revolving loans for business use. If our Group's bank borrowings which were not scheduled to be repaid within a year were excluded from the aforementioned net current liabilities figures, our Group's adjusted net current assets (liabilities) position would be as follows: net current liabilities of approximately HK$17.4 million and HK$9.8 million as at 31 March 2013 and 31 March 2014, respectively and net current assets of HK$19.2 million as at 31 December 2014.

Our Directors are of the opinion that, taking into consideration our internal resources, available banking facilities of HK$6.0 million, our net cash generated from operating activities of HK$7.6 million for the nine months ended 31 December 2014, our Group's total bank and cash balance of approximately HK$14.8 million (unaudited) as at 31 March 2015 and the estimated net proceeds from the Placing, we will have sufficient working capital for our present requirements, for at least the next 12 months from the date of this prospectus.

As at 31 March 2013 and 31 March 2014 and 31 December 2014, bank borrowings of approximately HK$25.5 million, HK$17.8 million and HK$40.4 million which are not scheduled to be repaid within one year were classified as current liabilities as the related loan agreements contain a clause that provides the lenders with an unconditional right to demand repayment at any time at its own discretion. None of the portion of these interest-bearing borrowings due for repayment after one year, which contains a repayment on demand clause and that is classified as current liabilities, is expected to be settled within one year.

Highlights of our combined statements of cash flows

	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Net cash from operating activities	5,925	16,803	8,841	7,627
Net cash (used in) from investing activities	(90)	28,541	28,531	614
Net cash used in financing activities	(2,052)	(44,599)	(30,194)	(3,021)
Net increase in cash and cash equivalents	3,783	745	7,178	5,220
Cash and cash equivalents at the beginning of the year/period	10,517	14,300	14,300	15,045
Cash and cash equivalents at the end of the year/period	14,300	15,045	21,478	20,265

For the nine months ended 31 December 2014, we recorded net cash from operating activities of approximately HK$7.6 million primarily as a result of the combined effect of (i) the operating profit before taxation of approximately HK$7.0 million; (ii) depreciation of approximately HK$1.3 million; (iii) the increase in inventories and prepayments, deposits and other receivables of approximately HK$1.1 million and HK$1.1 million, respectively; and (iv) the decrease in trade receivables, trade and bills payables and other payables and accruals of approximately HK$6.4 million, HK$4.5 million and HK$0.6 million, respectively.

Revenue by services

The following table sets forth the breakdown of our Group's revenue by such two lines during the Track Record Period:

Service type	Year ended 31 March				Nine months ended 31 December			
	2013		2014		2013		2014	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Solution for audiovisual, conferencing, presentation and multimedia control systems including installation services *(Note)*	104,038	96.2	95,459	93.2	67,958	95.5	80,478	92.2
Audiovisual system maintenance services	4,081	3.8	7,015	6.8	3,224	4.5	6,768	7.8
Total:	108,119	100.0	102,474	100.0	71,182	100.0	87,246	100.0

Note: During the Track Record Period, we had projects which required us to procure and deliver certain video conferencing and multimedia audiovisual equipment and solely involved our Consultation Services (i.e. without requiring any design or installation services from our Group). For the same period, the revenue attributable to this kind of projects was approximately 8.3%, 8.0% and 8.4% of our total revenue, respectively.

KEY FINANCIAL RATIOS

The following table sets out certain key financial ratios in respect of our Group as at the end of each of the financial year and the nine months ended 31 December 2014 indicated:

	Year ended 31 March		Nine months ended 31 December
	2013	2014	2014
Net profit margin *(note a)*	9.2%	35.1%	4.1%
– excluding a gain on disposal of investment property *(note i)*	9.2%	15.5%	4.1%
Return on assets *(note b)*	9.3%	33.5%	4.5%
– excluding a gain on disposal of investment property *(note i)*	9.3%	14.7%	4.5%
Return on equity *(note c)*	47.1%	137.9%	15.4%
– excluding a gain on disposal of investment property *(note i)*	47.1%	60.8%	15.4%
Current ratio *(note d)*	0.5	0.7	0.7
Quick ratio *(note e)*	0.4	0.6	0.6
Gearing ratio *(note f)*	314.3%	163.9%	163.4%
Net Debt to equity ratio *(note g)*	66.9%	20.0%	98.2%
Interest coverage *(note h)*	20.1	91.3	17.9
– excluding a gain on disposal of investment property *(note i)*	20.1	45.3	17.9

Notes:

a. Net profit margin is calculated based on the net profit for the year/period divided by total revenue for the year/period and multiplied by 100%.

b. Return on assets is calculated based on the net profit for the year divided by the total assets at the end of the year and multiplied by 100%. For the nine months ended ratio, it is calculated based on annualised net profit for the period divided by the total assets at the end of the period and multiplied by 100%.

c. Return on equity is calculated based on the net profit for the year divided by total equity at the end of the year and multiplied by 100%. For the nine months ended ratio, it is calculated based on annualised net profit for the period divided by total equity at the end of the period and multiplied by 100%.

d. Current ratio is calculated based on the total current assets at the end of the year/period divided by the total current liabilities at the end of the year/period.

e. Quick ratio is calculated by dividing the total current assets (net of inventories) by the total current liabilities.

f. Gearing ratio is calculated based on total debt at the end of the year/period divided by total equity at the end of the year/period and multiplied by 100%. Debts are defined to include all liabilities incurred not in the ordinary course of business excluding trade and bills payables, other payables and accruals and tax payables.

g. Net debt to equity ratio is calculated by dividing net debt by equity and multiplied by 100%. Net debt is defined to include all bank borrowings net of cash and cash equivalents.

h. Interest coverage is calculated by dividing profit before taxation and finance cost by finance cost.

i. The amount refers to approximately HK$20.1 million other income of a gain on disposal of investment property for the year ended 31 March 2014.

Net profit margin

Net profit margin increased from approximately 9.2% for the year ended 31 March 2013 to approximately 35.1% for the year ended 31 March 2014. The increase was primarily attributable to i) a gain on disposal of investment property of approximately HK$20.1 million for the year ended 31 March 2014 and ii) a decrease of approximately HK$6.1 million in commission expenses, as we have significantly reduced our commission expenses payable to related parties associated with our Directors during the year ended 31 March 2014.

Excluding gains on disposal of investment property, our net profit margin increased from 9.2% for the year ended 31 March 2013 to approximately 15.5% for the year ended 31 March 2014. The increase was primarily attributable to the above mentioned decrease of approximately HK$6.1 million in commission expenses as we have significantly reduced our commission expenses payable to related parties associated with our Directors during the year ended 31 March 2014.

Net profit margin decreased from approximately 35.1% for the year ended 31 March 2014 to approximately 4.1% for the nine months ended 31 December 2014. The decrease was primarily attributable to i) a gain on disposal of investment property of approximately HK$20.1 million for the year ended 31 March 2014 as compared to nil for the nine months ended 31 December 2014 and ii) listing expenses of approximately HK$10.9 million incurred for the nine months ended 31 December 2014.

Excluding a gain on disposal of investment property, our net profit margin decreased from 15.5% for the year ended 31 March 2014 to approximately 4.1% for the nine months ended 31 December 2014. The decrease was primarily attributable to listing expenses of approximately HK$10.9 million incurred for the nine months ended 31 December 2014.

Please refer to the paragraph headed "Summary of key financial ratios" in the section headed "Financial Information" of this prospectus for further details.

Other operating expenses

Other operating expenses which amounted to approximately HK$12.5 million, HK$4.8 million and HK$15.0 million for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively. The decrease of operating expenses for the year ended 31 March 2014 as compared to the year ended 31 March 2013 was mainly caused by the decrease in commission expenses which were determined at the discretion of our Directors. Such commission expenses represented payments made to the related companies of our Directors (other than our independent non-executive Directors) and Mr. Wong To Yan for their services rendered in terms of sales management services provided through our said Directors and Mr. Wong To Yan. The sales management services are generally consisted of services including but not limited to: (1) maintaining relationships with our Group's customers and suppliers; and (2) giving advice on marketing plan (the "**Sales Management Services**"). For the nine months ended 31 December 2014, our total other operating expenses increased significantly as compared to the nine months ended 31 December 2013 primarily due to the listing expenses incurred for the intended listing of our Group.

Effective from 1 April 2013, the Sales Management Services have been provided by our said Directors in their own capacity instead of through their related companies, and had led to a significant reduction of the commission expenses payable to those related companies during the year ended 31 March 2014. The amount of commission expenses paid to those related companies was substantially reduced from approximately HK$6.7 million for the year ended 31 March 2013 to approximately HK$0.3 million for the year ended 31 March 2014. The payment of commission expenses was nil for the nine months ended 31 December 2014. Since at all material times, our said Directors were, and have been, the shareholders of our Group, it was considered that the benefit of the Sales Management Services provided to our Group were reflected in the amount of dividend paid for the same period. Further details of the commission expenses are set out in the paragraph headed "Financial Information — Other operating expenses" in this prospectus.

RECENT DEVELOPMENT

In relation to our service line of solution for audiovisual, conferencing, presentation and multimedia control systems including installation services, we had 206 projects either in progress or yet to commence as at the Latest Practicable Date, with the total contract sum at approximately HK$18.4 million. There were 9 projects with a contract sum more than HK$0.4 million, 10 projects with contract sum between HK$200,001 to HK$400,000 and 187 projects with contract sum of or below HK$200,000. The total amount of revenue of these projects to be recognised for the year ending 31 March 2016 was approximately HK$18.4 million.

In relation to our service line of audiovisual system maintenance services, we had 283 projects either in progress or yet to commence as at the Latest Practicable Date, with the total contract sum at approximately HK$6.5 million and the total amount of revenue to be recognised for the year ending 31 March 2016 was approximately HK$6.5 million.

Our Directors expect that the financial results of our Group for the year ended 31 March 2015 were affected by the estimated expenses in relation to the Listing. Please refer to the section headed "Financial Information — Listing Expenses" in this prospectus for further details.

Our Directors have confirmed that they have performed sufficient due diligence to ensure that, as at the Latest Practicable Date and up to the date of this prospectus, save as disclosed above there has been no material adverse change in the financial and trading position or prospects of our Group since 31 December 2014 and that there has been no event since the Latest Practicable Date that would affect the information shown in the Accountants' Report sets out in Appendix I to this prospectus. Our Directors consider that all information necessary for the investing public to make an informed judgement as to the business activities and financial position of our Group has been included in this prospectus.

PROFIT ESTIMATE FOR THE YEAR ENDED 31 MARCH 2015

On the bases as set out in Appendix III to this prospectus and in the absence of unforeseen circumstances, our key profit estimate data for the year ended 31 March 2015 are set out below:

Estimated combined profit attributable to the owners of our Company for the year ended 31 March 2015	not less than HK$4.0 million
Unaudited estimated earnings per Share on a pro forma basis for the year ended 31 March 2015 *(Note 1)*	not less than HK$0.004

Note:

(1) The unaudited estimated earnings per Share on a pro forma basis is calculated by dividing the estimated combined profit attributable to the owners of our Company for the year ended 31 March 2015 by 1,000,000,000 Shares as if such Shares had been issued throughout the Track Record Period. The number of Shares used in this calculation includes the Shares in issue as at the date of this prospectus and the Shares to be issued pursuant to the Placing, but takes no account of any Shares which may be allotted and issued pursuant to the exercise of any options that may be granted under the Share Option Scheme.

We expect our net profit margin (without taking into account of our listing expenses) for the three months ended 31 March 2015 will be decreased as compared to the nine months ended 31 December 2014 as we expect a decrease in our average monthly revenue for the three months ended 31 March 2015 as compared to the nine months ended 31 December 2014 mainly due to a project in Singapore having been completed and revenue relating thereto amounting to approximately HK$9.2 million having been recognized for the nine months ended 31 December 2014, while our staff cost and depreciation rate remain stable.

LISTING EXPENSES

We expect that our total listing expenses, which are non-recurring in nature, will amount to approximately HK$23.2 million. Out of the total HK$23.2 million listing expenses, we have paid approximately HK$12.2 million (including approximately HK$10.9 million recognised as expense in the combined statements of profit or loss during the nine months ended 31 December 2014). For the remaining amount of approximately HK$11.0 million, we expect to further recognise approximately HK$1.2 million and HK$3.6 million in the combined statements of profit or loss for the year ended 31 March 2015 and ending 31 March 2016, respectively.

Accordingly, the financial results of our Group for the year ended 31 March 2015 and ending 31 March 2016 are expected to be materially affected by the estimated expenses in relation to the Listing. Such listing expenses comprise a current estimate for reference only and the final amount to be charged to the combined statements of profit or loss of our Group for the year ended 31 March 2015 and ending 31 March 2016 and the amount to be absorbed by from our Group's share premium is subject to change.

STATISTICS OF THE PLACING

	Based on a Placing Price of HK$0.39 per Placing Share	Based on a Placing Price of HK$0.30 per Placing Share
Market capitalisation of the Shares*(Note 1)*	HK$390 million	HK$300 million
Unaudited pro forma adjusted combined net tangible assets of our Group attributable to the owners of our Company per Share as at 31 December 2014*(Notes 2 and 3)*	HK$0.11	HK$0.09

Notes:

1. The calculation of the market capitalisation of our Shares is based on an issued capital of 1,000,000,000 Shares, being the number of the Shares in issue immediately following the completion of the Placing and the Capitalisation Issue but not taking into account of any Shares which may be issued pursuant to the exercise of options that may be granted under the Share Option Scheme.

2. The calculation of the pro forma adjusted net tangible assets of the Group attributable to the owners of the Company per Share is based on 1,000,000,000 Shares expected to be in issue after the completion of the Placing and the Capitalisation Issue. It has not taken into account any Shares which may be issued pursuant to the exercise of options that may be granted under the Share Option Scheme or any Shares which may be allotted and issued or repurchased by the Company pursuant to the general mandates given to the Directors.

3. No adjustment has been made to the pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2014 to reflect any trading result or other transaction of the Group entered into subsequent to 31 December 2014.

OUR SHAREHOLDERS

So far as our Directors are aware, immediately following completion of the Capitalisation Issue and the Placing (but not taking into account of any Shares which may be issued pursuant to the exercise any options that may be granted under the Share Option Scheme), our Company will be owned as to approximately 51% by Newmark Group, approximately 9.26% by Dr. Wong, our non-executive Director and Controlling Shareholder, approximately 4.75% by Mr. Tong, our executive Director, Chairman and Controlling Shareholder, approximately 4.75% by Mr. WY Chan, our executive Director and Controlling Shareholder, approximately 4.75% by Mr. WL Chan, our executive Director and Controlling Shareholder, and approximately 0.49% by Mr. Lin, our non-executive Director, respectively.

Newmark Group is owned as to 38.6%, 19.8%, 19.8%, 19.8% and 2.0% by Dr. Wong, Mr. WL Chan, Mr. Tong, Mr. WY Chan and Mr. Lin, respectively.

DIVIDENDS AND DIVIDEND POLICY

We declared dividends of approximately HK$9.0 million to our shareholders on 5 February 2015 and paid approximately HK$9.0 million to our shareholders on 27 February 2015. We declared and paid dividends of approximately HK$6.0 million for the year ended 31 March 2013. We declared dividends of approximately HK$30.9 million for the year ended 31 March 2014 and paid approximately HK$20.3 million and HK$10.6 million for the year ended 31 March 2014 and the nine months ended 31 December 2014. We did not declare dividends for the nine months ended 31 December 2014.

Our historical declarations of dividends may not reflect our future dividend payout ratio.

After completion of the Placing, Shareholders will be entitled to receive dividends declared by our Company. Dividend payments are discretionary and will be subject to the recommendation of our Board and approval of our Shareholders in general meetings or, in the case of interim dividends, subject to the approval of our Board in accordance with the Articles. The amount of any dividends to be declared by our Company in any given year in the future will depend on, among others, our Group's results of operations, available cashflows and financial conditions, operating and capital requirements, the amount of distributable profits based on the HKFRSs, the Articles, applicable laws and regulations and any other factors that our Directors deem relevant. The payment of dividends may also be limited by legal restrictions and agreements that our Group may enter into in the future.

RISK FACTORS

Potential investors are advised to carefully read the section "Risk Factors" in this prospectus before making any investment decision in the Placing Shares. Some of the more particular risk factors include:

- Our revenue is mainly derived from projects which are not recurring in nature and any decrease in the number of projects would affect our operations and financial results.

- We determine our fee based on estimated time and costs, yet the actual time and costs incurred may deviate from our estimates due to unexpected circumstances, thereby adversely affecting our operations and financial results.

- We may be exposed to payment delays and/or defaults by our clients which would adversely affect our cash flow or financial results.

- Our client's preferences are highly subjective in nature and can substantially deviate from one another, and consequently failure to accommodate our client's individual preferences may result in client dissatisfaction, thereby potentially damaging our business reputation and hindering our opportunity to secure future projects or orders.

- Our quality of service heavily relies on our video conferencing and multimedia audiovisual equipment suppliers, and consequently any shortage or delay of supply or deterioration of product quality could materially and adversely affect the quality of our service, thereby damaging our business reputation and adversely affecting our financial results.

- We rely on the authorised distributorships granted by three of our video conferencing and multimedia audiovisual equipment suppliers, and expiry of and/or failure to renew any of them would have a material adverse effect on our operations and financial results.

- We rely on our contractors, who are Independent Third Parties, to handle some of our installation work and we exercise minimal control over their work performance. Any delay or defects in their work would adversely affect our operations and financial results.

HISTORICAL NON-COMPLIANCE INCIDENTS

There were instances where our Group failed to comply with certain applicable laws and regulations in Hong Kong and the PRC during the Track Record Period, including: (i) non-compliance with the Predecessor Companies Ordinance; and (ii) the PRC laws on social insurance and housing provident fund. For details of such non-compliance incidents and the respective rectification actions taken, please refer to the paragraph headed "Business — Legal Proceedings and Legal Compliance" in this prospectus.

OTHER MATTERS

On 8 November 1999, a winding-up order was granted by the High Court of Hong Kong against Mei Cheong Ieong Hong (H.K.) Limited ("**MCIH**") where Dr. Wong was one of its eight directors and a minority shareholder interested in 6.75% of MCIH's then issued share capital. Further, Yueshou Environment Holdings Limited (previously known as China Rich Holdings Limited) (Stock Code: 1191) and Upbest Group Limited (Stock Code: 335), were involved in certain non-compliance incidents in respect of the then listing rules between around 2003 and 2004, and between 2000 and 2007, respectively. During such periods, Dr. Wong had been an independent non-executive director and a non-executive director of these two companies, respectively. For details, please refer to Dr. Wong's biography in the paragraph headed "Directors, Senior Management and Staff — Non-executive Directors" in this prospectus.

In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set forth below.

"Articles of Association" or "Articles"	the articles of association of our Company, adopted on 11 May 2015 and as amended from time to time, a summary of which is set forth in the section headed "Summary of the Constitution of our Company and Cayman Islands Company Law" in Appendix V to this prospectus
"associate(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Billion Peace"	Billion Peace Limited (億寧有限公司), being a company incorporated in Hong Kong with limited liability on 4 March 2011 and an indirect wholly-owned subsidiary of our Company
"Board"	our board of Directors
"business day"	any day (other than a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business
"Buy-back Mandate"	the general unconditional mandate to buy-back Shares given to our Directors by our Shareholders, particulars of which are set forth in the paragraph headed "Statutory and General Information — A. Further Information about Our Company and Our Subsidiaries — 3. Resolutions in writing of all our Shareholders passed on 11 May 2015" in Appendix VI to this prospectus
"BVI"	the British Virgin Islands
"Capitalisation Issue"	the issue of 748,500,000 new Shares to be made upon capitalisation of the share premium account of our Company as referred to in the paragraph headed "Statutory and General Information — A. Further Information about Our Company and Our Subsidiaries — 3. Resolutions in writing of all our Shareholders passed on 11 May 2015" in Appendix VI to this prospectus
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC

"CCASS Clearing Participant(s)"	a person admitted to participate in CCASS as a direct participant or a general clearing participant
"CCASS Custodian Participant(s)"	a person admitted to participate in CCASS as a custodian participant
"CCASS Investor Participant(s)"	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
"CCASS Participant(s)"	a CCASS Clearing Participant or a CCASS Custodian Participant or a CCASS Investor Participant
"Chairman"	the chairman of the Board, Mr. Tong
"China" or "PRC"	the People's Republic of China which, except where the context otherwise requires and for the purpose of this prospectus only, does not include Hong Kong, Macau and Taiwan
"Chinese Government" or "PRC Government"	the central government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities thereof or, where the context requires, any of them
"close associate(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Companies Law" or "Cayman Companies Law"	the Companies Law (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Companies Registry"	the Companies Registry of Hong Kong
"Company"	i-Control Holdings Limited (超智能控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 21 August 2014

"connected person(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed thereto under the GEM Listing Rules, and in the context of our Company, means Newmark Group, Dr. Wong, Mr. Tong, Mr. WY Chan and Mr. WL Chan
"Corporate Governance Code"	Appendix 15 to the GEM Listing Rules, as amended, supplemented or otherwise modified from time to time
"Deed of Indemnity"	the deed of indemnity dated 11 May 2015 given by our Controlling Shareholders in favour of our Company (for ourselves and for the benefit of our subsidiaries) regarding certain indemnities, details of which are set out in the paragraph headed "Statutory and General Information — E. Other Information — 1. Tax and other indemnity" in Appendix VI to this prospectus
"Deed of Non-competition"	the deed of non-competition dated 11 May 2015 given by our Controlling Shareholders in favour of our Company (for ourselves and for the benefit of our subsidiaries) regarding non-competition undertaking, details of which are set out in the paragraph headed "Relationship with Controlling Shareholders — Non-competition Undertaking" in this prospectus
"Director(s)"	the director(s) of our Company as at the date of this prospectus
"Dr. Wong"	Dr. Wong King Keung (黃景強博士), being our non-executive Director and a Controlling Shareholder
"Eduserve International"	Eduserve International Limited (教育系統國際有限公司), being a company incorporated in Hong Kong with limited liability on 8 April 1987 and an indirect non wholly-owned subsidiary of our Company
"Euro"	the lawful currency adopted by 17 of 27 member states of the European Union
"EWEW"	EWEW Limited (formerly known as Supreme Plus Holdings Limited and i-Control Properties Limited), being a company incorporated in the BVI with limited liability on 2 May 2014 and is a wholly owned subsidiary of MWMW
"GEM"	the Growth Enterprise Market of the Stock Exchange

"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Government"	the Government of Hong Kong
"HIBOR"	Hong Kong Interbank Offered Rate
"HK Legal Counsel"	Mr. Vincent C. W. Lam, Barrister-at-law, Hong Kong
"HK$", "Hong Kong dollars", "HK dollars" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"HKFRSs"	Hong Kong Financial Reporting Standards
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Branch Share Registrar"	Tricor Investor Services Limited, our Hong Kong branch share registrar and transfer office
"i-Control (China)"	i-Control (China) Limited (超智能科技(中國)有限公司), being a company incorporated in Hong Kong with limited liability on 30 November 2009 and an indirect non wholly-owned subsidiary of our Company
"i-Control (Hong Kong)"	i-Control Limited (超智能科技有限公司), being a company incorporated in Hong Kong with limited liability on 25 October 1999 and an indirect wholly-owned subsidiary of our Company
"i-Control (ITAV)"	i-Control (ITAV) Limited (formerly known as Skynew Limited), being a company incorporated in the BVI with limited liability on 17 June 2014 and a direct wholly-owned subsidiary of our Company
"i-Control (Shanghai)"	i-Control (Shanghai) Information Technology Co. Ltd. (愛港超(上海)信息科技有限公司), being a wholly foreign-owned enterprise established in the PRC with limited liability on 30 March 2010 and an indirect non wholly-owned subsidiary of our Company

"i-Control (Singapore)"	I-CONTROL (ITAV) PTE. LTD., being a company incorporated in Singapore with limited liability on 4 September 2014 and an indirect wholly-owned subsidiary of our Company
"i-Control Consultancy"	i-Control Consultancy Limited (formerly known as Cyber Lion Investments Limited), being a company incorporated in the BVI with limited liability on 17 June 2014 and an indirect wholly-owned subsidiary of our Company
"Independent Third Party(ies)"	an individual(s) or a company(ies) who or which is/are independent of and not connected with (within the meaning of the GEM Listing Rules) any Directors, chief executive or Substantial Shareholders of our Company, our subsidiaries or any of their respective close associates
"Ipsos"	Ipsos Hong Kong Limited, an Independent Third Party, being a professional market research company
"Ipsos Report"	the commissioned report dated 17 March 2015 on the market and competitive landscape of the video conferencing and multimedia audiovisual solution industry in Hong Kong and brief overview of the Beijing, Shanghai and Singapore markets compiled by Ipsos
"Issuing Mandate"	the unconditional mandate granted to our Directors to allot and issue Shares pursuant to the resolutions set forth in the paragraph headed "Statutory and General Information — A. Further Information about Our Company and Our Subsidiaries — 3. Resolutions in writing of all our Shareholders passed on 11 May 2015" in Appendix VI to this prospectus
"Joint Bookrunner" or "Joint Lead Manager"	Pan Asia or Quam Securities
"Latest Practicable Date"	4 May 2015, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information in this prospectus
"Listing"	the listing of our Shares on GEM
"Listing Date"	the date expected to be on or about 27 May 2015, on which our Shares are listed and dealings in our Shares commence on GEM

"Macau"	the Macau Special Administrative Region of the PRC
"Memorandum of Association"	the memorandum of association of our Company, adopted on 11 May 2015 and as amended from time to time
"Modern China"	Modern China Business Consultants Limited (新中國商業顧問有限公司), being a company incorporated in Hong Kong with limited liability on 10 December 1991 and an indirect wholly-owned subsidiary of our Company
"Mr. WL Chan"	Mr. Chan Wing Lun (陳永倫先生), being our executive Director and a Controlling Shareholder
"Mr. WY Chan"	Mr. Chan Wing Yiu (陳詠耀先生), being our executive Director and a Controlling Shareholder
"Mr. Lin"	Mr. Lin Wing Ching (連永錚先生), being our non-executive Director
"Mr. Tong"	Mr. Tong Sai Wong (唐世煌先生), being our Chairman, executive Director and a Controlling Shareholder
"MWMW"	MWMW Limited, being a company incorporated in the BVI with limited liability on 17 June 2014 and is owned as to 38.6%, 19.8%, 19.8%, 19.8% and 2.0% by Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin respectively
"Newmark"	Newmark Company Limited (新標誌有限公司), being a company incorporated in Hong Kong with limited liability on 2 September 1986 and is controlled by Dr. Wong, Mr. Lin, Mr. Tong and Mr. WY Chan
"Newmark Group"	Newmark Group Limited, being a company incorporated in the BVI with limited liability on 25 July 2014 and a Controlling Shareholder, and is owned as to 38.6% by Dr. Wong, 19.8% by Mr. Tong, 19.8% by Mr. WY Chan, 19.8% by Mr. WL Chan and 2% by Mr. Lin

"Offer Size Adjustment Option"	the option granted by the Selling Shareholders to Pan Asia under the Underwriting Agreement to require the Selling Shareholders, namely Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin, to sell such number of Shares in proportion to their shareholdings respectively up to an additional 37,500,000 Shares, representing 15% of the aggregate of the total number of Placing Shares initially available under the Placing, details of which are described in the section headed "Structure and Conditions of the Placing" in this prospectus
"Placing"	the conditional placing of the Placing Shares at the Placing Price by the Underwriters on behalf of our Company and the Selling Shareholders, if applicable, for cash, as further described in the section headed "Structure and Conditions of the Placing" in this prospectus
"Placing Price"	the final price per Placing Share which will not be more than HK$0.39 per Share and is expected to be not less than HK$0.30 per Share (exclusive of brokerage, the Stock Exchange trading fee and SFC transaction levy), such price to be fixed on the Price Determination Date
"Placing Share(s)"	the 250,000,000 Shares being offered by our Company for subscription under the Placing and such number of Shares which may be sold by the Selling Shareholders upon the exercise of the Offer Size Adjustment Option
"PRC Company Law"	the Company Law of the PRC (《中華人民共和國公司法》), as enacted by the National People's Congress on 29 December 1993 and effective on 1 July 1994, as amended, supplemented or otherwise modified from time to time
"PRC Government"	the Government of PRC
"PRC Legal Advisers"	King & Wood Mallesons, our legal advisers as to the PRC laws
"Predecessor Companies Ordinance"	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as in force from time to time before 3 March 2014
"Price Determination Agreement"	the agreement expected to be entered into between the Joint Lead Managers (for themselves and on behalf of the Underwriters) and our Company on or before the Price Determination Date to record the agreement on the final Placing Price

"Price Determination Date"	the date, expected to be on or around 19 May 2015 or such other date as may be agreed between the Joint Lead Managers (for themselves and on behalf of the Underwriters) and our Company, on which the final Placing Price is to be fixed for the purpose of the Placing
"Ranier"	Ranier Enterprises Limited, being a company incorporated in Hong Kong with limited liability on 8 January 1985 and is controlled by Dr. Wong and Mr. Lin
"Reorganisation"	the reorganisation arrangements we have undergone in preparation for the Listing which are more particularly described in the section headed "History, Reorganisation and Group Structure" and the paragraph headed "Statutory and General Information — A. Further Information about Our Company and Our Subsidiaries — 4. Group reorganisation" in Appendix VI to this prospectus
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"SAIC"	the State Administration for Industry and Commerce of the PRC (中華人民共和國國家工商行政管理總局)
"SAT"	the State Administration of Taxation of the PRC (中華人民共和國國家税務總局)
"Selling Shareholders"	Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of HK$0.01 each
"Share Option Scheme"	the share option scheme our Company conditionally adopted on 11 May 2015, the principal terms of which are summarised in the paragraph headed "Statutory and General Information — D. Share Option Scheme" in Appendix VI to this prospectus

"Share Swap Agreement"	the share swap agreement dated 11 May 2015 entered into by MWMW (as vendor) and our Company (as purchaser)
"Shareholder(s)"	holder(s) of our Shares
"Singapore"	the Republic of Singapore
"Singapore dollars", "S$" or "SGD"	Singapore dollars, the lawful currency of Singapore
"Singapore Legal Advisers"	WongPartnership LLP
"Sole Coordinator" or "Quam Securities"	Quam Securities Company Limited, a corporation licensed to engage in type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (advising on investment management) regulated activities under the SFO, and the sole coordinator, joint bookrunner and joint lead manager of the Placing
"Sole Sponsor" or "Pan Asia"	Pan Asia Corporate Finance Limited, a corporation licensed to engage in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, the sole sponsor, joint bookrunner and joint leader manager of the Placing
"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the GEM Listing Rules
"Substantial Shareholder(s)"	has the meaning ascribed thereto under the GEM Listing Rules, and in the context of our Company, means Newmark Group, Dr. Wong and his wife
"Takeovers Code"	the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Tax Consultant"	SHINEWING Tax and Business Advisory Limited
"Track Record Period"	the period comprising the two financial years ended 31 March 2014 and the nine months ended 31 December 2014

"Underwriters"	the underwriters of the Placing whose names are set out in the section headed "Underwriting — Underwriters" in this prospectus
"Underwriting Agreement"	the underwriting agreement dated 13 May 2015 relating to the Placing and entered into by, among others, our Company, the Sole Sponsor, the Joint Lead Managers, the Joint Bookrunners and the Underwriters, particulars of which are summarised in the section headed "Underwriting" in this prospectus
"U.S. dollars", "USD" or "US$"	United States dollars, the lawful currency of the United States
"United States" or "U.S."	the United States of America
"View Mark"	View Mark Limited (萬景昇有限公司), being a company incorporated in Hong Kong with limited liability on 6 September 2010 and an indirect wholly-owned subsidiary of our Company
"we", "us" and "Group"	unless the context otherwise requires, our Company and all of our subsidiaries, or where the context refers to any time prior to the incorporation of our Company, the business in which the predecessors of our present subsidiaries were engaged and which were subsequently assumed by such subsidiaries pursuant to the Reorganisation
"Wideford"	Wideford Limited (建萬有限公司), being a company incorporated in Hong Kong with limited liability on 24 June 1988 and is controlled by Mr. Tong and Mr. WY Chan

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Unless otherwise stated, all the numerical figures are rounded to one decimal place. Any discrepancy in any table between totals and sums of individual amounts listed in any table is due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

Unless expressly stated or the context otherwise requires, all data in this prospectus is as at the date of this prospectus.

If there is any inconsistency between the official Chinese name of the PRC laws or regulations or the PRC Government authorities or the PRC entities mentioned in this prospectus and their English translation, the Chinese version shall prevail. English translations of official Chinese names are for identification purposes only.

This glossary contains an explanation of certain technical terms used in this prospectus in connection with our Group and its business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

"CAGR"	compound annual growth rate
"cloud-based solutions"	video conferencing and multimedia audiovisual solutions incorporating cloud-based technology
"Consultation Services"	a consultation of a varying degree that we would typically provide to our clients, including but not limited to: (i) making equipment recommendation; (ii) providing descriptions of the features and functions of equipment; (iii) arranging for equipment demonstration; and (iv) advising them on whether the relevant equipment would be compatible with their existing or surrounding video conferencing and multimedia audiovisual equipment or system, where applicable
"GDP"	gross domestic product
"ISO"	short form of the International Organisation for Standardisation, a non-government organisation based in Geneva, Switzerland, who develop and publish International Standards, such as management system standards
"ISO 9000"	a family of standards set by ISO for quality management systems where an organisation needs to demonstrate its ability to provide products that fulfil customers and applicable regulatory requirements and aim to enhance customer satisfaction. ISO 9001 is a member of that family and ISO 9001:2008 is the current version of ISO 9001
"LCD"	liquid crystal display
"sq. ft."	square foot(feet)
"sq. m."	square metre(s)
"%"	per cent.

This prospectus contains forward-looking statements, including, without limitation, words and expressions such as "expect", "believe", "plan", "intend", "estimate", "project", "potential", "anticipate", "seek", "may", "will", "would", "should" and "could" or similar words or statements, in particular, in the sections headed "Summary", "Business", "Financial Information" and "Future Plans and Use of Proceeds" in this prospectus in relation to future events, our future financial, business or other performance and development, the future development of our industry and the future development of the general economy of our key markets.

These statements are based on numerous assumptions regarding our present and future business strategy and the environment in which we will operate in the future. These forward-looking statements reflecting our current views with respect to future events are not a guarantee of future performance and are subject to certain risks, uncertainties and assumptions, including the risk factors described in this prospectus, and the following:

- our business and operating strategies and our various measures to implement such strategies;
- our dividend distribution plans;
- our capital commitment plans;
- our operations, business and financial prospects, including development plans for our existing and new business and future cashflows;
- the future competitive environment and development for the video conferencing and multimedia audiovisual solution industry in Hong Kong, Singapore and the PRC;
- the regulatory environment as well as the general industry outlook for the video conferencing and multimedia audiovisual solution industry in Hong Kong, the PRC, Macau and Singapore;
- the general economic trend of Hong Kong, the PRC, Macau and Singapore;
- exchange rate fluctuations and restrictions; and
- factors beyond our control such as catastrophic losses from fires, floods, windstorms, earthquakes, diseases or other adverse weather conditions or natural disasters.

We caution you that, subject to the requirements of applicable laws, rules and regulations, we do not have any obligation to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements contained in this prospectus are qualified by reference to the cautionary statements set forth in this section and should not be taken as representations by us that our plans and objectives will be achieved.

In this prospectus, statements of or references to the intentions of our Company or any of our Directors are made as at the date of this prospectus. Any such intentions may potentially change in light of future developments.

Prospective investors should consider carefully all of the information set forth in this prospectus and, in particular, should consider the following risks and special considerations in connection with an investment in our Company before making any investment decision in relation to the Placing Shares. The occurrence of any of the following risks may have a material adverse effect on the business, results of operations, financial conditions and future prospects of our Group.

This prospectus contains certain forward-looking statements regarding our plans, objectives, expectations, and intentions which involve risks and uncertainties. Our Group's actual results could differ materially from those discussed in this prospectus. Factors that could cause or contribute to such differences include those discussed below as well as those discussed elsewhere in this prospectus. The trading price of the Placing Shares could decline due to any of these risks and you may lose all or part of your investment.

We believe that there are certain risks involved in our business and operations. They can be classified into: (i) risks relating to our business; (ii) risks relating to the industry in which we operate; (iii) risks relating to Hong Kong; (iv) risks relating to the PRC; (v) risks relating to the Placing; and (vi) risks relating to statements in this prospectus.

RISKS RELATING TO OUR BUSINESS

Our revenue is mainly derived from projects which are not recurring in nature and any decrease in the number of projects would affect our operations and financial results

Our revenue is primarily derived from the provision of video conferencing and multimedia audiovisual solution in Hong Kong, which can be generally divided into two lines, namely the provision of (i) solution for audiovisual, conferencing, presentation and multimedia control systems including installation services; and (ii) audiovisual system maintenance services. Save and except that there may be variation orders or supplemental orders placed by our client in the same project, our engagements with our clients are on a project basis and are generally non-recurring in nature. Except for the maintenance service agreements with our clients which generally last for one year, we do not enter into any long-term agreements with our clients. After completion of our services, our clients are not obliged to engage us again in any subsequent projects.

As such, our revenue derived above is not recurring in nature. We cannot guarantee that our existing clients will provide us with new business opportunities, and there can be no assurance that we would be able to maintain our business relationships with existing clients. In the event that we are unable to attract new clients or secure new engagements from existing clients, there may be a decrease in the number of projects or orders. Our operations and financial results would hence be adversely affected.

We determine our fee based on estimated time and costs, yet the actual time and costs incurred may deviate from our estimates due to unexpected circumstances, thereby adversely affecting our operations and financial results

We determine our total fee based on our cost estimates on top of certain mark-up fees. For details of the factors we consider when we make our cost estimates, please refer to the

paragraph headed "Business — Business Model and Our Operation — Solution for audiovisual, conferencing, presentation and multimedia control systems including installation services" in this prospectus. The actual time and costs incurred by us, however, may be affected by various factors, including: (i) variations to the layout plans or design requested by our clients; (ii) delays by our suppliers in delivering video conferencing and multimedia audiovisual equipment; (iii) delays or defects in the installation work provided by our contractors; (iv) departure of our key personnel; (v) disputes with our clients or suppliers; (vi) disputes among other parties involved in the projects; (vii) changes in market conditions; and (viii) other unforeseen problems and circumstances. Significant changes in any of these factors may lead to delays in completion or cost overruns by us, and there is no assurance that the actual time and costs incurred by us would match our initial estimate. Such delays, cost overruns or mismatch of actual time and costs with our estimates may cause our profitability to be lower than what we expected or may expose us to litigation or claims from clients in case of delays.

If a significant mark-up is made upon our estimated costs, then our fee may be less competitive. There can be no assurance that we will always be able to price our tenders or quotations competitively and, if we fail to do so, our clients may not engage our services for the potential project or order, resulting in a decrease in the number of projects or orders. In such event, our operations and financial results would be adversely affected.

On the contrary, if the fee set by us is too low, then when the actual time spent and costs exceed our estimation during the actual implementation of the project or order, our profitability may be materially and adversely affected.

We may be exposed to payment delays and/or defaults by our clients which would adversely affect our cash flow or financial results

We may require our clients to settle 50% of the total fee upon their acceptance of our quotation or tender as prepayment, and the remaining portion of the fee will be payable upon completion of our services. We generally allow an average credit period of 30 days to our clients.

As at 31 March 2013, 31 March 2014 and 31 December 2014, the amount of past due (but not impaired) receivables from our clients were HK$7.7 million, HK$12.6 million and HK$12.9 million, respectively. For the same period, invoices aged over 60 days amounted to approximately HK$6.2 million, HK$6.2 million and HK$11.1 million, respectively, while our average trade receivables turnover were 64, 86 and 79 days, respectively.

There can be no assurance that our clients will settle our invoices on time or in full. Any of such inability on the part of our clients may adversely affect our operating cash flow, financial position and operating results.

Our client's preferences are highly subjective in nature and can substantially deviate from one another, and consequently failure to accommodate our client's individual preferences may result in client dissatisfaction, thereby potentially damaging our business reputation and hindering our opportunity to secure future projects or orders

The video conferencing and multimedia audiovisual solution that we provide is highly dependent on our client's preferences which are highly subjective in nature. Designs that

appeal to some clients may not appeal to others. Preferences and expectations vary from client to client. If we fail to accommodate our client's individual preferences, it may result in client dissatisfaction, thereby potentially damaging our business reputation and hindering our opportunity to secure future projects or orders.

Our quality of service heavily relies on our video conferencing and multimedia audiovisual equipment suppliers, and consequently any shortage or delay of supply or deterioration of product quality could materially and adversely affect the quality of our service, thereby damaging our business reputation and adversely affecting our financial results

We do not manufacture any video conferencing and multimedia audiovisual equipment used in our business. Therefore, we rely heavily on our video conferencing and multimedia audiovisual equipment suppliers. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, the material cost of video conferencing and multimedia audiovisual equipment constituted our largest cost of inventories sold, which together accounted for approximately 89.7%, 88.1% and 84.8% of our total purchases, respectively.

If there is any shortage of products or material delay in delivery by our suppliers, we may fail to complete our projects or orders on time or at all. As a result, we may be required to compensate our clients' losses. Further, even if we could identify suitable alternative sources, there can be no assurance that we would not encounter similar problems with them in the future. In such event, our business reputation and financial results may be adversely affected.

If there is any deterioration in product quality, and we are unable to identify suitable alternative sources, the progress and quality of the video conferencing and multimedia audiovisual solution we provide could be materially and adversely affected, thereby damaging our business reputation and adversely affecting our financial results.

We rely on the authorised distributorships granted by three of our video conferencing and multimedia audiovisual equipment suppliers, and expiry of and/or failure to renew any of them would have a material adverse effect on our operations and financial results

As at the Latest Practicable Date, we were the authorised distributor of three of our video conferencing and multimedia audiovisual equipment suppliers. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our purchase amounts from these suppliers accounted for 20.4%, 18.7% and 17.5% of our total purchase of materials. For details of the background of these three video conferencing and multimedia audiovisual equipment suppliers and terms of such distributorship arrangements, please refer to the paragraph headed "Business — Our Suppliers — Distributorship" in this prospectus.

Two out of these three authorised distributorships have been extended until 31 December 2015. There is no assurance that these authorised distributorships would be renewed or extended upon expiry. If the relevant distributorships are not renewed or extended, and we are unable to identify suitable alternative sources, the quality of our video conferencing and multimedia audiovisual solution will be adversely affected, thereby damaging our business reputation and adversely affecting our financial results. Therefore, the profitability of our projects, our business reputation and financial results could be materially and adversely affected.

Most of our revenue during the Track Record Period was generated from clients in Hong Kong. Our business, financial condition and operating results would be materially and adversely affected if our number of clients in Hong Kong were to decline and/or if we fail to execute our overseas expansion plans

During the Track Record Period, most of our revenue was generated from clients in Hong Kong. We expect to continue to derive a majority of our revenue from clients in Hong Kong in the future even after the successful implementation of our business strategies and overseas expansion plans as set out in the section headed "Future Plans and Use of Proceeds" in this prospectus. As at the Latest Practicable Date, we were at the start-up stage in the PRC and Singapore markets, and therefore our overseas expansion plans are subject to a high degree of risk and uncertainty. Furthermore, we may not be able to successfully implement our business strategies and overseas expansion plans. If we fail to do so, our business, financial condition and operating results will continue to be dependent predominantly on our clients in Hong Kong, and therefore an investment in our Group may entail more risks than investment in companies that have a more geographically diversified clientele base. If the number of our clients in Hong Kong were to decline, or if we fail to execute our overseas expansion plans as described in the section headed "Future Plans and Use of Proceeds" in this prospectus to strength our business and geographically diversify our clientele base, our business, financial condition and operating results would be materially and adversely affected accordingly.

We rely on our contractors, who are Independent Third Parties, to handle some of our installation work and we exercise minimal control over their work performance. Any delay or defects in their work would adversely affect our operations and financial results

We outsource some of our installation work to our contractors who are Independent Third Parties. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, the cost for outsourcing our system installation work together accounted for approximately 10.3%, 11.9% and 15.2% of our cost of inventories sold, respectively. For details of our reasons in respect of such outsourcing and our selection and control system over our contractors, please refer to the paragraph headed "Business — Our Suppliers — Outsourcing" in this prospectus.

If our contractors' performance fails to meet our requirement, we may experience delay in delivering our service. We may have to source these services elsewhere at a price higher than anticipated. This could adversely affect the profitability of our business. Further, there is no assurance that we would be able to closely monitor the performance of our contractors. If the performance of our contractors does not meet our standards, the quality of our video conferencing and multimedia audiovisual solution may be adversely affected, thereby damaging our business reputation, hindering our opportunity to secure future projects, and potentially exposing us to litigation and damages claims from our clients.

In addition, our contractors may not always be readily available when our needs for outsourcing arise. Notwithstanding our proven working relationship with our contractors, there is no assurance that we would be able to maintain such relationships in the future. Since we have not entered into any long-term service agreement with our contractors, they are not obliged to work for us on our future projects on similar terms and conditions. There is no assurance that we would be able to find alternative contractors with the requisite knowledge, expertise, experience and capability that meet our project needs and work requirements to

complete the projects in accordance with the terms of the contracts on time and with competitive prices. If we are unable to engage such suitable alternative contractors, our ability to complete projects on time and with effective cost could be impaired, thereby damaging our business reputation and adversely affecting our operations and financial results.

We may be unable to attract and retain employees with the requisite skills, expertise and experience. Failing to do so would adversely affect our operations, growth and financial results

We rely on the skills, expertise and experience of our employees to provide quality video conferencing and multimedia audiovisual solution to our clients. Our employees may prematurely terminate their employment with us with certain month(s) notice or payment in lieu of such notice, and we may not be able to retain them. Experienced personnel in the video conferencing and multimedia audiovisual solution industry are in high demand, and competition for the relevant talents is intense. We cannot assure you that we will be able to maintain an adequate skilled labour force necessary for us to execute our business or to perform other corporate activities, nor can we guarantee that staff costs will not increase as a result of a shortage in the supply of skilled personnel. If we fail to attract and retain personnel with suitable managerial, technical or marketing expertise or maintain an adequate labour force on a continuous basis, our business and operation could be adversely affected and our future growth and expansions may be inhibited.

We heavily rely on staff in our sales and marketing department to promote our services and maintain client relationship. Failure to retain staff in our sales and marketing department would adversely affect our operations and financial results, and may result in staff in our sales and marketing department being enticed away by our competitors. They may also set up their own business to compete with us

As at 31 December 2014, we had 19 staff in our sales and marketing department who were primarily responsible for promoting our video conferencing and multimedia audiovisual solution, approaching new clients, responding to enquiries from our potential clients and negotiating quotations with our clients. As such, we heavily rely on staff in our sales and marketing department to promote our services and maintain client relationship.

We do not impose restrictions in our employment contracts on staff in our sales and marketing department from soliciting our clients, or engaging in business in competition with us after leaving our Group. Further, as confirmed by our Directors, it is not the industrial practice to impose these restrictions in employment contracts with sales staff in the video conferencing and multimedia audiovisual solution industry. As such, if we fail to retain staff in our sales and marketing department or any member of staff in our sales and marketing department joins a competitor or begins a competing business, we may lose clients, other key professionals or staff members, which may result in our business profitability and professional expertise in our operations being materially and adversely affected.

We rely on our information management systems, and any breakdown of our information management systems may adversely affect our operations and financial results

We rely on our information management systems to monitor our project progress, manage our working schedule, monitor our inventory requirements, allocate our resources and

review our performance, which enables us to review our capacity, trace our clients' orders and assess our service delivery schedule and project progress in a timely and systematic manner. Any breakdown, malfunctioning or failure of our information management systems, whether as a result of human error or natural disaster, may cause disruption or hindrance to our services to be provided to our clients, thereby materially and adversely affect our reputation, operations and financial results.

Our video conferencing and multimedia audiovisual solution usually incorporates the latest technological features. Failing to adapt to changes in technology may result in loss of clients, thereby adversely affecting our operations and financial results

Our Directors consider that the video conferencing and multimedia audiovisual solution industry is characterised by rapidly changing technology and evolving industry standards, and it may require substantial time and costs to: (i) adjust our scope of service in response to such rapid changes; and (ii) identify suitable new suppliers. There can be no assurance that we may keep ourselves abreast with the latest technology. If we fail to do so, we may lose our clientele, thereby adversely affecting our operations and financial results.

We are subject to certain restrictive covenants and certain risks associated with debt financing which may limit or otherwise adversely affect our operations

We are subject to certain restrictive covenants contained in the terms of loans entered into between us and certain banks or other financial institutions, for example cross default clauses, pursuant to which failure to make payment under one loan may trigger an event of default in other loans, entitling lenders to (i) accelerate payment of all or any part of the indebtedness owing under our loan agreements; and (ii) enforce all or any of the security for such indebtedness. If any of these events occurs, our financial condition, results of operations and cash flow may be materially and adversely affected.

We rely on members of our Board, senior management and senior employees who are critical in our management and operations, and any discontinuance of their present positions would adversely affect our operations and financial results

The success of our business has been, and will continue to be, heavily dependent upon the continuing service of our Board, senior management and senior employees, and changes in any of the above may adversely affect our business. If one or more of our members of senior management or key employees is/are unable or unwilling to continue in their present positions, we might not be able to identify replacements in a timely manner, or at all. In such event, our business may be severely disrupted and our financial condition and operating results may be materially and adversely affected.

In addition, our success depends on our ability to attract and retain talented personnel. We may not be able to successfully attract, assimilate or retain all the personnel we need. We may also need to offer superior compensation and other benefits to attract and retain key personnel and therefore cannot assure investors that we will have the resources to fully fulfil our staffing needs. Our failure to attract and retain competent personnel and any increase in staffing costs to retain such personnel could have a negative effect on our ability to maintain our competitive position and to expand our business, and therefore our business, operating results and financial condition may be materially and adversely affected.

Our insurance may not cover every potential loss and claim, and any uninsured losses incurred could be substantial and therefore adversely affect our operations and financial results

As at the Latest Practicable Date, we have obtained fire, liability or other property insurance for our property, equipment, inventories or business interruption in relation to our operations. For more details on our insurance policies, please refer to the paragraph headed "Business — Insurance" in this prospectus. However, there is no guarantee that insurance coverage will always be available to us at economically favourable premiums (or at all) or that, in the event of a claim, the level of insurance maintained by us now or in the future is or will be adequate to cover the entire claim/liability. We may be subject to liabilities which have not been insured adequately or at all. Examples of these include earthquakes, flooding or other natural disasters, war or civil disorder. If we are held liable for uninsured losses or amounts and claims for insured losses exceeding our insurance coverage, our operations and financial results may be materially and adversely affected.

With respect to losses which are covered by our insurance policies, it may be a difficult and lengthy process to recover such losses from insurers. In addition, we may not be able to recover the full amount from the insurer.

We may be involved in disputes, legal and other proceedings arising from our operations from time to time and may face significant liabilities as a result

Many of the video conferencing and multimedia audiovisual solutions that we provide to our clients are important to the operations of our clients' businesses. It follows that any material defects or errors in the video conferencing and multimedia audiovisual solutions that we provide could disrupt our clients' business and/or adversely affect their reputation. This may result in potential claims against us by our clients. Significant costs may be incurred in settling such disputes or defending ourselves in such proceedings. If we are not successful in defending such proceedings, we may be liable for damages, the amount of which may be significant.

Our applications for registration of certain trademarks in the PRC are still pending and may not be approved. If we fail to register these trademarks, we may not be able to use these trademarks, thereby adversely affecting our operations and financial results

As at the Latest Practicable Date, we had applied for registration of several brand names in the PRC. For further details, please refer to the paragraphs headed "Business — Intellectual Property Rights" and "B. Further Information about Our Business — 2. Intellectual property rights" in Appendix VI to this prospectus. Our Directors confirmed that, as at the Latest Practicable Date, no material objections had been received from any third parties with respect to such applications or our use of any of the unregistered trademarks, and the results of such applications are pending. None of our Directors are aware of any threatened or pending claims by any third parties against us for the use of such unregistered trademarks. Nevertheless, we may not successfully register these trademarks, and our continued use of these trademarks may infringe upon intellectual property rights of third parties.

Should we fail to register any of the trademarks under application, or we are held by any court or tribunal to be infringing upon or have infringed upon any trademarks or intellectual property rights of others, our reputation and brand image could be adversely affected, which could in turn adversely affect our business, financial condition, operating results and future prospects.

Our non-compliance with certain laws and regulations regarding social insurance and housing provident fund in the PRC could lead to the imposition of fines and penalties on us

In accordance with the relevant PRC national labour laws and regulations, we are required to contribute to certain employee social welfare schemes including social insurance contribution and housing provident fund. However, during the Track Record Period, we were not in strict compliance with the requisite contribution requirements for our PRC employees who are based in Shenzhen and Beijing. We have paid social insurance and housing provident fund contributions for our PRC employees through an agency in Shenzhen, but this may be considered not in compliance with national and local laws and regulations relating to social insurance and housing provident fund.

We had not made any provision for outstanding social insurance contribution and housing provident fund, assuming a two-year statutory limitation period. For more details, please refer to the paragraph headed "Business — Legal Proceedings and Legal Compliance" in this prospectus.

For non-compliance in respect of social insurance laws and regulations on or after 1 July 2011, pursuant to the Social Insurance Law of the PRC (中華人民共和國社會保險法) promulgated on 28 October 2010 and effective as at 1 July 2011, employers are required to contribute, on behalf of their employees, to a number of social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, workplace injury insurance and maternity insurance. If the employer does not pay the full amount of social insurance contribution as scheduled, the social insurance contribution collection institution shall order it to make the payment or make up the difference within a prescribed period and impose a daily surcharge equivalent to 0.05% of the overdue payment from the date when the payment is overdue. If payment is not made within the prescribed period, the relevant administration department shall impose a fine in an amount of between one to three times of the overdue payment.

For non-compliance in respect of housing provident fund laws and regulations, pursuant to the Regulations on Administration of Housing Fund (住房公積金管理條例) as amended on and effective from 24 March 2002, enterprises are obliged to pay and deposit housing provident fund for their employees in full amount within a prescribed time limit. If an enterprise fails to deposit the housing provident fund within the time limit or underpays the fund for its employees in accordance with the aforesaid regulations, the competent department may order it to deposit the fund within a time limit. If the enterprise fails to do so at the expiration of the time limit, a penalty ranging from RMB10,000 to RMB50,000 may be imposed.

We cannot assure you that we will not be subject to the penalties by the relevant PRC authorities for our past non-compliance. Any such penalties imposed on us could have an adverse effect on our cash flow, business operation and our reputation.

Our non-compliance with certain laws and regulations regarding administration of corporate registration in the PRC could lead to imposition of fines on us

In accordance with relevant laws and regulations regarding administration of corporate registration in the PRC, we are required to file an application for change of registration for company domicile before we change our principal office. In September 2013, we moved our principal office in the PRC to our current address, but we did not apply for change of registration for company domicile. The address of our current principal office is not consistent with our registered address appearing in our business license, which is not in compliance with relevant laws and regulations.

According to the Regulations of the PRC on the Registration Administration of Companies (中華人民共和國公司登記管理條例), where the company is domiciled is changed and the company fails to go through the relevant change registration in accordance with the provisions of these Regulations, the company registration authority shall order it to go through the registration within the specified time limit; if it fails to go through the registration within the specified time limit, the company shall be liable to a fine of not less than RMB10,000 and not more than RMB100,000.

We cannot assure you that we will not be subject to the penalties by the relevant PRC authorities for our past non-compliance. Any such penalties imposed on us could have an adverse effect on our cash flow, business operation and our reputation.

We have records of non-compliance with the Predecessor Companies Ordinance which could lead to the imposition of fines

There have been some instances of non-compliance with the Predecessor Companies Ordinance. For details, please refer to the paragraph headed "Business — Legal Proceedings and Legal Compliance — Non-compliance with the Predecessor Companies Ordinance " in this prospectus.

If the Hong Kong Companies Registry takes action against our Group members and/or our Controlling Shareholders fail to indemnify us to a sufficient extent or at all, we may be required to pay certain penalties, and our reputation, cash flow and results of operations may be adversely affected.

We may experience a significant deterioration in financial performance for the year ended 31 March 2015 and the year ending 31 March 2016 which is mainly attributable to the listing expenses

Our financial results for the year ended 31 March 2015 have been affected by the non-recurring listing expenses. The total estimated listing expenses will amount to approximately HK$23.2 million. Out of the total estimated amount of HK$23.2 million, we expect to recognise HK$12.1 million and HK$3.6 million as expenses in the combined statements of profit or loss for the year ended 31 March 2015 and the year ending 31 March 2016, respectively. The amount of listing expenses is a current estimate for reference only and the final amount to be recognised in the combined statements of profit or loss of our Group for the year ended 31 March 2015 and the year ending 31 March 2016 is subject to changes in variables and assumptions. Prospective investors should note that the financial performance of

our Group for the year ended 31 March 2015 would be significantly affected by the estimated listing expenses mentioned above. In addition, notwithstanding the expected increase in revenue as a result of our deployment of the net proceeds from the Placing for our future business expansion plans, our Directors consider that the financial results of our Group for the year ending 31 March 2016, will be adversely affected by (i) the expected lower revenue generated by each employee after hiring additional sale personnel in Hong Kong and the expenses incurred in setting up new offices overseas in the first year after listing, (ii) the increase in directors' remuneration for the year ending 31 March 2016 as compared to the year ended 31 March 2015, (iii) the increase in selling, promotion and exhibition expenses and (iv) additional expenses such as listing fees and professional fees to be incurred after the Listing.

Our Company is a holding company and therefore, our Company's ability to pay dividends or make any other distributions depends entirely on distributions received from its subsidiaries, and if there is any restriction against our subsidiaries to make distributions, we may not be able to pay any dividend

Our Company is a holding company and our operating results and financial position are entirely dependent on the performance of the members of our Group. Our Company's ability to pay dividends will depend on the level of distributions, if any, received from its subsidiaries. The ability of our subsidiaries to make distributions to us may, from time to time, be restricted as a result of several factors, including foreign exchange limitations, the requirements of applicable laws, and regulatory, fiscal or other restrictions of the countries in which our Group has operations.

There can be no assurance that we will pay dividends in the future

The declaration, payment and amount of any future dividends are subject to the discretion of our Board depending on, among other things, our Group's earnings, financial condition and cash requirements and the provisions governing the declaration and distribution as contained in the Articles of Association, applicable laws and other relevant factors. For details of our dividend policy, please refer to the paragraph headed "Financial Information — Dividends and Dividend Policy" in this prospectus. We cannot assure investors when or whether we will pay dividends in the future.

RISKS RELATING TO THE INDUSTRY IN WHICH WE OPERATE

Cloud-based video conferencing poses as a threat to the traditional room-based video conferencing and multimedia audiovisual solution industry

Using software installed in electronic mobile devices, cloud-based video conferencing solutions are able to deliver video conferencing solutions to organisations that are scalable, affordable and easy to use. Cloud-based technology allows users to participate in conferences from whatever device they choose to use and from wherever they are. As potential customers, depending on their information network systems and requirements, may over time consider moving away from expensive and complex room-based systems and opt for lower-cost software and cloud-based alternatives, this may post a threat to the traditional room-based video conferencing industry.

There can be no assurance that we may adapt to the changing technology and evolving industry standards associated with the emergence of cloud-based video conferencing solutions. If we fail to do so, it may result in loss of potential customers for us, which in turn would adversely affect our business, operating results and prospects.

We face significant competition in the video conferencing and multimedia audiovisual solution industry, and failure to compete efficiently would materially and adversely affect our operations and financial results

We operate in a highly competitive industry. Some of our competitors, which include a number of local companies, may have stronger brand names, greater access to capital, longer operating histories, longer and more established relationships with their clients, and greater marketing and other resources than we do. Due to the evolving markets in which we compete, additional competitors with significant market presence and financial resources may enter those markets, and thereby intensify the competition. These competitors may be able to reduce our market share by adopting more aggressive pricing policies than we can or by developing services that gain wider market acceptance than our service does. Existing and potential competitors may also develop relationships with our clients in a manner that could significantly harm our ability to secure contracts.

Our market position depends on our ability to anticipate and respond to various competitive factors, including effective cost control, technical expertise, responsiveness to our clients' preferences and timely completion of relevant contracts to meet our clients' schedules. There can be no assurance that the competition in the video conferencing and multimedia audiovisual solution industry will not intensify in the future and if we fail to maintain or improve our market position or fail to respond successfully to changes in the competitive landscape, our business, financial condition, results of operations and prospects may be materially and adversely affected.

There is no statutory licencing, permit or approval system in the video conferencing and multimedia audiovisual solution industry in Hong Kong, which could result in large numbers of emerging competitors who could be our suppliers, clients and/or employees. They could either expand their original business scope or set up their own business. Failure to compete with these new competitors would adversely affect our operations and financial results

As advised by the HK Legal Counsel, our Directors confirmed that there is no statutory licence, permit or approval necessary for our Group to engage in the provision of video conferencing and multimedia audiovisual solution in Hong Kong under the Hong Kong laws. This could result in large numbers of emerging competitors who could be our suppliers, clients and/or employees. Our suppliers or clients could expand their original business scope or resources such that video conferencing and multimedia audiovisual solution could be provided wholly and directly by them to the end users themselves. On the other hand, our employees, in particular the staff in our sales and marketing department, could be enticed away by our competitors or set up their own business in competition with us. Failure to compete with these new competitors would adversely affect our operations and financial results.

Changes in interest rates may affect our profit and results of operations

Our borrowings are principally denominated in Hong Kong dollars. The interest rates on some of our outstanding Hong Kong dollar denominated borrowings are benchmarked to the HIBOR. Changes in interest rates have affected and will continue to affect our financing costs and, ultimately, our results of operations. As the HIBOR is revised on a daily basis, we cannot assure you that it will not fluctuate or that it will not increase. We cannot assure you that banks or other financial institutions from which we borrow will not raise lending rates for financing us in the future. Any increase in these rates will increase our financing cost and could materially and adversely affect our business, financial condition and results of operations.

RISKS RELATING TO HONG KONG

The state of economy in Hong Kong may adversely affect our performance and financial condition

Our revenue generated from Hong Kong accounted for approximately 90.7%, 93.9% and 84.8% of our total revenue for the two years ended 31 March 2014 and the nine months ended 31 December 2014, respectively. If Hong Kong experiences any adverse economic conditions due to events beyond our control, such as a local economic downturn, natural disasters, contagious disease outbreaks or terrorist attacks, or if the local authorities adopt regulations that place additional restrictions or burdens on us or on our industry in general, our overall business and results of operations may be materially and adversely affected.

The state of political environment in Hong Kong may adversely affect our performance and financial condition

Hong Kong is a special administrative region of the PRC and enjoys a high level of autonomy under the principle of "one country, two systems" according to the Basic Law of Hong Kong. However, we are not in any position to guarantee the implementation of the "one country, two systems" principle and the level of autonomy as currently in place at the moment. Since a substantial part of our operations are based in Hong Kong, any change of such political arrangements may pose immediate threat to the stability of the economy in Hong Kong, thereby directly and adversely affecting our results of operations and financial positions.

Devaluation of the Hong Kong dollar could affect our financial conditions and results of operations

Since 17 October 1983, the Hong Kong dollar has been pegged to the U.S. dollar at a rate of HK$7.80 to US$1.00. There is no indication that the Government intends to cancel or change the pegged exchange rate arrangements. However, in the event that such arrangements change or the valuation of the U.S. dollar become volatile in the international currency markets, the valuation of the Hong Kong dollar may be significantly affected or may even experience devaluation. At present, a substantial part of our revenue is generated in Hong Kong dollar whereas part of our expenses is incurred in a currency other than in Hong Kong dollars. In case of a material devaluation of the Hong Kong dollar by whatever reason, our financial performance and liquidity position may be adversely affected and our expenses incurred may drastically increase as a result.

RISKS RELATING TO THE PRC

The economic, political and social conditions of the PRC, as well as its governmental policies could adversely affect our business and results of operations

As at the Latest Practicable Date, we had one subsidiary and one branch office located in the PRC, and our revenue generated from our business in the PRC accounted for approximately 8.6%, 2.4% and 1.6% of our total revenue for the two years ended 31 March 2014 and the nine months ended 31 December 2014, respectively. Accordingly, our business, financial condition, results of operations and prospects may be materially and adversely affected by any significant changes in the economic, political, social conditions and government policies in the PRC.

The economy of the PRC differs from the economies of most of the developed countries in many aspects, including but not limited to:

— the degree of government involvement;

— the development of key industries;

— growth rate and degree of development;

— content of and control over capital investment;

— control of foreign exchange; and

— allocation of resources.

We believe that we have benefited from the economic reforms implemented by the PRC Government and its economic policies and measures. However, the progress and effectiveness of the economic reforms to be implemented cannot be assured. The PRC Government exercises significant control over the economic growth of the PRC through allocating resources, imposing foreign-ownership restrictions, controlling payments of foreign currency-denominated obligations, setting monetary policies and providing preferential treatments to particular industries or companies. In addition, while the PRC economy has experienced significant growth in the last three decades, it has shown signs of potential slowdown or downturn recently. If there is a further slowdown in the economic growth of the PRC, or if the PRC Government introduces further tightening measures to cool down the PRC economy, demand for our video conferencing and multimedia audiovisual solution may also decrease and our business, financial condition, results of operations and operations may be materially and adversely affected.

Our business operations may be affected by regulatory changes

The establishment and many aspects of the business operations of our PRC subsidiary are governed by various local, provincial and national regulatory regimes. The PRC legal framework, qualification requirements and enforcement trends in the video conferencing and multimedia audiovisual solution industry may change, and we may not be able to respond to such changes in a timely manner. Such changes may also cause the compliance costs to

increase, which may materially and adversely affect our business, financial condition and results of operations. For example, if any change to and/or imposition of the requirements for qualification in the video conferencing and multimedia audiovisual solution industry occurs and we fail to meet the new requirements in a timely manner or at all, our business operations will be materially and adversely affected.

The PRC legal system embodies uncertainties that could limit the legal protections available to our investors and our Group

Unlike the common law system, the PRC legal system is based on written statutes. Decided legal cases have little precedent value. The PRC Government has since 1979 commenced to promulgate a comprehensive system of laws and regulations governing economic matters in general. The overall effect of legislation since then has significantly enhanced the protection afforded to various forms of foreign investment in the PRC. Nevertheless, there is an underlying uncertainty in the legal protection under the PRC legal system, because the relevant PRC laws and regulations may change from time to time, and their interpretation and enforcement may vary. Such uncertainties, including the uncertainty to enforce our contracts, could materially and adversely affect our business operations. In addition, intellectual property rights and confidentiality protections in the PRC may not be as effective as in other countries.

Accordingly, we cannot predict the effect of future developments in the PRC legal system, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, or the pre-emption of local regulations by national laws. These uncertainties could limit the legal protection available to us and other foreign investors, including our Shareholders and prospective investors.

The M&A Rules establish procedures for some acquisitions of the PRC companies by foreign entities, which could make it more difficult for us to expand through acquisitions in the PRC

On 8 August 2006, six PRC regulatory agencies, including the Ministry of Commerce, the State-owned Assets Supervision and Administration Commission, the State Administration of Taxation, the SAIC, the CSRC and the SAFE, promulgated the Regulation on Mergers and Acquisitions of Domestic Companies by Foreign Investors, or the M&A Rules (關於外國投資者併購境內企業的規定), which became effective on 8 September 2006 and was amended by MOFCOM on 22 June 2009. The M&A Rules, among other things, provide for additional procedures and requirements that could make some acquisitions of the PRC companies by foreign entities more time-consuming and complicated. If the relevant PRC government authorities decide that such acquisitions are subject to the M&A Rules, we will be required to obtain approval for such transactions from MOFCOM, or its local counterpart. In the future, we may expand our business by acquiring complementary businesses. Complying with the requirements of the M&A Rules to complete such transactions could be time-consuming, and any required approval processes, including obtaining approval from MOFCOM, may delay or inhibit our ability to complete such transaction, which could affect our ability to expand our business or maintain our market share.

Restrictions on currency exchange may limit our ability to utilise our revenue effectively and the ability of our PRC subsidiaries to obtain financing

During the Track Record Period, part of our revenue and our operating expense are denominated in Renminbi. Restrictions on currency exchange imposed by the PRC

government may limit our ability to utilise the revenue generated in Renminbi to fund our business activities outside the PRC, if any, or expenditures denominated in foreign currencies. Under the current PRC regulations, Renminbi may be freely converted into foreign currency for payments based on genuine and legal transactions relating to "current account transactions", which include, among other things, dividend payments and payments for the import of goods and services, by complying with certain procedural requirements. Our PRC subsidiary may also deposit or settle foreign exchange in its foreign exchange account under current account, subject to a account limit set by SAFE or its local counterpart. If foreign exchange income under the current account exceeds the said limits, the income must be settled. Conversion of Renminbi into foreign currencies, and of foreign currencies into Renminbi, settling "capital account transactions", which principally includes investments and loans, generally requires the approval of SAFE and other relevant government authorities. Restrictions on the convertibility of the Renminbi for capital account transactions could affect the ability of our PRC subsidiaries to obtain foreign exchange through debt or equity financing, including by means of loans or capital contributions from us.

RISKS RELATING TO THE PLACING

There has been no prior public market for our Shares, and the liquidity, market price and trading volume of our Shares may be volatile

Prior to the Placing, there was no public market for our Shares. The Placing Price may differ significantly from the market price of our Shares following the Placing. We have applied for the listing of and permission to deal in our Shares on GEM. However, even if approved, being listed on GEM does not guarantee that an active trading market for our Shares will develop following the Placing or that our Shares will always be listed and traded on GEM. We cannot assure you that an active trading market will develop or be maintained following the completion of the Placing, or that the market price of our Shares will not decline below the Placing Price.

The price and trading volume of our Shares may be highly volatile and could fluctuate significantly and rapidly in response to, inter alia, the following factors, some of which are beyond our Group's control:

(a) variations in our Group's results of operation;

(b) success or failure of our Group's management team in implementing stated business and growth strategies;

(c) gain or loss of an important business relationship(s);

(d) changes in securities analysts' recommendations, perceptions or estimates of our Group's financial performance;

(e) changes in conditions affecting the industry, the general economic conditions or stock market sentiment or other events and factors;

(f) changes in market valuations and share prices of companies that may be listed in Hong Kong;

(g) additions or departures of key personnel;

(h) fluctuations in market prices for our services;

(i) fluctuations in stock market prices and volume; or

(j) involvement in litigation.

In addition, shares of other companies listed on GEM have experienced substantial price volatility in the past, and it is likely that from time to time, our Shares will be subject to changes in price that may not be directly related to our financial or business performance.

Investors for our Shares will experience immediate dilution and may experience further dilution if we issue additional Shares in the future

The Placing Price is higher than the net tangible asset value per Share. Therefore, investors of the Placing Shares will experience an immediate dilution in the unaudited pro forma adjusted combined net tangible asset value to HK$0.09 per Share and HK$0.11 per Share based on the Placing Price of HK$0.30 per Share and HK$0.39 per Share, respectively.

We may need to raise additional funds in the future to finance expansion of or new developments relating to our existing operations or new acquisitions. If additional funds are raised through the issuance of new equity or equity-linked securities of our Company other than on a pro-rata basis to our existing Shareholders, the percentage ownership of such Shareholders in our Company may be reduced or such new securities may confer rights and privileges that take priority over those conferred by the Placing Shares.

Future sales by our existing Shareholders of a substantial number of our Shares in the public market could materially and adversely affect the prevailing market price of our Shares

We cannot assure you that our existing Shareholders, including, but not limited to, our Controlling Shareholders, will not dispose of our Shares that they own following the expiration of their respective lock-up periods after completion of the Placing. We cannot predict the effect, if any, that any future sales of our Shares by any of our Substantial Shareholders or Controlling Shareholders, or the availability of our Shares for sale by any of our Substantial Shareholders or Controlling Shareholders may have on the market price of our Shares. Sales of substantial amounts of our Shares by any of our Substantial Shareholders or Controlling Shareholders or the market perception that such sales may occur, could materially and adversely affect the prevailing market price of our Shares.

The interest of our Controlling Shareholders may not always coincide with the interest of our Group and those of our other Shareholders

Upon completion of the Placing (but not taking into account the allotment and issue of Shares upon exercise of any options which may be granted under the Share Option Scheme), our Controlling Shareholders will own, in aggregate, 74.5% of our Shares. Our Controlling Shareholders will therefore, have significant influence over the operations and business strategies of our Group, and may have the ability to require our Group to effect corporate

actions according to their own desires. The interests of our Controlling Shareholders may not always coincide with the best interests of other Shareholders. If the interests of any of our Controlling Shareholders conflict with the interests of other Shareholders, or if any of our Controlling Shareholders chooses to cause our Group's business to pursue strategic objectives that conflict with the interests of other Shareholders, our Group or those other Shareholders may be adversely affected as a result.

RISKS RELATING TO STATEMENTS IN THIS PROSPECTUS

Investors should read the entire prospectus and should not rely on any information contained in press articles, websites or other media coverage regarding us and the Placing

We strongly caution our investors not to rely on any information contained in press articles, websites or other media regarding us and the Placing. Prior to the publication of this prospectus, there may be press, website and media coverage regarding the Placing and us. Such press, website and media coverage may include references to certain information that does not appear in this prospectus, including certain operating and financial information and projections, valuations and other information. We have not authorised the disclosure of any such information in the press, website or media and do not accept any responsibility for any such press, website or media coverage or the accuracy or completeness of any such information or publication. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is inconsistent or conflicts with the information contained in this prospectus, we disclaim responsibility for it and our investors should not rely on such information.

Certain facts, forecast and other statistics in this prospectus obtained from publicly available sources have not been independently verified and may not be reliable

Certain facts, forecast and other statistics in this prospectus have been derived from various government and official resources. However, our Directors cannot guarantee the quality or reliability of such source materials. We believe that the sources of the said information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. Nevertheless, such information has not been independently verified by us, the Sole Sponsor, the Sole Coordinator, the Joint Lead Managers, the Joint Bookrunners, the Underwriters or any of their respective affiliates or advisers and, therefore, we make no representation as to the accuracy of such facts and statistics. Further, we cannot assure our investors that they are stated or compiled on the same basis or with the same degree of accuracy as similar statistics presented elsewhere. In all cases, our investors should consider carefully how much weight or importance should be attached to or placed on such facts or statistics.

Forward-looking statements contained in this prospectus are subject to risks and uncertainties

This prospectus contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, growth opportunities for existing operations, plans and objectives of management, certain pro forma information and other matters. The words "anticipate", "believe", "could", "predict", "potential", "continue", "expect", "intend", "may", "plan", "seek", "will", "would", "should" and the negative of these terms and other similar expressions identify a number of these forward-looking statements. These forward looking statements, including, amongst others, those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are necessarily estimates reflecting the best judgment of our Directors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set out in the section headed "Risk Factors" in this prospectus. Accordingly, such statements are not a guarantee of future performance and investors should not place undue reliance on any forward-looking information. All forward-looking statements in this prospectus are qualified by reference to this cautionary statement.

In preparation for the Listing, the following waiver and exemption have been sought from strict compliance with certain provisions of the GEM Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

ACCOUNTS IN THIS PROSPECTUS

Rules 7.03(1) and 11.10 of the GEM Listing Rules require that the Accountants' Report contained in this prospectus must include the consolidated results of our Group covering at least the two financial years immediately preceding the issue of this prospectus.

Pursuant to section 342(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, a company incorporated outside Hong Kong and proposing to offer shares to the public in Hong Kong must state the matters specified in part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and set out the reports specified in part II of that schedule in its prospectus.

Paragraph 27 of part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance requires that, among other matters, a statement as to the gross trading income or sales turnover (as may be appropriate) of our Company during each of the three financial years immediately preceding the issue of this prospectus, including an explanation of the method used for the computation of such income or turnover, and a reasonable break-down between the more important trading activities, must be set out in this prospectus.

According to paragraph 31 of part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, our Company is required to set out in this prospectus a report by the auditors of our Company with respect to, among other matters, the profits and losses and assets and liabilities of our Company and the rates of the dividends, if any, paid by our Company in respect of each class of shares in our Company for each of the three financial years immediately preceding the issue of this prospectus.

Section 5(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice provides that since our Shares have been approved by the Stock Exchange to be listed on GEM, this prospectus is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, in relation to, among other, paragraph 27 of part I and paragraph 31 of part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, if it complies with the requirements of those paragraphs as modified by substituting any reference to "3 preceding years", "3 financial years" and "3 years" in those paragraphs, by "2 preceding years", "2 financial years" and "2 years" respectively.

The Accountants' Report as set out in Appendix I to this prospectus covered only our Group's consolidated results for the two years ended 31 March 2014 and the nine months ended 31 December 2014.

In such circumstances, the Sole Sponsor has, on behalf of our Company, applied for, and the Stock Exchange has granted us, a waiver from strict compliance with Rules 7.03(1) and 11.10 of the GEM Listing Rules, on the conditions that:

(1) our Shares would be listed on GEM on or before 29 May 2015;

(2) the Company would obtain a certificate of exemption from the SFC from strict compliance with the similar requirements under paragraph 27 of part I and paragraph 31 of part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance; and

(3) if this prospectus would be issued on or before 29 May 2015, the Company would include (a) a profit estimate for the year ended 31 March 2015 in this prospectus which will comply with Rules 14.29 to 14.31 of the GEM Listing Rules; and (b) a statement made by our Directors in this prospectus that, save as disclosed in this prospectus, there has been no material adverse change to the financial and trading positions or the prospects of our Group since 31 December 2014.

An application has been made to the SFC for a certificate of exemption from strict compliance with Section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of part I and paragraph 31 of part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance about the inclusion of the Accountants' Report covering the full year ended 31 March 2015 in this prospectus on the ground that it would be unduly burdensome for our Group's consolidated results for the financial year ended 31 March 2015 to be finalised and audited in a short period of time.

A certificate of exemption has been granted by the SFC under section 342A of the Companies (Winding Up and Miscellaneous Provisions) Ordinance on the conditions that (i) the particulars of the exemption would set out in this prospectus and (ii) this prospectus would be issued on or before 14 May 2015.

Our Directors expect that the financial results of our Group for the year ended 31 March 2015 were affected by the estimated expenses in relation to the Listing. Please refer to the section headed "Financial Information — Listing Expenses" in this prospectus for further details.

Our Directors have confirmed that the exemption and waiver as mentioned above would not prejudice the interests of the investing public based on the following circumstances:

(a) after performing all due diligence work which our Directors consider to be necessary, there has been no material adverse change in the financial and trading positions or prospects of our Group since 31 December 2014 and up to the date of the application in respect of exemption and waiver, and our Directors will ensure this will remain to be the case up to the date of this prospectus;

(b) there is no event which would materially affect the information as contained in the Accountants' Report as set out in Appendix I to this prospectus, the profit estimate as set out in Appendix III to this prospectus, the section headed "Financial Information" in this prospectus and other parts of this prospectus;

(c) save as disclosed in this prospectus, our Directors do not contemplate any change to the share capital structure of our Company and each of its subsidiaries up to the completion of the Placing; and

(d) on the basis of the above, our Directors consider that all information that is reasonably necessary for potential investors to make an informed assessment of the financial and trading positions or prospects of our Group has already been included in the Prospectus.

Our Directors have considered that strict compliance with section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 27 of part I and paragraph 31 of part II of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance and with Rules 7.03(1) and 11.10 of the GEM Listing Rules:

(a) would inevitably delay the timetable for the Listing significantly as the consolidated statements are required to be audited up to 31 March 2015 and the reporting accountants would have to undertake a considerable amount of work to prepare, update and finalise the Accountants' Report to cover such period;

(b) would not only involve additional costs but also require substantial work to be carried out for audit purposes. It would also be unduly burdensome for the Group's consolidated results for the financial year ended 31 March 2015 to be finalised and audited in a short period of time; and

(c) would not justify the benefits of such additional work to be done by the reporting accountants to the existing and prospective shareholder in view of the additional works, costs and expenses that would be involved and the delay of the timetable for the Listing, given that there had been no material adverse change in the financial and trading position of the Group since 31 December 2014, the end of the period reported by the reporting accountants.

Our Directors also confirm that our Company has complied with Rule 11.11 of the GEM Listing Rules as at the date of the above waiver and exemption applications on the basis that this prospectus will be issued on 14 May 2015, the latest financial period reported on by the reporting accountant, i.e. 31 December 2014, for inclusion in this prospectus will not be ended more than 6 months before the date of issue of this prospectus and will be in compliance with the requirement under Rule 11.11 of the GEM Listing Rules.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus, for which our Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (subsidiary legislation 571V of the SFO) and the GEM Listing Rules for the purpose of giving information with regard to our Company. Our Directors, having made all reasonable enquiries, confirmed that to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respect and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

UNDERWRITING

This prospectus is published solely in connection with the Placing which is solely sponsored and managed by the Sole Sponsor. The Placing Shares are fully underwritten by the Underwriters pursuant to the Underwriting Agreement, subject to the terms and conditions of the Underwriting Agreement and that the Placing Price will be fixed by agreement between our Company and the Joint Lead Managers on the Price Determination Date. Further details about the Underwriters and the Underwriting Agreement are contained in the section headed "Underwriting" in this prospectus.

DETERMINATION OF THE PLACING PRICE

The Placing Shares are being offered at the Placing Price which will be determined in Hong Kong dollars by our Company and the Joint Lead Managers on the Price Determination Date. For full information relating to the determination of the Placing Price, please refer to the section headed "Structure and Conditions of the Placing" in this prospectus.

RESTRICTIONS ON OFFER AND SALE OF THE PLACING SHARES

Each person acquiring the Placing Shares will be required to confirm, or be deemed by his acquisition of Placing Shares to confirm, that he is aware of the restrictions on offers and sales of the Placing Shares described in this prospectus.

As at the Latest Practicable Date, no action had been taken in any jurisdiction other than Hong Kong to permit the offering of the Placing Shares or the distribution of this prospectus. Accordingly, this prospectus may not be used for the purposes of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation.

The distribution of this prospectus and the offering of the Placing Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable laws or any applicable rules and regulations of such institutions pursuant to registration with or authorisation by relevant regulatory authorities as an exemption therefrom.

The Placing Shares are offered for subscription or purchase solely on the basis of the information contained and representations made in this prospectus. No person is authorised in

connection with the Placing to give any information, or to make any representation, not contained in this prospectus, and any information or representation not contained in this prospectus must not be relied upon as having been authorised by our Company, the Sole Sponsor, the Sole Coordinator, the Joint Lead Managers, the Joint Bookrunners, the Underwriters, any of their respective directors or any other persons or parties involved in the Placing.

APPLICATION FOR LISTING ON GEM

We have applied to the Listing Committee of the Stock Exchange for the approval for the listing of, and permission to deal in, our Shares in issue and to be issued pursuant to the Placing and the Capitalisation Issue and any Shares which may be issued upon the exercise of any options granted under the Share Option Scheme. None of our Shares or loan capital of our Company is listed on or dealt in on any other stock exchange. At present, our Company is not seeking or proposing to seek such listing or permission to deal in our Shares on any other stock exchanges.

Under section 44B(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, if permission for the Shares offered under this prospectus to be listed on GEM has been refused before the expiration of three weeks from the date of the closing of the Placing or such longer period not exceeding six weeks as may, within the said three weeks, be notified to our Company for permission by or on behalf of the Listing Division, then any allotment made on an application in pursuance of this prospectus shall, whenever made, be void.

Pursuant to Rule 11.23(7) of the GEM Listing Rules, at the time of listing and at all times thereafter, our Company must maintain the "minimum prescribed percentage" of 25% of the issued share capital of our Company in the hands of the public. There will be not less than 25% of our Company's enlarged issued share capital will be in the hands of the public immediately following the completion of the Placing and upon the Listing (assuming options that may be granted under the Share Option Scheme are not exercised).

Only securities registered on the branch register of members of our Company kept in Hong Kong may be traded on GEM unless the Stock Exchange otherwise agrees.

OUR SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, our Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, our Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second trading day after a trading transaction.

We have made all necessary arrangements for our Shares to be admitted into CCASS. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. If investors are unsure about the details of CCASS settlement arrangement and how such arrangements will affect their rights and interests, they should seek the advice of their stock broker and other professional adviser.

DEALING ARRANGEMENTS

Assuming that the Placing becomes unconditional at or before 8:00 a.m. in Hong Kong on Wednesday, 27 May 2015, it is expected that dealings in the Shares on GEM will commence at 9:00 a.m. Wednesday, 27 May 2015.

The Shares will be traded in board lots of 10,000 Shares each.

The stock code of the Shares will be 8355.

PROFESSIONAL TAX ADVICE RECOMMENDED

You should consult your professional advisers if you are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of, and dealing in, our Shares (or exercising rights attaching to them). We emphasise that none of the Joint Lead Managers, the Sole Sponsor, the Sole Coordinator, the Joint Bookrunners, the Underwriters, us, any of our or their respective directors or any other person or party involved in the Placing accepts responsibility for your tax effects or liabilities resulting from your subscription for, purchasing, holding or disposing of, or dealing in, our Shares or your exercise of any rights attaching to our Shares.

HONG KONG REGISTER OF MEMBERS AND STAMP DUTY

All Shares issued by us pursuant to applications made in the Placing will be registered on our register of members to be maintained in Hong Kong by the Hong Kong Branch Share Registrar. Our Company's principal register of members will be maintained by our Company's principal share registrar in the Cayman Islands.

Dealings in the Shares registered in our Company's register of members maintained in Hong Kong will be subject to Hong Kong stamp duty. Only Shares registered on our Hong Kong register of members may be traded on GEM.

STRUCTURE AND CONDITIONS OF THE PLACING

Details of the structure of the Placing, including its conditions, are set forth in the section headed "Structure and Conditions of the Placing" in this prospectus.

LANGUAGE

In this prospectus, if there is any inconsistency between the Chinese names of the entities or enterprises established in the PRC, PRC nationals, PRC government entities or PRC laws and regulations and their English translations, the Chinese names shall prevail. English translations of names of entities or enterprises established in the PRC and PRC laws and regulations are for identification purpose only.

ROUNDING

Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Tong Sai Wong (唐世煌)	Flat E, 14/F, Block 2 Pokfulam Gardens Pokfulam Road Hong Kong	Chinese
Chan Wing Yiu (陳詠耀)	Flat A, 28/F Tower 8 The Wings 9 Tong Yin Street Tseung Kwan O The New Territories Hong Kong	Chinese
Chan Wing Lun (陳永倫)	Flat D, 51/F Tower 7 Park Avenue Tai Kok Tsui Kowloon Hong Kong	Chinese
Non-executive Directors		
Wong King Keung (黃景強)	Flat 3A, Prince Edward Towers 252–256 Prince Edward Road Kowloon Hong Kong	Chinese
Lin Wing Ching (連永錚)	Flat C, 27/F One West Kowloon Tower 1 873 Lai Chi Kok Road Kowloon Hong Kong	Chinese
Independent Non-executive Directors		
Chan Man Hung (陳萬雄)	Flat C, 25/F Tower 1, Central Park 18 Hoi Ting Road Kowloon Hong Kong	Chinese

Name	Address	Nationality
Lai Wing Chueng (黎永昌)	Flat A, 77/F, Tower 1, The Harbour Side 1 Austin Road West Tsim Sha Tsui Kowloon Hong Kong	Chinese
Lum Pak Sum (林柏森)	Flat E, 6/F Greenbelt Court Phase V Discovery Bay Lantau The New Territories Hong Kong	Chinese

Further information is disclosed in the section headed "Directors, Senior Management and Staff" in this prospectus.

PARTIES INVOLVED IN THE PLACING

Sole Sponsor	**Pan Asia Corporate Finance Limited** Unit 1504, 15/F The Center 99 Queen's Road Central Hong Kong
Sole Coordinator, Joint Bookrunner and Joint Lead Manager	**Quam Securities Company Limited** 18th and 19th Floors China Building 29 Queen's Road Central Hong Kong
Joint Bookrunner and Joint Lead Manager	**Pan Asia Corporate Finance Limited** Unit 1504, 15/F The Center 99 Queen's Road Central Hong Kong
Underwriters	Quam Securities Company Limited Pan Asia Corporate Finance Limited

Legal advisers to our Company

As to Hong Kong law (other than properties matters, intellectual property matters, compliance with the Predecessor Companies Ordinance and licensing matters):
Kwok Yih & Chan
Suites 2103–5
21st Floor
9 Queen's Road Central
Hong Kong

As to Hong Kong law (in relation to titles to properties and other properties matters):
Patrick Chan & Co.
Unit 2102A, 21st Floor
Tower II
Admiralty Centre
No. 18 Harcourt Road
Hong Kong

As to Hong Kong law (in relation to compliance with the Predecessor Companies Ordinance and licensing matters):
Mr. Vincent C. W. Lam, Barrister-at-law
804A, Tower 1, Admiralty Centre
18 Harcourt Road
Admiralty
Hong Kong

As to PRC law:
King & Wood Mallesons
55th Floor, Guangzhou International Finance Centre
5 Zhujiang Xilu
Zhujiang New Town
Guangzhou
Guangdong
The PRC

As to Cayman Islands law:
Appleby
2206–19 Jardine House
1 Connaught Place
Central, Hong Kong

As to Singapore law:
WongPartnership LLP
12 Marina Boulevard Level 28
Marina Bay Financial Centre Tower 3
Singapore

Legal advisers to the Sole Sponsor and the Underwriters	*As to Hong Kong law:* **D. S. Cheung & Co.** 29/F, Bank of East Asia Harbour View Centre 56 Gloucester Road Wanchai Hong Kong
Reporting accountants	**SHINEWING (HK) CPA Limited** 43/F, The Lee Gardens 33 Hysan Avenue Causeway Bay Hong Kong
Tax consultant	**SHINEWING Tax and Business Advisory Limited** 43/F, The Lee Gardens 33 Hysan Avenue Causeway Bay Hong Kong
Property valuer	**Peak Vision Appraisals Limited** 12/F, Effectual Building 14–16 Hennessy Road Wanchai Hong Kong
Industry consultant	**Ipsos Hong Kong Limited** 22/F, Leighton Centre 77 Leighton Road Causeway Bay Hong Kong
Compliance adviser	**Pan Asia Corporate Finance Limited** Unit 1504, 15/F The Center 99 Queen's Road Central Hong Kong

Registered office	Appleby Trust (Cayman) Ltd. Clifton House, 75 Fort Street Grand Cayman KY1-1108 Cayman Islands
Headquarters and principal place of business in Hong Kong	Unit A&B, 12/F MG Tower 133 Hoi Bun Road Kwun Tong Kowloon Hong Kong
Company website	**http://www.i-control.com.hk** *(information contained in this website does not form part of this prospectus)*
Company secretary	Mr. Wong Yiu Leung, *HKICPA*
Authorised representatives (as required under the GEM Listing Rules)	Mr. Chan Wing Yiu Mr. Wong Yiu Leung
Compliance officer	Mr. Chan Wing Yiu
Audit Committee	Mr. Lum Pak Sum *(Chairman)* Dr. Chan Man Hung Dr. Lai Wing Chueng
Nomination Committee	Dr. Lai Wing Chueng *(Chairman)* Dr. Chan Man Hung Mr. Lum Pak Sum
Remuneration Committee	Dr. Chan Man Hung *(Chairman)* Dr. Lai Wing Chueng Mr. Lum Pak Sum
Principal share registrar and transfer office in the Cayman Islands	Appleby Trust (Cayman) Ltd. Clifton House, 75 Fort Street Grand Cayman KY1-1108 Cayman Islands
Hong Kong branch share registrar and transfer office	Tricor Investor Services Limited 22/F, Hopewell Centre 183 Queen's Road East Hong Kong

Principal bankers

Bank of Communications Co., Ltd.
20 Pedder Street
Central
Hong Kong

Standard Chartered Bank (Hong Kong) Limited
4–4A Des Voeux Road Central
Hong Kong

The Hong Kong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

This section contains certain information which is derived from various official government publications and other information as well as a commissioned report by Ipsos, an Independent Third Party. We believe that the information is derived from appropriate sources and have taken reasonable care in extracting and reproducing the information. We have no reason to believe that the information is misleading or that any fact has been omitted that would render the information false or misleading. While we have exercised reasonable care in compiling and reproducing the information from official government publications, it has not been independently verified by us, the Sole Sponsor, the Sole Coordinator, the Joint Lead Managers, the Joint Bookrunners, the Underwriters or any of their affiliates or advisors or any other party involved in the Placing. Neither do all the above-mentioned parties make any representation as to the accuracy, completeness or fairness of such information from official government publications. The information extracted from the commissioned report by Ipsos reflected estimates of market conditions based on samples, and is prepared primarily as a market research tool. References to Ipsos should not be considered to be the opinion of Ipsos as to the value of any security or the advisability of investing in our Group. Our Directors believe that the sources of information extracted from the commissioned report by Ipsos are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any material fact has been omitted that would render such information false or misleading. Our Directors confirm that after taking reasonable care, there has been no adverse change in the market information since the date of the commissioned report by Ipsos.

INTRODUCTION

We have commissioned Ipsos, an independent market research company, to analyse and report on the industry development, trends and competitive landscape of video conferencing and multimedia audiovisual solution industry in Hong Kong from 2009 to 2018 as well as provide a brief overview of the three markets that we have been targeting, namely Beijing, Shanghai and Singapore (the "**Ipsos Report**") at a fee of HK$432,160, which our Directors accept as market rate.

In compiling the Ipsos Report, Ipsos combined the following data and intelligence gathering methodology: (i) desk research to gather background information and obtain the relevant information and statistics on the industry covered; (ii) client consultation to facilitate the research including in-house background information of the client such as the business of our Company; and (iii) interviews including face-to-face and phone with key stakeholders and industry experts in Hong Kong. The information and statistics set forth in this section have been extracted from the Ipsos Report.

Founded in 1975 and publicly-listed on the NYSE Euronext Paris in 1999, Ipsos is the third largest research company in the world with approximately 16,000 staff members in 85 countries. Ipsos conducts research on market profiles, market size, share and segmentation analyses, distribution and value analyses, competitor tracking and corporate intelligence.

Our Directors confirm that Ipsos, including all of its subsidiaries, divisions and units, are independent of and not connected with our Company (within the meaning of the GEM Listing Rules). Likewise, none of our Directors or their respective close associates holds any interest in Ipsos. Ipsos has given our Company its consent to quote from the Ipsos Report and to use in this prospectus any information from there. Except as otherwise noted, all of the data and forecasts contained in this section are derived from the Ipsos Report, various government publications and other publications.

ASSUMPTIONS AND PARAMETERS USED IN THE IPSOS REPORT

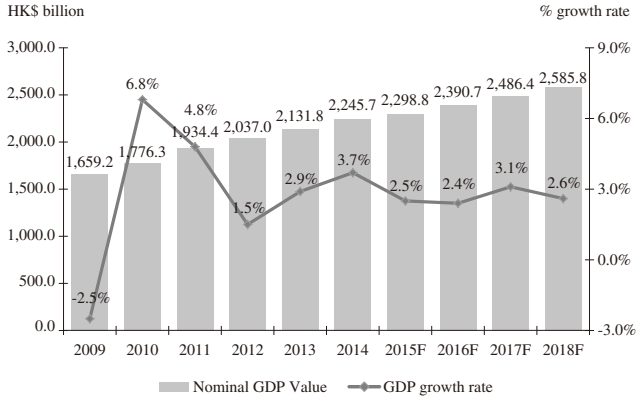
Analyses in the Ipsos Report were based on the following assumptions: (i) the supply and demand of products and services provided by video conferencing and multimedia audiovisual solution industry in Hong Kong are stable and without shortage over the forecast period; and (ii) there is no external shock such as financial crisis or natural disasters in the global market to affect the demand and supply for the products and services of video conferencing and multimedia audiovisual solution industry in Hong Kong over the forecast period.

The following parameters were taken into account in the market sizing and forecast model in the Ipsos Report: (i) GDP and GDP Growth Rate in Hong Kong from 2009 to 2018; (ii) average annual household disposable income and consumption expenditure per capita in Hong Kong from 2009 to 2018; and (iii) number of video conferencing and multimedia audiovisual solution providers in Hong Kong from 2009 to 2014.

MACROECONOMIC SITUATION IN HONG KONG

Hong Kong's nominal GDP value grew from about HK$1,659.2 billion in 2009 to about HK$2,245.7 billion in 2014. The GDP growth rate increased from about -2.5% in 2009 to about 3.7% in 2014. As the European sovereign debt crisis begins to subside, Hong Kong's economy is expected to grow constantly. From 2014 to 2018, with the improvement in global trade, the bottoming-out of the European sovereign debt crisis and the economic partnership between Hong Kong and the PRC, Hong Kong's GDP growth is likely to stabilise at about 2.5% in 2015 to about 2.6% in 2018, as the following chart shows.

Nominal GDP Value and GDP Growth Rate in Hong Kong from 2009 to 2018



Notes:

(1) Definition of nominal GDP: Gross domestic product that is before deducting the consumption of fixed capital.

(2) GDP growth rate in real terms.

(3) Forecast data is based on EIU data.

Sources: Census and Statistics Department, HKSAR; Economic Intelligence Unit; Ipsos research and analysis

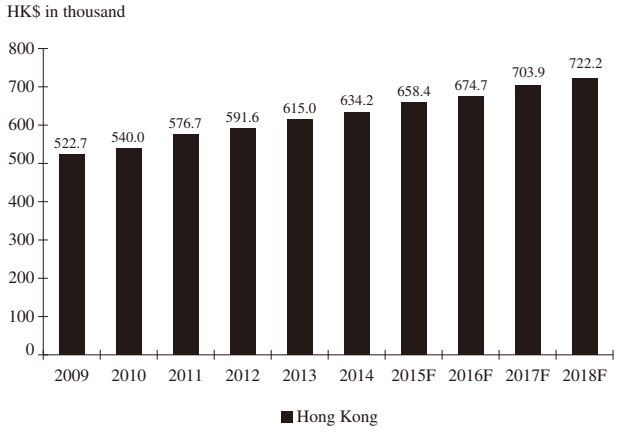
Hong Kong's average annual household disposable income, as the following chart shows, grew at a CAGR of about 3.9%, from about HK$522.7 thousand in 2009 to about HK$634.2 thousand in 2014. It is expected to increase from about HK$658.4 thousand in 2015 to about HK$722.2 thousand in 2018, at a CAGR of about 3.1%.

Average Annual Household Disposable Income in Hong Kong from 2009 to 2018

CAGR of average annual household disposable income in Hong Kong from 2009 to 2014 = 3.9%

CAGR of average annual household disposable income in Hong Kong from 2015 to 2018 = 3.1%

CAGR of average annual household disposable income in Hong Kong from 2009 to 2018 = 3.7%



Sources: Economic Intelligence Unit, Ipsos research and analysis

As Hong Kong's economy is expected to stabilise, both the public and the private sectors will look into expanding the geographical coverage of their businesses and improving communication efficiency, leading to an increase in market demand for video conferencing and multimedia audiovisual solution in Hong Kong due to its cost and time-saving advantages. Similarly, with growth in Hong Kong's average annual household disposable income, families will have more money to spend on video conferencing and multimedia audiovisual products for their members.

MARKET OVERVIEW OF VIDEO CONFERENCING AND MULTIMEDIA AUDIOVISUAL SOLUTION INDUSTRY IN HONG KONG

There is broad usage and application of video conferencing and multimedia audiovisual solutions in Hong Kong. Video conferencing and multimedia audiovisual solutions are

services that incorporate items of products and services, such as design, implementation and maintenance of video conference systems, audiovisual broadcasting systems or digital signage systems. The provision of video conferencing and multimedia audiovisual solutions enhance the quality of presentation and information security of multilateral communications for business meetings, seminars and events.

Video conferencing items refer to a set of telecommunication technology software and hardware which allows two or more parties in different geographical locations to communicate simultaneously via instant video and audio transmissions. Multimedia audiovisual items, on the other hand, refer to the combination of products and services that are related to presenting contents in forms of text, animation, still images, audio and visual elements with or without interactivity.

The products used in the application of video conferencing and multimedia audiovisual solutions include the following:

Examples of products	**Applications**
Codec	The codec refers to a coder that compresses the signal for data transmission and a decoder that expands the signal when received. In order for two video conferencing systems to communicate they must negotiate their video and audio codecs at the start of the connection.
Video conference camera	A video conferencing camera delivers immersive image quality through optical zoom capability for any size office in a wide range of light conditions, including low-light environments such as an executive boardroom or a large university lecture hall. The camera ensures that video conference participants and the information being shared remain the focus of the video call.
Microphones	Microphones capture sounds from all directions, which has the advantage of picking up a person's voice from any point. They also reduce echo and background noise to ensure good sound quality being delivered for listeners at the other end.
Audio Speakers and Stereo System	The audio system delivers clear and immersive sound with complete coverage for rooms of all sizes. It reinforces the sound in large rooms by coordinating multiple microphones and speakers to ensure participants can clearly hear the same thing at the same time.
LCD digital display wall	A LCD display screen per unit is a setup that consists of a single or multiple LCD panels tiled together contiguously or overlapped in order to form one large screen to customize tile layouts with greater screen area and visual presentation of graphical contents.

The video conferencing and multimedia audiovisual solution industry in Hong Kong transformed from selling audiovisual products at the beginning of the 1990s to offering a comprehensive solution consisting of design, product and service to clients starting in the 2000s. As there was an increase in video conferencing and multimedia audiovisual product supply with the rise in usage of broadband internet services in Hong Kong during those years, the application of such solutions widened and continued to expand in both the commercial and the public sectors. For example, it may be observed in the commercial sector that (i) usage of video conferencing solutions has significantly lowered employees' travelling costs; (ii) LCD display walls have been used to implement marketing and advertising campaigns to enhance interactive elements of those campaigns; and (iii) there has been an increase in demand for customised solutions to provide the set-up design and purchase of video conferencing equipment in offices of various sizes, subject to budgetary concerns and clients' demand in terms of quality of sound effect and transmission quality and security of video conferencing services across offices. Likewise, in the public sector, lecture halls and seminar rooms in schools and universities have increasingly been equipped with projectors and display with implementation of audio systems to improve the quality of the information presented and, in turn, the teaching itself.

The overall business model of video conferencing and multimedia audiovisual solutions can be versatile depending on utility of labour and clients needs. It may include the following procedures that suit clients' needs: (i) the design of solutions according to the venue and usage pattern; (ii) the purchase of products from suppliers and vendors located in Hong Kong or outside of Hong Kong; (iii) the delivery and installation of the purchased products; (iv) the setting up of interface and testing of installed product and solutions at point-of-sales; (v) commissioning third party to offer supplements to the solution; (vi) troubleshooting defects and offering maintenance service; and (vii) on-site training of the installed solution. The solutions offered in Hong Kong are often provided in two terms which include purchasing of the entire system for prolonged period of usage and renting on contract basis with a definite period of usage to enhance the flexibility of assignment from client's perspectives.

SUPPLY CHAIN

The supply chain of the video conferencing and multimedia audiovisual solution industry consists of three tiers. In the upstream, suppliers of the industry are video conferencing and multimedia audiovisual equipment manufacturers. Key manufacturers in regard to video conferencing and multimedia audiovisual solution industry in Hong Kong include Polycom, CISCO, Sharp, Samsung, Planar, AMX and Crestron. Both Polycom and CISCO provide video conferencing codec and other products such as microphones and cameras, while Sharp, Samsung and Planar are main commercial LCD display units product manufacturers. AMX and Crestron are central control systems manufacturers, which manufacture central control systems that exert control over a selection of electronics equipment.

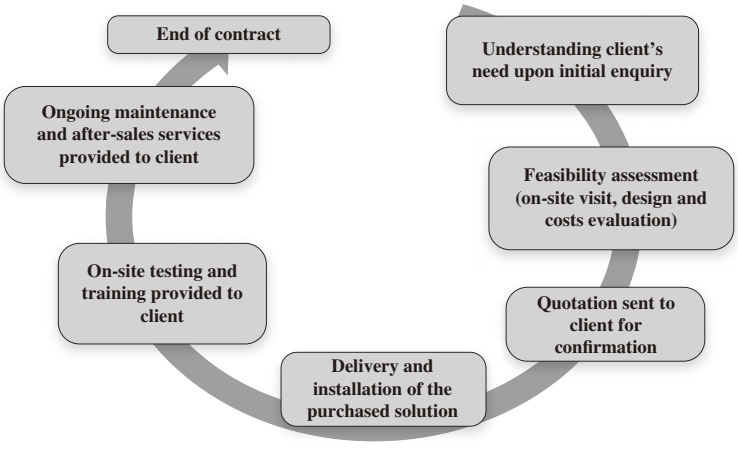
In the mid-stream, the video conferencing and multimedia audiovisual solution industry acts as a provider of the design and installation of video conferencing and multimedia audiovisual equipment and technical support to their customers, who are users of the video conferencing and multimedia audiovisual solutions. Meanwhile, by providing the suitable design for the setup and installation of the electronic equipment, they fulfill their customers' needs and expectation by maximizing the function and usage of the electronic equipment. Besides video conferencing and multimedia audiovisual solution providers, there are local

distributors of video conferencing and multimedia audiovisual equipment conducting retail sales and wholesaling activities of such equipment without providing technical support, solutions and other value-added services. Both solution providers and local distributors in Hong Kong serve as supply channel partners for video conferencing and multimedia audiovisual equipment with their own business network. The solution providers also offer professional sales expertise to help customers develop value-added solutions, including providing technical support that addresses their application-specific needs.

In the downstream, end users of video conferencing and multimedia audiovisual solution would be using the purchased solutions and continuing to utilize the maintenance, technical support and after-sales training sessions offered by the video conferencing and multimedia audiovisual solution providers.

COMPREHENSIVE AND CLIENT-ORIENTED SERVICE MODEL

At the initial stage of business engagement, clients would initiate contact with one or more video conferencing and multimedia audiovisual solution providers to discuss their current needs and budgetary concerns. Then, the solution provider would provide a feasibility assessment that might include on-site visits, drafting of design and cost evaluation to come up with a comprehensive quotation for clients to consider. Upon confirmation of the order, relevant preparation work may be conducted prior to the delivery and installation of purchased items. After successful installation and configuration setup, the solution provider may provide on-site testing and training sessions for clients with or without extra cost. Clients may also choose to subscribe for additional maintenance package such as hardware support and software update for on-going technical support. The following diagram shows the steps in this client-oriented service model.



Sources: Ipsos research and analysis

FORMAT OF SALES

The format of sales in relation to the video conferencing and multimedia audiovisual solution industry in Hong Kong is two-fold, namely, system integration and product distribution. As an industry practice, customers who have knowledge on the products in the video conferencing and multimedia audiovisual solution industry are likely to know what they would like to purchase and would send a list of purchases to the solution provider for pricing of the products and the installation service. The solution provider, in turn, would source the products from its upstream suppliers or from other distributors in Hong Kong and check for availability and pricing. Upon ongoing discussions on price comparison and service offerings, the client would agree with the solution provider upon a price for the entire system integration package. Then, the solution provider would make orders for the selected products and provide installation and systems integration services for compatible usage of those products.

However, as a product distributor, the video conferencing and multimedia audiovisual solution provider would recommend a suitable solution and related products to the customers, mainly the products that are under its distributorship to maintain market share. The solution provider would also re-sell products to other video conferencing and multimedia audiovisual solution providers and downstream suppliers as a part of the official distribution channel.

DEMAND FOR THE VIDEO CONFERENCING AND MULTIMEDIA AUDIOVISUAL SOLUTION INDUSTRY IN HONG KONG

The customer segment of this industry is mainly divided into two categories, namely, the public and the private sector (including the commercial sector). Customers from the public sector include primary and secondary schools, universities, Government bureaus and departments. Customers from private sector, on the other hand, include banks, business offices and small-medium enterprises.

With reference to the public sector, schools and universities therein would require recording and streaming systems to improve the quality of teaching. Quality of teaching may refer to the flexibility of reaching out to more students by sharing presentations in real time and interactive display units that would facilitate learning via multimedia approaches while accessing the worldwide web. Hospitals, on the other hand, would require digital signage and video conferencing facilities for access, training and operational usage. Within the government, administration of inter-departmental and intra-governmental affairs would require audio visual solution, such as video conferencing facilities, in connecting branch offices across districts and geographical regions for timely and secure communication. For public sector purchases, the tenderer of each video conferencing and multimedia audiovisual solution project may be selected based upon the List of Approved Contractors for Public Works under specified category together with an evaluation based upon a marking scheme, with consideration of the lowest and highest prices submitted, the experience, resource and technical capability requirements of each tenderer.

In respect of the commercial sector, solutions are required for business meetings, training, marketing and entertainment purposes. For meeting and conferencing purposes, video conferencing facilities allow instant collaboration and distribution of contents in audio and visual format that would provide added value to a meeting whereas those conducting meetings by phones without the aid of such solution might have difficulty in explaining visual

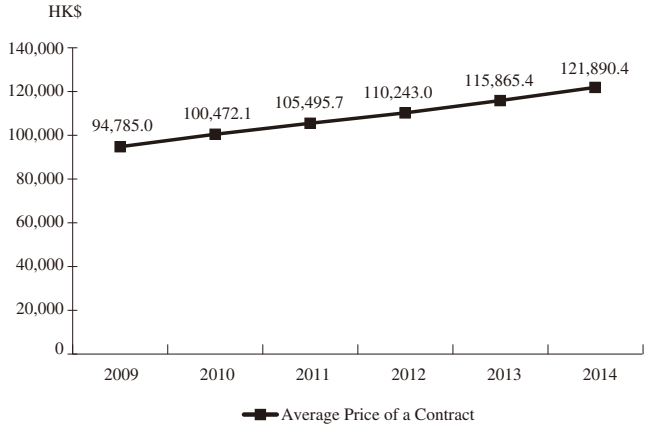
ideas and concepts. For marketing and entertainment purposes, digital signage and interactive display units are found in retail outlets and shopping malls to enhance the shopping experiences of consumers. For commercial sector purchases, the clients would compare the brand of products offered, the price of the solution, the track record and experiences of the solution providers to make their purchase.

PRICING STRUCTURE

The average price of contract for video conferencing and multimedia audiovisual solution in Hong Kong increased from about HK$94,785 in 2009 to about HK$121,890.4 in 2014 at a CAGR of about 5.2%. The increase was caused by the rising prices of hardware and software used in each project together with the rise in labour costs. The prices of hardware like LCD TV would increase with the improvement of technical specification such as function, internet connectivity, size, pixels, touch screen or static display. As the demand for video conferencing and multimedia audiovisual solution was supported by the on-going need to facilitate multi-lateral communications in both the public and commercial sector, the average price of a contract for video conferencing and multimedia audiovisual solution in Hong Kong, as the following chart shows, increased in a moderate and sustainable manner, between 2009 and 2014.

Average Price of a Contract for Video Conferencing and Multimedia Audiovisual Solution in Hong Kong from 2009 to 2014

CAGR of average price per contract for video conferencing and multimedia audiovisual solution in HongKong from 2009 to 2014 = 5.2%



Note: The average price of a contract refers to a set of video conferencing device such as codec, camera, etc with delivery and installation fee.

Sources: Ipsos research and analysis

During the Track Record Period, the average price per contract for our video conferencing and multimedia audiovisual solution was HK$38,319.7, HK$40,448.7 and HK$36,647.5, respectively, whereas the industry average price per contract was, as said before, HK$121,890.4 in 2014. The discrepancy in the average price per contract between our Group and the industry as a whole is primarily attributable to the different compilation methods as well as data input adopted by us and Ipsos respectively. Our average price per

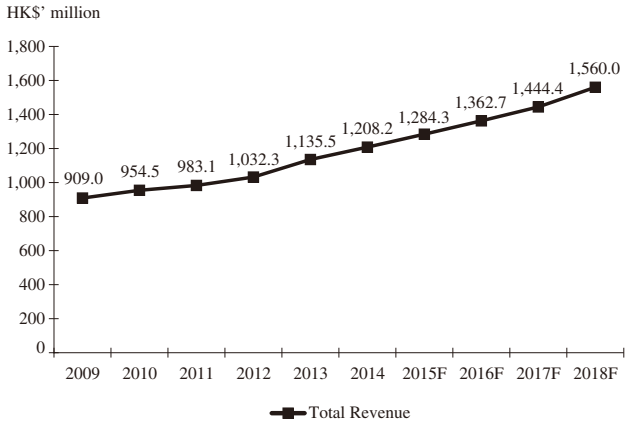
contract is determined by simple division with reference to the total revenue and number of projects regarding our video conferencing and multimedia audiovisual solution during the Track Record Period. Meanwhile, as confirmed by Ipsos, the industry average price per contract is determined based on numerous factors including but not limited to: (i) the average price of major contracts of key competitors; and (ii) the costs of major items from key suppliers, in the video conferencing and multimedia audiovisual solution industry, and is subject to further statistical adjustments which are in line with industry norm. Further, industry average price per contract has not taken into account projects which solely involved Consultation Services (i.e. without requiring any design or installation services from our key competitors). As there are substantial differences in the data input and compilation methods adopted, our Directors consider that it would not be appropriate to directly compare and contrast the average price per contract for our video conferencing and multimedia audiovisual solution against the industry average.

REVENUE GROWTH

Revenue in relation to the video conferencing and multimedia audiovisual solution industry in Hong Kong, as shown in the chart below, increased from about HK$909 million in 2009 to about HK$1,208.2 million in 2014 at a CAGR of about 5.9%. It is expected to increase from about HK$1,284.3 million in 2015 to about HK$1,560 million in 2018 at a CAGR of about 6.7% for the following reasons. First, video conferencing and multimedia audiovisual solutions can help clients with cost-saving and efficient operation options. For example, video conferencing can reduce travel time and expenses of business executives, and multimedia audiovisual elements can provide interactive marketing and advertising tools. Second, the video conferencing and multimedia audiovisual solution industry is expected to further develop at a fast pace by continuing to expand scope of product application through technological advances in, for example, academic settings for effective distance learning, and individual home settings for enhanced audiovisual entertainment and enjoyment.

Total Revenue of Video Conference and Multimedia Audiovisual Solution Industry in Hong Kong from 2009 to 2018

CAGR of total revenue of the video conference and multimedia audiovisual solution industry in Hong Kong from 2009 to 2018 = 6.2%.



Sources: Ipsos research and analysis

Customers in the commercial sector are more likely to purchase solutions to suit their immediate business needs (e.g. retail business) than their counterparts in the public sector. Thus, the CAGR of that sector was at a rate of 6.4% from 2009 to 2014 as compared to the public sector's 4.8%. The following table sets forth the total revenue of this industry segmented by sector (government and public sector, and commercial sector) in Hong Kong from 2009 to 2018.

	Government and Public Sector		**Commercial Sector**		**Total**	
	Revenue *(HK$ million)*	**Percentage to total** *(%)*	**Revenue** *(HK$ million)*	**Percentage to total** *(%)*	**Revenue** *(HK$ million)*	**Percentage to total** *(%)*
2009	359.8	39.6	549.2	60.4	909.0	100.0
2010	377.0	39.5	577.5	60.5	954.5	100.0
2011	385.3	39.2	597.9	60.8	983.2	100.0
2012	400.5	38.8	631.8	61.2	1,032.3	100.0
2013	431.8	38.0	703.7	62.0	1,135.5	100.0
2014	455.4	37.8	748.3	62.2	1,203.7	100.0
CAGR 2009–2014 (%)	4.8%		6.4%		5.8%	
2015F	483.0	37.6	801.3	62.4	1,284.3	100.0
2016F	509.4	37.4	853.3	62.6	1,362.7	100.0
2017F	534.5	37.0	909.9	63.0	1,444.4	100.0
2018F	571.5	36.6	988.5	63.4	1,560.0	100.0
CAGR 2015F–2018F (%)	5.8%		7.2%		6.7%	
CAGR 2009–2018F (%)	5.3%		6.7%		6.2%	

Sources: Ipsos research and analysis

AVERAGE PRICE OF RAW MATERIALS

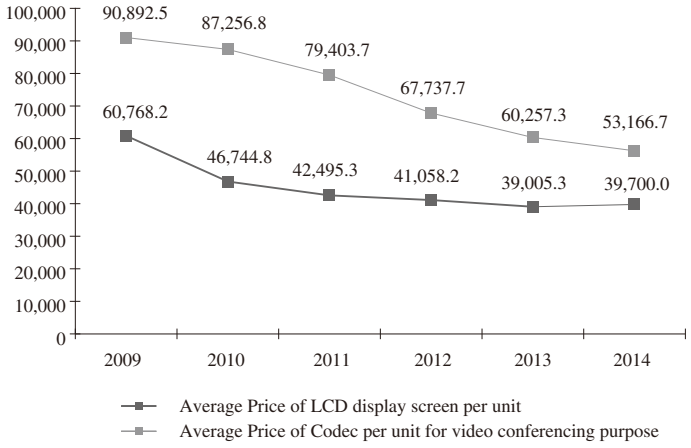
As depicted in the chart below, the average price of LCD display screens decreased from about HK$60,768.2 per unit in 2009 to about HK$37,633.3 per unit in 2014 at a CAGR of about -9.1%. LCD display screens refer to those that are installed next to one another to form a single display. The pricing of LCD display screen per unit is related to the product offering of major LCD display screen per unit manufacturers such as Planar and Samsung. In 2009, Samsung introduced low cost digital information display panels with improved features while Planar launched its narrow bezel display. Hence, the availability of lower cost options together with enhanced technological features influenced the demand and average price of LCD display screen per unit from 2009 to 2014.

Similarly, due to the keen price competition among manufacturers and availability of substitutes such as web-based video conferencing, the codecs used for video conferencing system offered by major suppliers such as CISCO and Polycom decreased from about HK$90,892.5 per unit in 2009 to about HK$53,166.7 per unit in 2014 at a CAGR of about -10.2%.

Average Price of Raw Materials for Video Conferencing and Multimedia Audio-visual Solution Industry in Hong Kong from 2009 to 2014

CAGR of the average price of LCD display screen per unit in Hong Kong from 2009 to 2014 = -9.1%.

CAGR of the average price of codec per unit in Hong Kong from 2009 to 2014 = -10.2%.



Note: The average price of LCD Display Screen referred to the average values of historical retail prices of 46 to 55 inches display.

Sources: Census and Statistics Department, HKSAR; Ipsos research and analysis

As to the reasons for the rise in contract prices, which was in part attributed to the increase in hardware and software prices, while the average prices of raw materials were decreasing, Ipsos explained that with regard to the raw materials such as LCD display screen and Codec for video conferencing, these products are often upgraded yearly and launched with new model and new features frequently. The new models are sold at higher prices while the prices for old models decrease as new models are launched. For example, Planar Clarity Matrix MX46HDS-L - 46" LCD video wall was launched in 2010 and its price now is about USD$6,200 while its slightly updated model – PLANAR MX46HDU ERO 46" EXT PORTRAIT – was launched in 2011 and is now about USD$8,000. In the current practice, according to Ipsos' interview with industry experts, video conferencing and multimedia audiovisual solution tends to use the relatively new models of LCD display screen and Codec, which in turn led to higher contract price.

In calculating the average price for raw materials, Ipsos looked at prices for both the new models of LCD display screen and Codec as well as the old models. Therefore, the average prices for these two raw materials were decreasing because the prices of old models continuously dropped with the launch of new models.

COMPETITIVE ENVIRONMENT

The industry was mature and consolidated in that the top five Hong Kong-based solution providers shared about 52.8% of the industry total revenue in 2014, and the rest of the solution providers, together with subsidiaries of major telecommunications companies, provided equipment and solutions to customers with less specialised operations.

As of March 2015, our Company is one of the approximately 48 video conferencing and multimedia audiovisual solution providers in Hong Kong, of which about 37 of them were also approved by the Development Bureau of the HKSAR government as suppliers and specialist contractors of materials and specialist contractors for public works under the video electronics installation category. Our Company shared about 9.8% of the industry revenue in 2014. The following table sets forth a breakdown of the revenue earned by the top five solution providers in 2014.

Rank	Company Name	2014 Revenue *(HK$ million)*	Share of total industry revenue	Key types of products and services
1	Company A	187.7	15.5%	• Audio equipment & audio conferencing • Central control equipment • Interactive whiteboard • LED displays wall • Videoconferencing & telepresence systems
2	Company B	168.7	14.0%	• Videoconferencing system • LED displays wall • Video wall • Mobile broadcast • Central control system
3	Our Company	118.5	9.8%	• Interactive presentation solution • Video conferencing system • Central control system • Video wall system • Home automation system
4	Company D	91.7	7.6%	• Audio & videoconferencing systems • Central control system • Large In-/outdoor LED display systems • CCTV system
5	Company E	71.7	5.9%	• Videoconferencing system • Broadcasting equipment • Computer Equipment installation & Maintenance

Sources: Ipsos research and analysis

FACTORS OF COMPETITION

Video conferencing and multimedia audiovisual solution providers who introduce innovative design concepts can better differentiate themselves from the other players in the market. For example, the implementation of LCD display wall and digital signage in retail stores is a presentation of the solution provider's capability to design, install and provide various hardware for marketing solutions in the retail businesses in Hong Kong. Active participation in retail and storefront projects in Hong Kong would likewise enhance the brand awareness of solution providers and attract new customers to particular solution providers.

Maintaining a good supplier and customer relationship is also critical in enhancing a provider's competitiveness in the industry. Well-established networks with suppliers and customers of the supply chain are crucial intangible assets for video conferencing and multimedia audiovisual solution providers to compete in the industry. Good relationships with suppliers may allow solution providers to offer products in better pricing, terms of credit, delivery and exchange conditions. Meanwhile, efficient customer account management is essential to maintain long-term relationship with customers of government and private sector in providing after-sales maintenance services and continual purchase of new products.

GROWTH OPPORTUNITIES

Video conferencing and multimedia audiovisual solutions incorporating cloud-based technology (the "**cloud-based solutions**") are expected to be one of the growth drivers for the industry in Hong Kong, which is based on Ipsos' own research and analysis that the size of this market segment, i.e., cloud-based solutions, is projected to capture about 36% of the global market for the video conferencing and multimedia audiovisual solutions industry in 2016. One of the main advantages of cloud-based solutions is that the latter makes meetings through video conferencing easily accessible to anyone and anywhere. Clients can have meetings through video conferencing at a desktop or laptop, in a conference room, or over a mobile device. This kind of new technology can also come with a video recording function to archive past meetings.

In addition, video conferencing and multimedia audiovisual solution providers in Hong Kong can reach out to clients in major financial centres in mainland China, such as Shanghai and Shenzhen, to capture the demand for video conferencing and multimedia audiovisual products and solutions. Due to improvements in the network systems and declining broadband cost in mainland China, the overall cost of using video conferencing and multimedia audiovisual products decreases for companies in the PRC, leading to an increase in the demand for video conferencing and multimedia audiovisual products and solutions.

Insofar as market segments are concerned, the health care industry and the educational services industry are expected to experience higher growth. Conferencing and multimedia audiovisual solution is mainly used in the health care industry for patient monitoring, consultation and counselling. As the aging population in Hong Kong grows, the demand for such products will only increase. With reference to the education segment, the growing market of distance education in Hong Kong leads to increasing demands for video conferencing and multimedia audiovisual solutions. This is because video conferencing and multimedia audiovisual products lessen the constraints of time and distance in providing interactive meetings of person-to-person, group-to-person, group-to-group.

ENTRY BARRIERS

Lack of track record and industry-specific knowledge are two common barriers to entry to the video conferencing and multimedia audiovisual solution industry in Hong Kong. To gain a foothold in this competitive industry, a new entrant needs to quickly establish a reputation based on good track record of products and services provided to clients. However, building client base and developing a company reputation take time and new entrants tend to have little to no company reputation nor client base. Thus, this may pose entry barriers to new entrants.

As video conferencing and multimedia audiovisual products and solutions keep evolving, service providers which possess advanced industry-specific knowledge or up-to-date technical know-how are able to attract new clients. In order to acquire industry-specific knowledge, service providers need to attend different types of training courses and acquire industry qualifications to keep abreast of the latest local and international technology to meet the ever changing needs of clients. A well-established internal training and knowledge sharing database is another way to obtain the latest technology on video conferencing and multimedia audiovisual. Training provided to clients and after-sale services and maintenance also require in-depth industry-specific knowledge. As the industry-specific knowledge takes time and efforts to acquire, this may pose entry barriers to new entrants.

THREATS TO DEVELOPMENT

There are at least two threats against industry development. First, cloud-based video conferencing using a software installed in electronic mobile devices can deliver video conferencing solutions to organisations that are scalable, affordable and easy to use. Such technology would threaten the industry as potential customers are moving away from expensive and complex room-based systems and opting for lower-cost software and cloud-based alternatives.

Second, due to increasingly keen competition among the video conferencing and multimedia audiovisual solution providers in Hong Kong, it is possible that service quality could be compromised. This is because in order to offer service with the lowest price to win certain contracts, some solution providers may provide clients with less up-to-date product portfolio, or equipment of other brands with lower standards but higher profit ratio to maintain profit margins.

BRIEF OVERVIEW OF VIDEO CONFERENCING AND MULTIMEDIA AUDIOVISUAL SOLUTION INDUSTRY IN OTHER MARKETS

Beijing

The video conferencing and multimedia audiovisual solution industry in Beijing consists mostly of local solution providers such as Honghe Technology Group, Dorier Asia Pte Ltd., Komstadt Systems Limited and Kunteng Century Technology Co., Ltd. Solution providers in the Beijing market offer services which include education classroom technology, cloud based school management system, intelligent video conference systems, digital signage systems, system maintenance and training.

Shanghai

The Shanghai market also has a larger proportion of local solution providers compared to Hong Kong. Major players include i-Control (Shanghai), Dorier Asia Pte Ltd., Komstadt Systems Limited and Gesee Technology. These solution providers offer services such as audio and video conference system, multimedia conference room integration and maintenance, intelligent booking system, large-scale display solution, audio and video equipment rental services and digital signage systems.

Singapore

The video conferencing and multimedia audiovisual solution industry in Singapore, on the other hand, has a mix of local solution providers and international solution providers. Major players include Esco Pte. Ltd., Spectrum Audio Visual Pte Ltd., J Nissi International Pte Ltd., INCorp Systems Pte Ltd. and Kasturi Technology Singapore Ltd. Some of the solution providers are based in Singapore and gradually expand their business to neighboring countries, such as Malaysia and other Asian countries. Solution providers in Singapore offer services such as video conferencing systems design, consultation, deployment, audio visual integration, collaboration software, boardroom and conference room acoustics, lighting, video streaming solutions, and systems integration.

HONG KONG LAWS

This section sets forth a summary of the most material aspects of Hong Kong laws and regulations relating to our business operations in Hong Kong.

Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong)

The Employees' Compensation Ordinance establishes a no-fault and non-contributory employee compensation system for work injuries and lays down the rights and obligations of employers and employees in respect of injuries or death caused by accidents arising out of and in the course of employment, or by prescribed occupational diseases.

Under the Employees' Compensation Ordinance, if an employee sustains an injury or dies as a result of an accident arising out of and in the course of his employment, his employer is in general liable to pay compensation even if the employee might have committed acts of faults or negligence when the accident occurred. Similarly, an employee who suffers incapacity arising from an occupational disease is entitled to receive the same compensation as that payable to employees injured in occupational accidents.

According to section 24 of the Employees' Compensation Ordinance, a principal contractor shall be liable to pay compensation to sub-contractors' employees who are injured in the course of their employment to the sub-contractor. The principal contractor is, nonetheless, entitled to be indemnified by the sub-contractor who would have been liable to pay compensation to the injured employee. The employees in question are required to serve a notice in writing on the principal contractor before making any claim or application against such principal contractor.

Pursuant to section 40 of the Employees' Compensation Ordinance, all employers are required to take out insurance policies to cover their liabilities under both the Employees' Compensation Ordinance and at common law for injuries at work in respect of all their employees (including full-time and part-time employees). An employer who fails to comply with this ordinance to secure an insurance cover is liable on conviction upon indictment to a fine at level 6 (currently at HK$100,000) and to imprisonment for 2 years, or on summary conviction, to a fine at level 6 (currently at HK$100,000) and to imprisonment for 2 years.

Occupiers Liability Ordinance (Chapter 314 of the Laws of Hong Kong)

The Occupiers Liability Ordinance regulates the obligations of a person occupying or having control of premises on injury resulting to persons or damage caused to goods or other property lawfully on the land.

The Occupiers Liability Ordinance imposes a common duty of care on an occupier of premises to take such care as in all the circumstances of the case is reasonable to see that the visitor will be reasonably safe in using the premises for the purposes for which he is invited or permitted by the occupier to be there.

Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong)

The Occupational Safety and Health Ordinance provides for the safety and health protection to employees in workplaces, both industrial and non-industrial.

Employers must as far as reasonably practicable ensure the safety and health in their workplaces by:

- provision and maintenance of plant and systems of work that are safe and without risks to health;
- making of arrangements for ensuring safety and absence of risks to health in connection with the use, handling, storage or transport of plant or substances;
- as regards any workplace under the employer's control:
  - maintenance of the workplace in a condition that is safe and without risks to health; and
  - provision and maintenance of means of access to and egress from the workplace that are safe and without any such risks;
- providing all necessary information, instructions, training and supervision for ensuring safety and health; and
- provision and maintenance of a working environment for the employer's employees that is safe and without risks to health.

Failure to comply with any of the above provisions constitutes an offence and the employer is liable on conviction to a fine of HK$200,000. An employer who fails to do so intentionally knowingly or recklessly commits an offence and is liable on conviction to a fine of HK$200,000 and to imprisonment for 6 months.

The Commission for Labour may also issue an improvement notice against non-compliance of this ordinance or the Factories and Industrial Undertakings Ordinance, or suspension notice against activity or condition of workplace which may create imminent risk of death or serious bodily injury. Failure to comply with such notices without reasonable excuse constitutes an offence punishable by a fine of HK$200,000 and HK$500,000 respectively and imprisonment of up to 12 months. In case of contravention of suspension notice, a daily fine of HK$50,000 may also be imposed.

Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong)

The Minimum Wage Ordinance provides for a prescribed minimum hourly wage rate (currently set at HK$32.5 per hour) during the wage period for every employee engaged under a contract of employment under the Employment Ordinance. Any provision of the employment contract which purports to extinguish or reduce the right, benefit or protection conferred on the employee by this ordinance is void.

PRC LAWS AND REGULATIONS

This section sets out summaries of certain major laws and regulations, which are relevant to our Group's business and operation in the PRC.

COMPANY ESTABLISHMENT AND FOREIGN INVESTMENT

Company Law and the Wholly Foreign-owned Enterprise Law

The establishment, operation and management of corporate entities in the PRC are governed by the Company Law of the PRC (《中華人民共和國公司法》) (the "PRC Company Law"), which was promulgated by the Standing Committee of the National People's Congress (全國人民代表大會常務委員會) on 29 December 1993 and came into effect on 1 July 1994. The PRC Company Law was subsequently amended on 25 December 1999, 28 August 2004, 27 October 2005 and 28 December 2013.

According to the PRC Company Law, companies established in the PRC are either limited liability companies or joint stock limited companies. The PRC Company Law applies to both PRC domestic companies and foreign-invested companies; however where the PRC Company Law is silent on matters relating to foreign-invested companies, such matters may be addressed by other PRC laws and regulations.

The establishment procedures, approval procedures, registered capital requirements, foreign exchange matters, accounting practices, taxation and labour matters of a wholly foreign-owned enterprise are regulated by the Wholly Foreign-owned Enterprise Law of the PRC (《中華人民共和國外資企業法》) (the "WFOE Law") promulgated on 12 April 1986 and amended on 31 October 2000, and the Rules for the Implementation of the WFOE Law (《中華人民共和國外資企業法實施細則》) promulgated on 12 December 1990 and amended on 12 April 2001 and 19 February 2014.

The Provisions on Guiding Foreign Investment Direction and the Catalogue for the Guidance of Foreign Investment Industries

In 1995, the State Planning Commission (國家計劃委員會), the State Economic and Trade Commission (國家經濟貿易委員會) and the Ministry of Foreign Trade and Economic Cooperation (對外經濟貿易合作部) jointly promulgated the Interim Provisions on Guiding Foreign Investment Direction (《指導外商投資方向暫行規定》) (the "Interim Foreign Investment Provisions") and the Catalogue for the Guidance of Foreign Invested Industries (《外商投資產業指導目錄》) (the "Foreign Investment Catalogue"), classifying all foreign investment projects into four categories: encouraged projects, permitted projects, restricted projects and prohibited projects. On 11 February 2002, the State Council promulgated the Provisions on Guiding Foreign Investment Direction (《指導外商投資方向規定》) (the "Foreign Investment Provisions"), re-stating the four categories of foreign investment projects. The Foreign Investment Provisions came into force on 1 April 2002 and the Interim Foreign Investment Provisions were simultaneously repealed. The Foreign Investment Catalogue has been revised in 1997, 2002, 2004, 2007, 2011 and 2015 respectively since it was first promulgated. The version of the Foreign Investment Catalogue currently in effect was jointly promulgated by the National Development and Reform Commission (國家發展和改革委員會) and the Ministry of Commerce (the "MOFCOM") (商務部) on 24 December 2011 and came into effect on 30 January 2012. On 10 March 2015, the National Development and Reform Commission and the MOFCOM jointly promulgated the Foreign Investment Catalogue (2015), which shall become effective on 10 April 2015.

M&A Rules

On 8 August 2006, six ministries and commissions including MOFCOM jointly promulgated the Regulations on the Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者並購境內企業的規定》) ("Circular No. 10" or "M&A Rules"), which took effect on 8 September 2006. In Circular No. 10, an overseas company with specific purpose refers to an overseas company directly or indirectly controlled by a non-foreign-invested PRC company or a PRC national for the purpose of listing out of the PRC that non-foreign-invested PRC company's or that PRC national's interest in a business in PRC. A non-foreign-invested PRC company, which intends to establish an overseas company with specific purpose, shall obtain approval from MOFCOM. Overseas listing of an overseas company with specific purpose is subject to the approval from the securities regulatory agency of the State Council (國務院證券監督管理機構).

LAWS AND REGULATIONS RELATING TO INTELLECTUAL PROPERTY

Trademark

Pursuant to the Trademark Law of the PRC (《中華人民共和國商標法》) (the "Trademark Law"), which was promulgated on 23 August 1982 and with effect from 1 March 1983 and whose last amendment made on August 30, 2013 will take effect from 1 May 2014. The right to exclusive use of a registered trademark shall be limited to trademarks which have been approved for registration and to goods for which the use of trademark has been approved. The period of validity of a registered trademark shall be ten years, counted from the day the registration is approved. According to the Trademark Law, using a trademark that is identical with or similar to a registered trademark in connection with the same or similar goods without the authorization of the owner of the registered trademark constitutes an infringement of the exclusive right to use a registered trademark. The infringer shall, in accordance with the regulations, undertake to cease the infringement, take remedial action, and pay damages.

Patent

Pursuant to the Patent Law of the PRC (《中華人民共和國專利法》) (the "Patent Law"), which was revised on 27 December 2008 and with effect from 1 October 2009, after the grant of the patent right for an invention or utility model, except where otherwise provided for in the Patent Law, no entity or individual may, without the authorization of the patent owner, exploit the patent, that is, make, use, offer to sell, sell or import the patented product, or use the patented process, or use, offer to sell, sell or import any product which is a direct result of the use of the patented process, for production or business purposes. And after a patent right is granted for a design, no entity or individual shall, without the permission of the patent owner, exploit the patent, that is, for production or business purposes, manufacture, offer to sell, sell, or import any product containing the patented design. Where the infringement of patent is decided, the infringer shall, in accordance with the regulations, undertake to cease the infringement, take remedial action, and pay damages, etc.

Domain Name

Pursuant to the Measures for the Administration of Internet Domain Names of China (《中國互聯網絡域名管理辦法》), which was promulgated on 5 November 2004 and with effect from 20 December 2004, "domain name" shall refer to the character mark of hierarchical structure, which identifies and locates a computer on the internet and corresponds to the Internet protocol (IP) address of that computer. And the principle of "first come, first serve" is followed for the domain name registration service. After completing the domain name registration, the applicant becomes the holder of the domain name registered by him/it. Furthermore, the holder shall pay operation fees for registered domain names on schedule. If the domain name holder fails to pay the corresponding fees as required, the original domain name registrar shall write it off and notify the holder of the domain name in written form.

CONSUMER PROTECTION

The principal legal provisions for the protection of consumer interests are set out in the Consumer Protection Law of the PRC (《中華人民共和國消費者權益保護法》) (the "Consumer Protection Law"), which was promulgated on 31 October 1993 and with effect from 1 January 1994. The Consumer Protection Law has been amended on 25 October 2013 and will take effect from 15 March 2014. According to the Consumer Protection Law, the rights and interests of the consumers who buy or use commodities for the purposes of daily consumption or those who receive services are protected and all manufacturers and distributors involved must ensure that the products and services will not cause damage to persons and properties. Violations of the Consumer Protection Law may result in the imposition of fines. In addition, the operator will be ordered to suspend operations and its business license will be revoked. Criminal liability may be incurred in serious cases.

LABOUR LAWS

The Labour Contract Law

The Labour Contract Law of the PRC (《中華人民共和國勞動合同法》) (the "PRC Labour Contract Law") was promulgated by the Standing Committee of the National People's Congress on 29 June 2007 and came into effect on 1 January 2008. The PRC Labour Contract Law is enacted to define the rights and obligations of parties to a labour contract, including matters with respect to the establishment, performance and termination of a labour contract.

Under the PRC Labour Contract Law, (i) a written labour contract shall be concluded when a labour relationship is to be established between an employer and an employee; (ii) an employer must pay an employee two times his salary for each month in circumstance where it fails to enter into a written labour contract with the employee for more than a month but less than a year; where such period exceeds one year, the parties are deemed to have entered into a unfixed-term labour contract; (iii) an employer shall pay an employee the full amount of salary in a timely manner in accordance with the provisions stipulated in the labour contract; (iv) an employer who fails to pay an employee's salary on time and in full as stipulated in the labour contract must, in addition to his full salary, pay additional compensation to the employee at a rate of not less than 50 per cent. but not more than 100 per cent. of the amount payable; (v) the amount of compensation an employer may seek from an employee for breach of the agreed service term may not exceed the training expenses paid by the employer; (vi) an

employee may have his labour contract terminated if the employer fails to pay social insurance premiums for the employee in accordance with law; and (vii) an employer who collects money or property from employees in the name of guarantee or in other names may be fined a maximum of RMB2,000 for each employee.

Law on Employment Promotion

The Law of the PRC on Employment Promotion (《中華人民共和國就業促進法》) (the "Law on Employment Promotion") was promulgated by the Standing Committee of the National People's Congress on 30 August 2007 and came into effect on 1 January 2008. The Law on Employment Promotion contains provisions on policy support, fair employment, employment service and management, and vocational education and training. More particularly, the Law on Employment Promotion (i) states explicitly that employment discrimination should be eliminated, and the employees discriminated by acts in violation of the provisions may file a lawsuit with the people's court; (ii) provides that public employment service agencies established by the People's Government at the county level or above should provide free services to employees, including consultation of employment policies and regulations, vocational training, and price guidance for market wages; (iii) establishes an employment and unemployment registration system, stipulating that employers should provide necessary information to facilitate the registration.

SOCIAL INSURANCE AND HOUSING PROVIDENT FUND

Social Insurance

According to the Interim Regulations on Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》), which was promulgated and came into effect on 22 January 1999, enterprises are required to pay basic pension insurance, basic medical insurance and unemployment insurance for their employees. An enterprise shall, within 30 days from the date of its establishment, apply for social insurance registration with the local social insurance agency based on its business license, registration certificate or other relevant certificate. After verification, a Social Insurance Registration Certificate (《社會保險登記證》) will be issued to it by the social insurance agency. Furthermore, the enterprise shall, on a monthly basis, report to the social insurance agency the amount of social insurance premiums payable and, after assessment by the social insurance agency, pay its social insurance premiums within the prescribed time limit.

Furthermore, pursuant to the Regulations on Occupational Injury Insurance (《工傷保險條例》), which was amended on 20 December 2010 and came into effect on 1 January 2011, employers are required to pay occupational injury insurance premiums for their employees. Pursuant to the Provisional Measures on Maternity Insurance for Enterprise Employees (《企業職工生育保險試行辦法》), which was promulgated on 14 December 1994 and came into effect on 1 January 1995, employers are required to pay maternity insurance premiums for their employees.

The Social Insurance Law of the PRC (《中華人民共和國社會保險法》), which was promulgated on 28 October 2010 and came into effect on 1 July 2011, requires that employers within the PRC shall pay social insurance premiums, including basic pension insurance, basic medical insurance, occupational injury insurance, unemployment insurance and maternity

insurance. According to this law, rural residents working in urban cities and foreigners working in the PRC shall also participate in social insurance.

Housing Provident Fund

According to the Regulations on Management of Housing Provident Fund (《住房公積金管理條例》), which became effective on 3 April 1999 and was amended on 24 March 2002, enterprises in the PRC must register with the housing provident fund management centre, maintain housing provident fund accounts with designated banks for their employees, and deposit into the fund an amount not less than 5 per cent. of each employee's average monthly salary in the previous year.

TAXATION

Enterprise Income Tax

The Enterprise Income Tax Law (《企業所得税法》), or EIT Law, effective on 1 January 2008, imposes a uniform enterprise income tax at the rate of 25 per cent. on all domestic enterprises, including foreign-invested enterprises unless they qualify for certain exceptions, and terminates most of the tax exemptions, reductions and preferential treatments available under previous tax laws and regulations. Under the EIT Law and Circular of the State Council on the Implementation of Transitional Preferential Policies with Regard to Enterprise Income Tax (《國務院關於實施企業所得税過渡優惠政策的通知》) issued by the PRC State Council which became enforceable from 1 January 2008, (i) those enterprises that were established before 16 March 2007 and were formerly entitled to preferential policies of lower taxation will undergo a gradual transition to statutory tax rates within five years; and (ii) those enterprises that were established before 16 March 2007 and were formerly entitled to preferential income tax reduction policies, such as "two-years exempt and three-years halved" and "five-years exempt and five-years halved", shall continue to enjoy such preferential policies as stipulated in the former taxation laws, administrative regulations and relevant documents until the end of the terms of these policies, provided however that for those enterprises not profitable enough to enjoy the aforementioned tax preferences, the preference time limits shall commence from 2008.

Pursuant to Notice of the State Administration of Taxation on Strengthening the Administration of Enterprise Income Tax on Gain Derived from Equity Transfer Made by Non-Resident Enterprise (《國家税務總局關於加強非居民企業股權轉讓所得企業所得税管理的通知》), or SAT Circular 698, on 10 December 2009 with retroactive effect from 1 January 2008, where a non-resident enterprise transfers its equity interests in a PRC resident enterprise through an Indirect Transfer, and such overseas holding company is located in a tax jurisdiction that: (i) has an effective tax rate less than 12.5 per cent. or (ii) does not tax foreign income of its residents, the non-resident enterprise, being the transferor, shall report to the relevant tax authority of the PRC resident enterprise this Indirect Transfer. Using a "substance over form" principle, the PRC tax authority may disregard the existence of the overseas holding company if it lacks a reasonable commercial purpose and was established for the purpose of reducing, avoiding or deferring PRC tax. As a result, gains derived from such Indirect Transfer may be subject to PRC withholding tax at a rate of up to 10 per cent. SAT Circular 698 also provides that, where a non-PRC resident enterprise transfers its equity interests in a PRC resident enterprise to its related parties at a price lower than the fair market value, the relevant tax authority has the power to make a reasonable adjustment to the taxable income of the transaction.

Value-Added Tax

Pursuant to the Interim Regulations of the PRC on Value-added Tax (《中華人民共和國增值税暫行條例》) which was last amended on 10 November 2008 and took effect on 1 January 2009, and its Implementation Regulations which was last amended on 28 October 2011, all enterprises and individuals engaging in the sales of goods, provision of processing, repairs and replacement services, and the importation of goods within the territory of the PRC are subject to value-added tax ("VAT"). The applicable VAT rate for taxpayers providing processing, repairs and replacement services shall be 17 per cent., and that for taxpayers exporting goods shall be 0 per cent. except as otherwise stipulated by the State Council.

Business Tax

Pursuant to Provisional Regulations of the People's Republic of China on Business Tax (《中華人民共和國營業税暫行條例》) which was amended by the standing Committee of the National People's Congress on 5 November 2008 and with effect from 1 January 2009 all units and individuals engaged in the provision of services, the transfer of intangible assets or the sale of immovable properties within the territory of the People's Republic of China shall pay Business Tax. The applicable tax rates range from 3% to 20%.

Urban Maintenance and Construction Tax And Education Surtax

Pursuant to the Interim Regulations of the PRC on Urban Maintenance and Construction Tax (《中華人民共和國城市維護建設税暫行條例》) which was promulgated on 8 February 1985 and took effect from 1 January 1985, and Circular of the State Administration of Taxation on Issues Concerning the Collection of the Urban Maintenance and Construction Tax (《國家税務總局關於城市維護建設税徵收問題的通知》) which was promulgated on 12 March 1994 and took effect from 1 January 1994, any enterprise or individual subject to consumption tax, VAT and business tax shall also be required to pay urban maintenance and construction tax. The amount of urban maintenance and construction tax shall be based on the consumption tax, VAT and business tax actually paid by a taxpayer, and shall be paid simultaneously with payment thereof. The rates of urban maintenance and construction tax shall be 7 per cent. for a taxpayer in city, 5 per cent. for a taxpayer in county or town and 1 per cent. for a taxpayer in places other than a city, county or town.

In accordance with the Interim Provisions on the Collection of Educational Surtax (《徵收教育費附加的暫行規定》) which was last revised on 8 January 2011, any enterprise or individual subject to consumption tax, VAT and business tax shall also be required to pay educational surtax. The rate of educational surtax is 3 per cent., based on the amount of consumption tax, VAT and business tax actually paid by each enterprise or individual, and the educational surtax shall be paid simultaneously with the payment of consumption tax, VAT and business tax.

RULES ON FOREIGN EXCHANGE AND DIVIDEND DISTRIBUTION

Regulations on Foreign Exchange Administration

The principal regulation governing foreign exchange in the PRC is the Regulations of the PRC on Foreign Exchange Administration (《中華人民共和國外匯管理條例》), which was

promulgated by the State Council on 29 January 1996, effective on 1 April 1996 and was amended on 14 January 1997 and 5 August 2008 respectively. Under these rules, RMB is freely convertible for payments of current account items, including trade and service-related foreign exchange transactions and dividend payments, but not for capital account expenses, including direct investment, loan or investment in securities outside the PRC. RMB may only be converted for capital account expenses once the prior approvals of relevant foreign exchange administrative departments have been obtained. Under the Regulations on Foreign Exchange Administration, foreign-invested enterprises in the PRC may purchase foreign currencies without the approvals of relevant foreign exchange administrative departments for trade and service-related foreign exchange transactions by providing commercial documents evidencing such transactions. They may also retain foreign currencies (subject to a cap approved by the foreign exchange administrative departments) to satisfy foreign exchange liabilities or to pay dividends. But foreign exchange transactions involving direct investment, loans and investment in securities outside the PRC are subject to limitations and require approvals from the foreign exchange administrative departments.

In addition, another notice issued by the State Administration of Foreign Exchange (國家外匯管理局) (the SAFE), the Circular on the Relevant Operating Issues Concerning the Improvement of the Administration of the Payment and Settlement of Foreign Currency Capital of Foreign-Invested Enterprises (《關於完善外商投資企業外匯資本金支付結匯管理有關業務操作問題的通知》), or Circular 142, regulates the conversion by foreign-invested enterprises of foreign currency into RMB by restricting how the converted RMB may be used. Circular 142 requires that RMB converted from the foreign currency-dominated capital of a foreign-invested enterprise may only be used for purposes within the business scope approved by the relevant government authority and may not be used to make equity investments in the PRC, unless specifically provided otherwise. The SAFE further strengthened its oversight over the flow and use of RMB funds converted from the foreign currency-dominated capital of a foreign-invested enterprise. The use of such RMB may not be changed without approval from the SAFE, and may not be used to repay RMB loans if the proceeds of such loans have not yet been used. Any violation of Circular 142 may result in severe penalties, including substantial fines. On 9 November 2011, SAFE issued the Notice on Further Clarifying and Standardising Related Issues Concerning Foreign Exchange Administration for Part of Capital Account Items (《國家外匯管理局關於進一步明確和規範部分資本項目外匯業務管理有關問題的通知》) to further regulate the payment and settlement of foreign currency exchange of foreign-invested enterprises.

Regulations on Dividend Distribution

The principal regulations governing distribution of dividends by wholly foreign-owned enterprises include: the Company Law of the PRC, the WFOE Law and the Rules for the Implementation of the WFOE Law. Under the current regulatory regime in the PRC, foreign-invested enterprises in the PRC may pay dividends only out of their accumulated profits, if any, determined in accordance with PRC accounting standards and regulations. After making up for any deficit in prior years pursuant to the PRC laws, a wholly foreign-owned enterprise in the PRC is required to set aside at least 10% of its after-tax profit calculated in accordance with PRC accounting standards and regulations each year as its general reserves until the cumulative amount of such reserves reaches 50% of its registered capital. These reserves are not distributable as cash dividends. The board of directors of a WFOE has the discretion to allocate a portion of its after-tax profits to its staff welfare and

bonus funds, which is likewise not distributable to its shareholders except in the event of a liquidation of the foreign-owned enter-prise.

The PRC and the government of Hong Kong SAR signed the Arrangement between the Mainland of PRC and Hong Kong SAR for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income on 21 August 2006 (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》). According to the Arrangement, the 5% withholding tax rate applies to dividends paid by a PRC company to a Hong Kong resident, provided that such Hong Kong resident directly holds at least 25% of the equity interest of the PRC company. The 10% withholding tax rate applies to dividends paid by a PRC company to a Hong Kong resident if such Hong Kong resident holds less than 25% of the equity interest of the PRC company.

Furthermore, pursuant to the Circular of the State Administration of Taxation on Relevant Issues relating to the Implementation of Dividend Clauses in Tax Treaty (《國家税務總局關於執行税收協議股息條款有關問題的通知》), which was promulgated and became effective on 20 February 2009, all of the following requirements should be satisfied before a fiscal resident of the other party to the tax treaty may be entitled to the tax treaty treatment which is taxed at a rate specified in the tax treaty in respect of the dividends paid to it by a PRC resident company: a) such a fiscal resident in receipt of dividends should be a company as provided in the tax treaty; b) owner's equity interests and voting shares of the PRC resident company directly owned by such a fiscal resident reaches a specified percentage; and c) the equity interests of the PRC resident company directly owned by such a fiscal resident, at any time during the twelve months prior to the acquisition of the dividends, reaches the percentage specified in the tax treaty.

In addition, according to the Administrative Measures for Non-resident Enterprises to Enjoy Treatments under Tax Treaties (Trial) (《非居民享受税收協議待遇管理辦法(試行)》), which became effective on 1 October 2009, in order for a non-resident enterprise (as defined under the PRC tax laws) in receipt of dividends from PRC resident enterprises to enjoy the tax benefits under the tax treaties, an application for approval to the competent tax authority must first be submitted. The non-resident enterprise may not enjoy the favourable tax treatments provided in the tax treaties without such approval.

OUR BUSINESS DEVELOPMENT

Introduction

Our history can be traced back to 1987 when our founders, Dr. Wong, Mr. Tong, Mr. WY Chan and others set up the business of Newmark, a company incorporated in Hong Kong with limited liability in 1986, which then was initially engaged in trading of educational and audiovisual equipments through its subsidiary, namely Eduserve International.

In late 1990s, we expanded our business into the provision of video conferencing and multimedia audiovisual solution in Hong Kong with an initial focus in the educational field. Our major operating subsidiary, i-Control (Hong Kong), was incorporated in 1999 to expand the business of audiovisual solutions in the commercial market and interactive learning in the educational market.

As confirmed by our Directors, since the name of Eduserve International, being Eduserve International Limited (教育系統國際有限公司), might give our clients an impression that we would only provide service to clients in the educational field, our Directors then considered that the incorporation of another company, being i-Control (Hong Kong), would be a strategic step to expand our then business of audiovisual solutions in the commercial market.

Prior to the completion of the Reorganisation, our Group was partly engaged in the property investment business. With a view to have a more focused line of business and streamline the business activities of our Group for the purpose of Listing, our Directors decided not to include the property investment business in our Group, and would pursue such business by themselves separately from our Group. Prior to the completion of the Reorganisation, we held a total of 10 properties in Hong Kong, among which eight properties have remained in our Group for our own use as office premises or car parking spaces. For details of these eight properties, please refer to the paragraph headed "Business — Property" in this prospectus. Our Directors confirm that our Group did not include any property investment business as at the Latest Practicable Date, and does not intend to pursue any investment property business going forward.

As at the Latest Practicable Date, the other two properties previously held by our Group were being held as personal investments by our executive and non-executive Directors, and were being leased for rental income and will generally be sold when our executive and non-executive Directors decide appropriate.

During the Track Record Period, we had disposed of the two investment properties previously held by our subsidiary, i-Control (Hong Kong). These two properties were formerly intended to be for the own use of our Group, and they had been reclassified as investment properties subsequent to the relocation of our Group to the current self-owned office in 2011. Our Directors confirmed that our Group did not have any property acquisition during the Track Record Period and up to the Latest Practicable Date.

BUSINESS MILESTONES

We believe the key milestones in the development of our Group are as follows:

Year	Event
1987	Our Group commenced to engage in trading of educational and audiovisual equipment through our subsidiary, namely Eduserve International
	Our Group became an authorised sole agent of Tandberg Educational A/S (the predecessor of Sanako Corporation), a language lab provider then based in Norway, currently based in Finland
	Our Group became a sole authorised distributor in Hong Kong and Macau of Da-Lite Screen Company, Inc (subsequently acquired by Milestone AV Technologies LLC in 2013), a company providing audiovisual technologies solution based in the United States
1988	Our Group acquired and moved to our first self-owned office in Sheung Wan, Hong Kong
1993	Our Group expanded our operation and moved to a bigger self-owned office located in Quarry Bay, Hong Kong
1999	Incorporation of i-Control (Hong Kong)
2002	Our Group established a project department for its operation for video conferencing and multimedia audiovisual solution and expanded our operation in this area of business
2006	Our Group acquired another office in Quarry Bay for business expansion
2007	Our Group was certified by the Government as one of the Approved Suppliers for Materials and Specialist Contractors for Public Works
2010	Incorporation of i-Control (Shanghai) and extension of the scope of our Group's business to China
2011	i-Control (Hong Kong) obtained ISO 9001:2008 certification
	Our Group further expanded our operation and moved to the current self-owned office with a multimedia showroom

Year	Event
2012	Eduserve International obtained ISO 9001:2008 certification
	Our Group became an authorised distributor of Planar Systems, Inc, a video wall and digital signage manufacturer based in the United States
2014	Incorporation of i-Control (Singapore), a company mainly engaged in the provision of video conferencing and multimedia audiovisual solution in Singapore and extension of the scope of our Group's business to Singapore

CORPORATE HISTORY

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law on 21 August 2014. As at the Latest Practicable Date, our Company had an authorised share capital of HK$380,000 divided into 38,000,000 ordinary shares of HK$0.01 each. As part of the Reorganisation, our Company became the ultimate holding company of our Group.

For details of changes in the share capital of our Company, please refer to the paragraph headed "2. Changes in the share capital of our Company" in Appendix VI to this prospectus.

Our Company has a number of direct and indirect subsidiaries incorporated or established in the BVI, Hong Kong, the PRC and Singapore. Details of the major operating subsidiaries of our Group and their respective corporate history are set out below.

OUR SUBSIDIARIES

i-Control (ITAV)

i-Control (ITAV) was incorporated in the BVI with limited liability on 17 June 2014. i-Control (ITAV) is authorised to issue a maximum of 50,000 no par value shares of a single class. On 24 June 2014, one share was allotted and issued to MWMW at a consideration of US$1.00 for cash, credited as fully paid.

As part of the Reorganisation, on 29 June 2014, i-Control (ITAV) allotted and issued two ordinary shares and one ordinary share to MWMW to settle the consideration in relation to the acquisition of i-Control (Hong Kong) and Eduserve International by i-Control (ITAV), respectively. Please refer to the paragraph headed "Statutory and General Information – A. Further Information About Our Company and Our Subsidiaries – 4. Group reorganisation" in Appendix VI to this prospectus for further details.

i-Control (ITAV) is a direct wholly-owned subsidiary of our Company and is principally engaged in investment holding.

i-Control (Hong Kong)

i-Control (Hong Kong) was incorporated in Hong Kong with limited liability on 25 October 1999 with an authorised share capital of HK$10,000 divided into 10,000 ordinary shares of HK$1.00 each. On 25 October 1999, one ordinary share was allotted and issued to each of the two subscribers, both of whom are Independent Third Parties, at par and credited as fully paid. On 25 November 1999, each of the subscribers sold its share in i-Control (Hong Kong) to Newmark and Dr. Wong at par, respectively. Pursuant to a declaration of trust dated 25 November 1999, Dr. Wong held the one share (the "**Share Held on Trust**") in i-Control (Hong Kong) on trust for the benefit of Newmark.

On 2 April 2001, (a) the authorised share capital of i-Control (Hong Kong) was increased to HK$2,500,000 divided into 2,500,000 ordinary shares of HK$1.00 each; and (b) 1,999,998 ordinary shares and 500,000 ordinary shares were allotted and issued to Newmark and Mr. WL Chan at a consideration of HK$1,999,998 and HK$500,000, respectively, and credited as fully paid. On 13 October 2008, Newmark sold 250,000 ordinary shares in i-Control (Hong Kong) to Mr. WL Chan at a consideration of HK$1,184,000. On 27 June 2014, Dr. Wong transferred the legal title to the Share Held on Trust to Newmark at nil consideration.

As part of the Reorganisation, on 29 June 2014, Newmark and Mr. WL Chan sold 1,750,000 ordinary shares and 750,000 ordinary shares in i-Control (Hong Kong) to i-Control (ITAV) at a consideration of HK$1,750,000 and HK$750,000, respectively. As directed by Mr. WL Chan and Newmark, the consideration was settled by i-Control (ITAV) allotting and issuing two shares to MWMW, credited as fully paid.

With effect from 3 March 2014, pursuant to section 135 of the Companies Ordinance, the shares of i-Control (Hong Kong) shall cease to have any par values.

i-Control (Hong Kong) is an indirect wholly-owned subsidiary of our Company and is principally engaged in the business of the provision of solution for audiovisual, conferencing, presentation and multimedia control systems including installation services and audiovisual system maintenance services and investment holding, holding shares in i-Control (China) and i-Control (Singapore).

i-Control (China)

i-Control (China) was incorporated in Hong Kong with limited liability on 30 November 2009 with an authorised share capital of HK$1,800,000 divided into 1,800,000 ordinary shares of HK$1.00 each. On 30 November 2009, 1,260,000 ordinary shares and 540,000 ordinary shares were allotted and issued to i-Control (Hong Kong) and Mr. Wong To Yan, the general manager of i-Control (China) and i-Control (Shanghai), at a consideration of HK$1,260,000 and HK$540,000, respectively, and credited as fully paid.

With effect from 3 March 2014, pursuant to section 135 of the Companies Ordinance, the shares of i-Control (China) shall cease to have any par values.

i-Control (China) is an indirect 70% owned subsidiary of our Company and is principally engaged in the business of the provision of solution for audiovisual, conferencing, presentation and multimedia control systems including installation services and audiovisual system maintenance services and investment holding, holding equity interests in i-Control (Shanghai).

i-Control (Shanghai)

i-Control (Shanghai) was established in the PRC as a limited liability company on 30 March 2010 with a registered capital of RMB1,000,000. The entire registered capital of RMB1,000,000 was paid up by i-Control (China).

i-Control (Shanghai) is an indirect 70% owned subsidiary of our Company and is principally engaged in the business of the provision of solution for audiovisual, conferencing, presentation and multimedia control systems including installation services and audiovisual system maintenance services.

Eduserve International

Eduserve International was incorporated in Hong Kong with limited liability on 8 April 1987 with an authorised share capital of HK$500,000 divided into 500,000 ordinary shares of HK$1.00 each. On 8 April 1987, one ordinary share was allotted and issued to each of Newmark, Mr. WY Chan and Mr. Tong, at par and credited as fully paid.

On 11 May 1987, the authorised share capital of Eduserve International was increased to HK$1,500,000 divided into 1,500,000 ordinary shares of HK$1.00 each. On 16 April 1987, 499,997 ordinary shares were allotted and issued to Newmark at par and credited as fully paid. On 25 January 1988, 500,000 ordinary shares were allotted and issued to Newmark at par and credited as fully paid.

On 21 June 1995, (a) the authorised share capital of Eduserve International was further increased to HK$3,500,000 divided into 3,500,000 ordinary shares of HK$1.00 each and; (b) 2,000,000 ordinary shares were allotted and issued to Newmark at par and credited as fully paid.

On 25 April 2012, Newmark, Mr. WY Chan and Mr. Tong sold 299,998 shares, 1 share and 1 share to Mr. Poon King Hang ("**Mr. Poon**"), the manager of Eduserve International, at a consideration of HK$299,998, HK$1.00 and HK$1.00, respectively. On 30 October 2013, Newmark sold 300,000 ordinary shares to Mr. Poon at a consideration of HK$300,000.

As part of the Reorganisation, on 29 June 2014, Newmark sold 2,400,000 ordinary shares in Eduserve International to i-Control (ITAV) at a consideration of HK$2,400,000. As directed by Newmark, the consideration was settled by i-Control (ITAV) allotting and issuing one share to MWMW, credited as fully paid.

With effect from 3 March 2014, pursuant to section 135 of the Companies Ordinance, the shares of Eduserve International shall cease to have any par values.

Eduserve International is an indirect 80% owned subsidiary of our Company and is principally engaged in the business of the provision of solution for audiovisual, conferencing, presentation and multimedia control systems including installation services and audiovisual system maintenance services.

i-Control Consultancy

i-Control Consultancy was incorporated in the BVI with limited liability on 17 June 2014. i-Control Consultancy is authorised to issue a maximum of 50,000 no par value shares of a single class. On 24 June 2014, one share was allotted and issued to i-Control (ITAV) at a consideration of US$1.00 for cash, credited as fully paid.

i-Control Consultancy is an indirect wholly-owned subsidiary of our Company and is principally engaged in the provision of consultancy and administrative services to our Group.

Modern China

Modern China was incorporated in Hong Kong with limited liability on 10 December 1991 with an authorised share capital of HK$10,000 divided into 10,000 ordinary shares of HK$1.00 each. On 10 December 1991, one ordinary share was allotted and issued to each of the two subscribers, both of them are Independent Third Parties, at par and credited as fully paid. On 20 July 1992, each of the subscribers sold its share in Modern China to Newmark and Dr. Wong at par, respectively.

On 31 May 1994, (a) the authorised share capital of Modern China was increased to HK$3,000,000 divided into 3,000,000 ordinary shares of HK$1.00 each; (b) 1,499,999 ordinary shares, 150,000 ordinary shares, 150,000 ordinary shares, 300,000 ordinary shares, 150,000 ordinary shares and 749,999 ordinary shares were allotted and issued to Newmark, Ms. Chau Sing Lan (the spouse of Mr. WY Chan) ("**Ms. Chau**"), Mr. Tong, Mr. Lin, Mr. Leung Yin Lun (an Independent Third Party) ("**Mr. YL Leung**") and Ranier at a consideration of HK$1,499,999, HK$150,000, HK$150,000, HK$300,000, HK$150,000 and HK$749,999, respectively, and credited as fully paid. On 4 July 1994, Dr. Wong sold his one ordinary share in Modern China to Ranier at a consideration of HK$1.00.

On 5 January 2000, (a) the authorised share capital of Modern China was further increased to HK$4,500,000 divided into 4,500,000 ordinary shares of HK$1.00 each; and (b) 1,425,000 ordinary shares and 75,000 ordinary shares were allotted and issued to Newmark and Mr. YL Leung at a consideration of HK$1,425,000 and HK$75,000, respectively, and credited as fully paid.

On 20 January 2000, Mr. Tong sold 150,000 ordinary shares in Modern China to Newmark at a consideration of HK$1.00. On 28 January 2011, (a) Newmark sold 1,800,000 ordinary shares, 900,000 ordinary shares, 150,000 ordinary shares and 225,000 ordinary shares in Modern China to Dr. Wong, Mr. Tong, Mr. Lin and Mr. WL Chan, at a consideration of HK$1,800,000, HK$900,000, HK$150,000 and HK$225,000, respectively; (b) Mr. YL Leung sold 225,000 ordinary shares in Modern China to Mr. WL Chan at a consideration of HK$225,000; and (c) Ranier sold 750,000 ordinary shares in Modern China to Ms. Chau at a consideration of HK$750,000.

As part of the Reorganisation, on 30 June 2014, Dr. Wong, Mr. Tong, Ms. Chau, Mr. WL Chan and Mr. Lin sold 1,800,000 ordinary shares, 900,000 ordinary shares, 900,000 ordinary shares, 450,000 ordinary shares and 450,000 ordinary shares in Modern China to EWEW at a consideration of HK$1,800,000, HK$900,000, HK$900,000, HK$450,000 and HK$450,000, respectively. As directed by Dr. Wong, Mr. Tong, Ms. Chau, Mr. WL Chan and Mr. Lin, the consideration was settled by EWEW allotting and issuing five shares to MWMW, credited as fully paid.

On 30 September 2014, EWEW sold and i-Control (ITAV) purchased, the entire shareholding interest owned by EWEW in Modern China at an aggregate consideration of HK$4,500,000, which was settled by i-Control (ITAV) allotting and issuing one share to MWMW, credited as fully paid up.

With effect from 3 March 2014, pursuant to section 135 of the Companies Ordinance, the shares of Modern China shall cease to have any par values.

Modern China is an indirect wholly-owned subsidiary of our Company and is principally engaged in investment holding.

View Mark

View Mark was incorporated in Hong Kong with limited liability on 6 September 2010 with an authorised share capital of HK$10,000 divided into 10,000 ordinary shares of HK$1.00 each. On 6 September 2010, one ordinary share was allotted and issued to the subscriber, an Independent Third Party, at par and credited as fully paid. On 16 November 2010, (a) the subscriber share was sold to i-Control (Hong Kong) at par value; and (b) 3,000 ordinary shares and 6,999 ordinary shares were allotted and issued to Newmark and i-Control (Hong Kong) at par, respectively, and credited as fully paid.

As part of the Reorganisation, on 30 June 2014, Newmark and i-Control (Hong Kong) sold 3,000 ordinary shares and 7,000 ordinary shares in View Mark to EWEW at a consideration of HK$3,000 and HK$7,000, respectively. As directed by Newmark and i-Control (Hong Kong), the consideration was settled by EWEW allotting and issuing two shares to MWMW, credited as fully paid.

On 30 September 2014, EWEW sold and i-Control (ITAV) purchased, the entire shareholding interest owned by EWEW in View Mark at an aggregate consideration of HK$10,000, which was settled by i-Control (ITAV) allotting and issuing one share to MWMW, credited as fully paid up.

With effect from 3 March 2014, pursuant to section 135 of the Companies Ordinance, the shares of View Mark shall cease to have any par values.

View Mark is an indirect wholly-owned subsidiary of our Company and is principally engaged in investment holding.

Billion Peace

Billion Peace was incorporated in Hong Kong with limited liability on 4 March 2011 with an authorised share capital of HK$10,000 divided into 10,000 ordinary shares of HK$1.00 each. On 4 March 2011, one ordinary share was allotted and issued to the subscriber, an Independent Third Party, at par and credited as fully paid. On 3 June 2011, (a) the subscriber share was sold to Mr. WY Chan at par value; and (b) 2,000 ordinary shares, 4,000 ordinary shares, 1,999 ordinary shares and 2,000 ordinary shares were allotted and issued to Newmark, Dr. Wong, Mr. WY Chan and Mr. Tong at par, respectively, and credited as fully paid.

As part of the Reorganisation, on 30 June 2014, Newmark, Dr. Wong, Mr. WY Chan and Mr. Tong sold 2,000 ordinary shares, 4,000 ordinary shares, 2,000 ordinary shares and 2,000 ordinary shares in Billion Peace to EWEW at a consideration of HK$2,000, HK$4,000, HK$2,000 and HK$2,000, respectively. As directed by Newmark, Dr. Wong, Mr. WY Chan and Mr. Tong, the consideration was settled by EWEW allotting and issuing four shares to MWMW, credited as fully paid.

On 30 September 2014, EWEW sold and i-Control (ITAV) purchased, the entire shareholding interest owned by EWEW in Billion Peace at an aggregate consideration of HK$10,000, which was settled by i-Control (ITAV) allotting and issuing one share to MWMW, credited as fully paid up.

With effect from 3 March 2014, pursuant to section 135 of the Companies Ordinance, the shares of Billion Peace shall cease to have any par values.

Billion Peace is an indirect wholly-owned subsidiary of our Company and is principally engaged in investment holding.

i-Control (Singapore)

i-Control (Singapore) was incorporated in Singapore with limited liability on 4 September 2014 with an authorised share capital of S$1,000 divided into 1,000 ordinary shares of S$1.00 each. On 4 September 2014, 1,000 ordinary shares were allotted and issued to i-Control (Hong Kong), at par, fully paid.

i-Control (Singapore) is an indirect wholly-owned subsidiary of our Company and is principally engaged in the business of the provision of solution for audiovisual conferencing, presentation and multimedia systems.

EXCLUDED COMPANY

Newmark

Newmark was incorporated in Hong Kong with limited liability on 2 September 1986 with an authorised share capital of HK$10,000 divided into 10,000 ordinary shares of HK$1 each.

On 2 September 1986, one ordinary share was allotted and issued to each of Acota Limited and Time Way Limited respectively. On 23 February 1987, Acota Limited transferred one share in Newmark to Big Shing International Company Limited at a consideration of HK$1, and Time Way Limited transferred one share in Newmark to Ranier at a consideration of HK$1.

On 26 February 1987, 4,999 ordinary shares were allotted and issued to Big Shing International Company Limited at a consideration of HK$4,999 and 4,999 ordinary shares were allotted and issued to Ranier at a consideration of HK$4,999. On 11 March 1987, the authorised share capital of Newmark was increased to HK$2,000,000 divided into 2,000,000 ordinary shares of HK$1 each. On 8 May 1987, 495,000 ordinary shares were allotted and issued to Big Shing International Company Limited at a consideration of HK$495,000 and

495,000 ordinary shares were allotted and issued to Ranier at a consideration of HK$495,000. On 30 July 1987, 250,000 ordinary shares were allotted and issued to Ranier at a consideration of HK$250,000 and 250,000 ordinary shares were allotted and issued to Effort International Services Limited at a consideration of HK$250,000. On 3 December 1987, 150,000 ordinary shares were allotted and issued to Ranier at a consideration of HK$150,000 and 150,000 ordinary shares were allotted and issued to Effort International Services Limited at a consideration of HK$150,000.

On 25 January 1988, (a) the authorised share capital of Newmark was increased to HK$3,000,000 divided into 3,000,000 ordinary shares of HK$1 each; and (b) 100,000 ordinary shares were allotted and issued to Ranier at a consideration of HK$100,000 and 100,000 ordinary shares were allotted and issued to Effort International Services Limited at a consideration of HK$100,000. On 27 June 1988, the authorised share capital of Newmark was increased to HK$5,000,000 divided into 5,000,000 ordinary shares of HK$1 each. On 8 August 1988, 500,000 ordinary shares were allotted and issued to Ranier at a consideration of HK$500,000 and 500,000 ordinary shares were allotted and issued to Wideford at a consideration of HK$500,000.

On 18 April 1990, 750,000 ordinary shares were allotted and issued to Ranier at a consideration of HK$750,000 and 750,000 ordinary shares were allotted and issued to Wideford at a consideration of HK$750,000. On 16 May 1990, the authorised share capital of Newmark was increased to HK$10,000,000 divided into 10,000,000 ordinary shares of HK$1 each.

On 13 March 1991, 500,000 ordinary shares were allotted and issued to Ranier at a consideration of HK$500,000 and 500,000 ordinary shares were allotted and issued to Wideford at a consideration of HK$500,000.

On 1 April 1993, Effort International Services Limited sold 500,000 ordinary shares in Newmark to Wideford.

On 21 June 1995, 1,750,000 ordinary shares were allotted and issued to Ranier at a consideration of HK$1,750,000 and 1,750,000 ordinary shares were allotted and issued to Wideford at a consideration of HK$1,750,000.

On 26 November 1998, the authorised share capital of Newmark was increased to HK$12,000,000 divided into 12,000,000 ordinary shares of HK$1 each. On the same date, 1,500,000 ordinary shares were allotted and issued to Ranier at a consideration of HK$1,500,000 and 1,500,000 ordinary shares were allotted and issued to Wideford at a consideration of HK$1,500,000.

On 20 March 2013, Big Shing International Company Limited sold 500,000 ordinary shares in Newmark to Wideford at a consideration of HK$500,000.

Newmark provided consultancy and administrative services to our Group during the Track Record Period, which formed a substantial part of Newmark's business.

As part of the Reorganisation, on 29 June 2014, Newmark sold its consultancy and administrative services business to i-Control Consultancy with effect from 29 June 2014 at a consideration of HK$2,420,000 (which was subsequently waived by Newmark).

With effect from 3 March 2014, pursuant to section 135 of the Companies Ordinance, the shares of Newmark shall cease to have any par values.

Currently, Newmark, through its subsidiaries, is engaged in the trading of equipment and items (such as desks, chairs and metal boards) which are unrelated to audiovisual, conferencing, presentation and multimedia control systems.

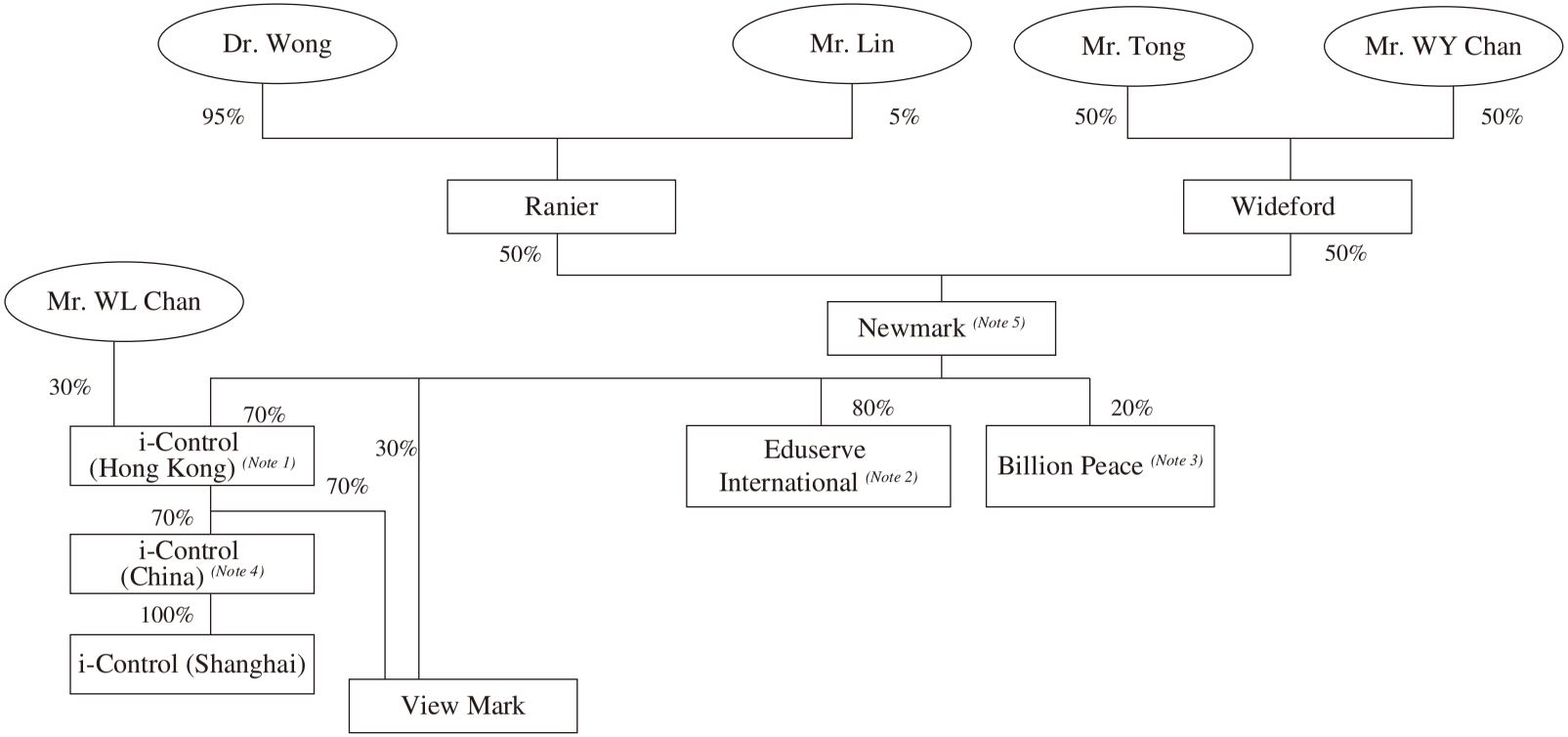
Our Directors took the view that, because Newmark does not have a focused line of business and its current business activities are completely unrelated to that of our Group, Newmark was excluded from our Group after the Reorganisation.

REORGANISATION

Our Company completed the Reorganisation on 11 May 2015 in preparation for the Listing. Details of the Reorganisation are set out in the paragraph headed "Statutory and General Information — A. Further Information About Our Company and Our Subsidiaries — 4. Group reorganisation" in Appendix VI to this prospectus.

OUR GROUP STRUCTURE

As part of the Reorganisation, a number of share transfers and allotments had been effected and pursuant to which our Company became the holding company of our Group. Our Company completed the Reorganisation on 11 May 2015 in preparation for the Listing. Details of the Reorganisation are set out in the paragraph headed "Statutory and General Information — A. Further Information About Our Company and Our Subsidiaries — 4. Group reorganisation" in Appendix VI to this prospectus. The following diagrams set out the shareholding structure of our Group before the Reorganisation:



Notes:

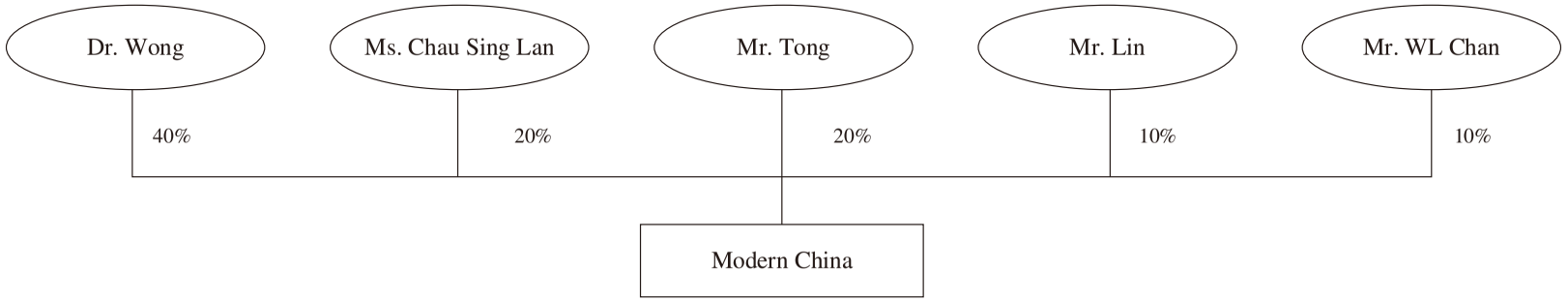
(1) Pursuant to a declaration of trust dated 25 November 1999, Dr. Wong held one share in i-Control (Hong Kong) on trust for the benefit of Newmark. Together with the other 1,749,999 ordinary shares in i-Control (Hong Kong) which were legally and beneficially owned by Newmark, Newmark was interested in 70% shareholding interest in i-Control (Hong Kong).

(2) The remaining 20% shareholding interest in Eduserve International was held by Mr. Poon King Hang, the manager of Eduserve International.

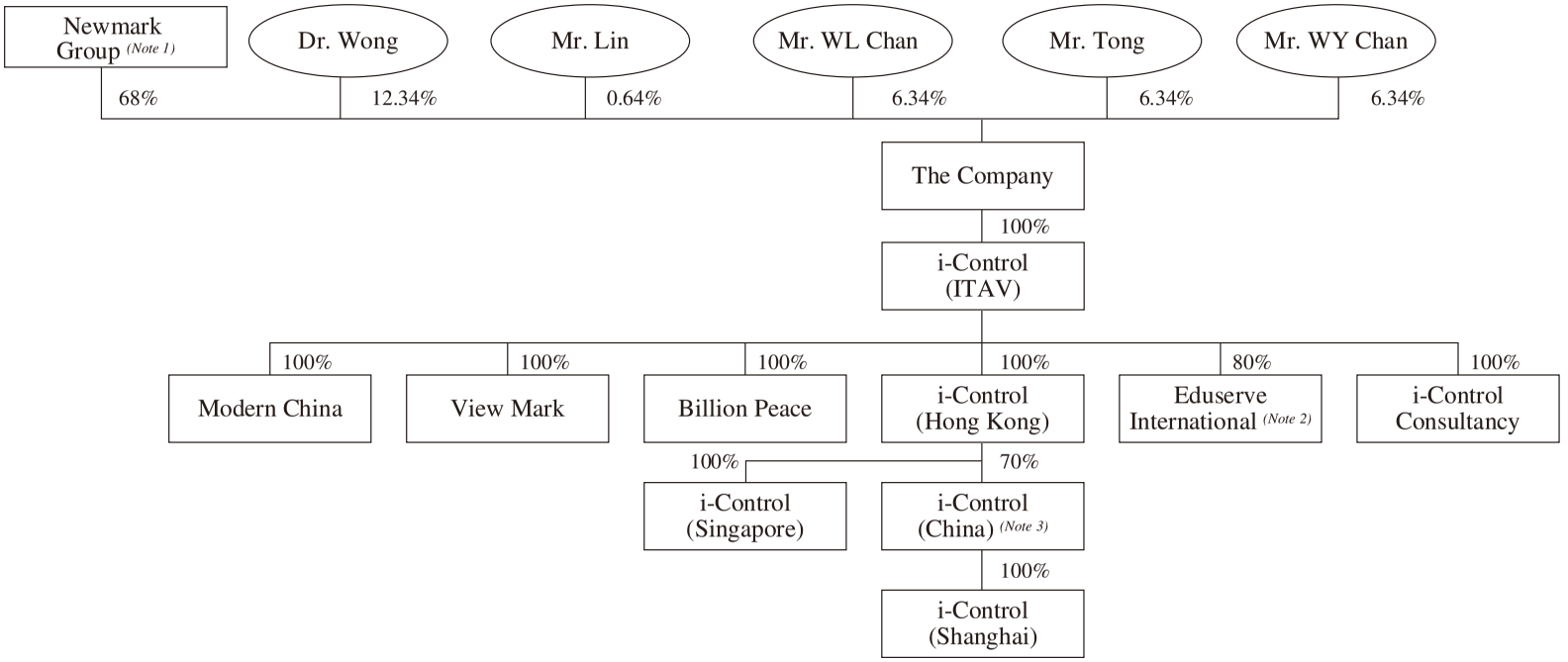
(3) Billion Peace was owned by Newmark, Dr. Wong, Mr. WY Chan and Mr. Tong as to 20%, 40%, 20% and 20%, respectively.

(4) The remaining 30% shareholding interest in i-Control (China) was held by Mr. Wong To Yan, the general manager of i-Control (China) and i-Control (Shanghai).

(5) Newmark is currently involved in activities unrelated to that of our Group and accordingly it will not become part of our Group.



The following diagram sets out the shareholding structure of our Group immediately before the completion of the Capitalisation Issue and the Placing:



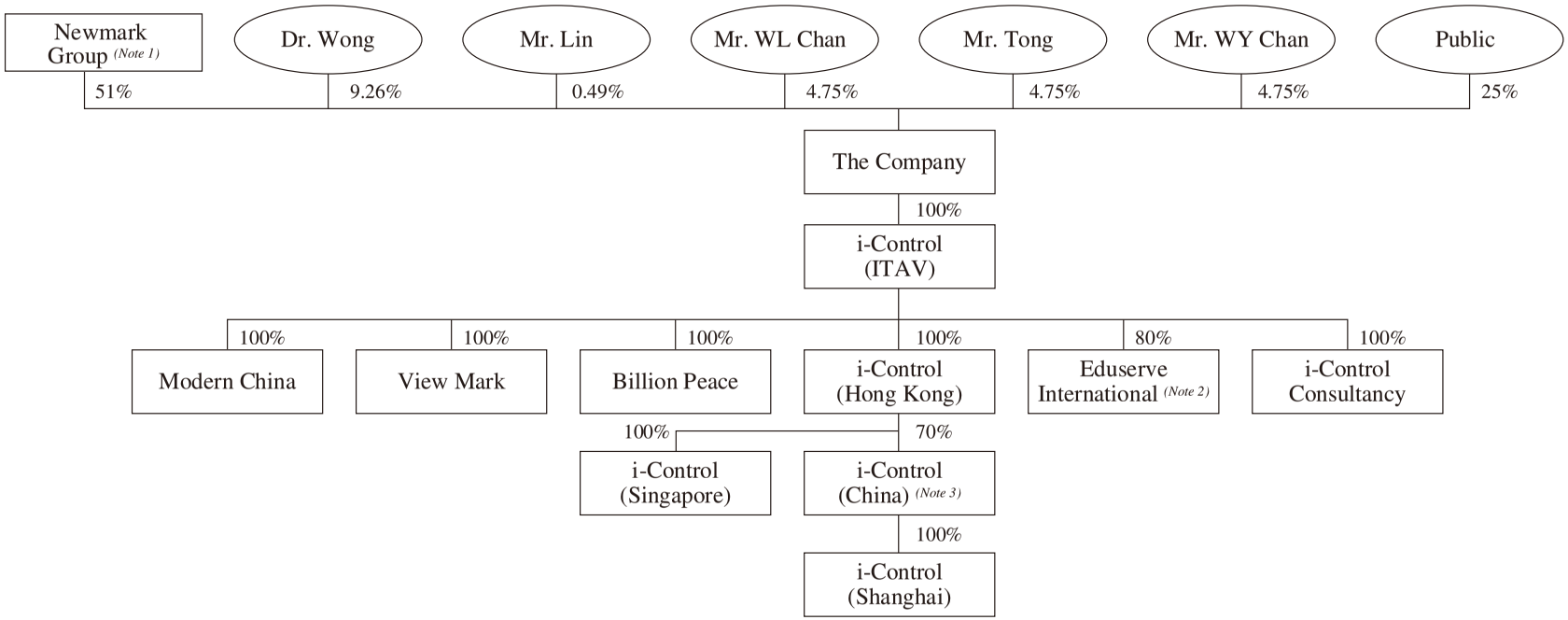
Notes:

(1) Newmark Group is owned as to 38.6%, 19.8%, 19.8%, 19.8% and 2.0% by Dr. Wong, Mr. WL Chan, Mr. Tong, Mr. WY Chan and Mr. Lin, respectively.

(2) The remaining 20% shareholding interest in Eduserve International was held by Mr. Poon King Hang, the manager of Eduserve International.

(3) The remaining 30% shareholding interest in i-Control (China) was held by Mr. Wong To Yan, the general manager of i-Control (China) and i-Control (Shanghai).

The following diagram sets out the shareholding structure of our Group immediately following the completion of the Capitalisation Issue and the Placing assuming the Offer Size Adjustment Option is not exercised and no option which may be granted under the Share Option Scheme is exercised:



Notes:

(1) Newmark Group is owned as to 38.6%, 19.8%, 19.8%, 19.8% and 2.0% by Dr. Wong, Mr. WL Chan, Mr. Tong, Mr. WY Chan and Mr. Lin, respectively.

(2) The remaining 20% shareholding interest in Eduserve International was held by Mr. Poon King Hang, the manager of Eduserve International.

(3) The remaining 30% shareholding interest in i-Control (China) was held by Mr. Wong To Yan, the general manager of i-Control (China) and i-Control (Shanghai).

BUSINESS OVERVIEW

We are a Hong Kong-based service provider of video conferencing and multimedia audiovisual solution. Our services provided to our clients during the Track Record Period can be generally divided into two lines, namely the provision of: (i) solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services; and (ii) audiovisual system maintenance services. We set up our business in 1987 and have been in operation for over 28 years. Our key operations generally range from (i) consultation and design; (ii) equipment procurement and installation; to (iii) maintenance. According to the Ipsos Report, we accounted for approximately 9.8% of total industry revenue in Hong Kong in 2014 and ranked third in the industry in Hong Kong by the same benchmark.

Our clients mainly include multi-national enterprises, listed companies, institutions of tertiary education and various contractors. Our largest market is Hong Kong, which accounted for approximately 90.7%, 93.9% and 84.8% of our total revenue for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively. We also had clients from the PRC, Singapore and Macau during the Track Record Period.

Our suppliers include local distributors of video conferencing and multimedia audiovisual equipment in Hong Kong and overseas manufacturers headquartered in the United States, Canada and Finland. As at the Latest Practicable Date, we were the authorised distributor of three of our video conferencing and multimedia audiovisual equipment suppliers. For details of the distributorship arrangement with our suppliers, please refer to the paragraph headed "Business — Our Suppliers — Distributorship" in this prospectus.

OUR COMPETITIVE STRENGTHS

Our Directors believe that our Group possesses the following competitive strengths:

We are an established video conferencing and multimedia audiovisual solution provider in Hong Kong

We have been engaged in the video conferencing and multimedia audiovisual solution related industry in Hong Kong since 1987. According to the Ipsos Report, we accounted for approximately 9.8% of total industry revenue in Hong Kong in 2014 and ranked third in the industry in Hong Kong by the same benchmark. Our clients mainly include multi-national enterprises, listed companies and institutions of tertiary education. Our Directors consider that with our operating history, reputation and proven track record, we are an established video conferencing and multimedia audiovisual solution provider in Hong Kong. We believe that the long operating history of our Group and our reputation will assist our Group in obtaining future contracts.

We provide high quality, integrated and tailor-made video conferencing and multimedia audiovisual solution to our clients from various industries

Our Directors are of the view that our service quality is the key to our Group's success. We put emphasis on maintaining our service quality such that our service continues to meet the demands of our clients. Our operating procedures are controlled and monitored to ensure adherence to stringent quality standards. The management system of Eduserve International

for the provision of (i) solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services; and (ii) audiovisual system maintenance services, has been assessed and certified as meeting the requirements of ISO 9001:2008 since 7 December 2012. Such certificate is valid until 7 December 2015. Further, the management system of i-Control (Hong Kong) for the provision of sales, distribution and after sales service of audio and video products, excluding programming services and project management, has been assessed and certified as meeting the requirements of ISO 9001:2008 since 9 February 2011. Such certificate is valid until 9 February 2017.

We seek to offer integrated and tailor-made video conferencing and multimedia audiovisual solution to our clients, whose key operations range from (i) consultation and design; (ii) equipment procurement and installation; to (iii) maintenance. For each of these key operations, we tailor-make our solutions to suit various requirements and specifications of our clients from a wide spectrum of industries. This facilitates us to develop an extensive clientele ranging from multi-national enterprises to tertiary education institutions. We believe our commitment to high quality tailored services will allow us to be better positioned to deliver satisfactory works to clients, thereby enhancing our reputation as a quality and reliable video conferencing and multimedia audiovisual solution provider.

We have been able to secure a stable source of quality video conferencing and multimedia audiovisual equipment. As at the Latest Practicable Date, we were the authorised distributor of three of our video conferencing and multimedia audiovisual equipment suppliers

Our suppliers include local distributors of video conferencing and multimedia audiovisual equipment in Hong Kong and overseas manufacturers headquartered in the United States, Canada and Finland. As at the Latest Practicable Date, we were the authorised distributor of three of our video conferencing and multimedia audiovisual equipment suppliers, one of which had been our top five suppliers in each of the two years ended 31 March 2014 and the nine months ended 31 December 2014. For details of the distributorship arrangement with our suppliers, please refer to the paragraph headed "Business — Our Suppliers — Distributorship" in this prospectus.

Leveraging on our Group's established business relationships with our key suppliers, we have been able to source quality video conferencing and multimedia audiovisual equipment to match our needs and quality standard. We believe that this ensures a stable source of supplies that meet our clients' needs, thereby strengthening our ability to provide quality services to our clients.

We have an extensive clientele

Our top five clients for the two years ended 31 March 2014 and the nine months ended 31 December 2014 mainly included multi-national enterprises, listed companies, institutions of tertiary education and various contractors.

We have established long-term relationships with a number of our clients over our 28 years of operations. For example, one of our top five clients for each of the two years ended 31 March 2014 had been doing business with us for over 21 years.

In addition to maintaining established relationships with our existing clients, we have been expanding our clientele. As at 31 December 2014, we had 19 staff in our sales and marketing department, who are primarily responsible for promoting our service, approaching new clients, responding to enquiries and negotiating quotations with our clients.

Our top 15 clients for the two years ended 31 March 2014 and the nine months ended 31 December 2014 accounted for approximately 52.1%, 50.0% and 56.8% of our total revenue respectively. Accordingly, our Directors consider that we have an extensive clientele.

With this client profile, we are confident that we can leverage on our successful experience to secure future projects and maintain our market position in the industry.

We have an experienced and dedicated management team

Our Directors believe that our past success and future prospects depend very much on our experienced management team, which has extensive experience and technical expertise in the video conferencing and multimedia audiovisual solution business in Hong Kong.

Two of our founders and executive Directors, Mr. Tong, who is also our Chairman, and Mr. WY Chan, has more than 30 years of experience in the video conferencing and multimedia audiovisual solution industry. They possess in-depth knowledge of and insight into market development and trend of the video conferencing and multimedia audiovisual solution industry. Mr. Tong is currently responsible for managing our business development and devising our business strategies while Mr. WY Chan is responsible for our financial management and is our compliance officer. Our other founder and non-executive Director, Dr. Wong, has extensive experience and knowledge of management and is responsible for providing strategic advice to our Group.

Our executive Director, Mr. WL Chan, joined our Group in 1997 as a sales executive and became a director of i-Control (Hong Kong) through internal promotion over the years. With more than 18 years of experience in the video conferencing and multimedia audiovisual solution industry and service with our Group, Mr. WL Chan has in-depth knowledge of the video conferencing and multimedia audiovisual solution industry and is familiar with our Group's operations. He is currently responsible for managing our business development and overseeing our general business operations.

Our Directors believe that our management team's sound technical knowledge in the video conferencing and multimedia audiovisual solution industry, extensive commercial experience and business acumen have enabled us to build an extensive clientele, develop strong expertise in our video conferencing and multimedia audiovisual solution. Going forward, our Directors believe that we will continue to benefit from the sound business judgment and managerial expertise of our management team, which has enabled us and will continue to enable us to further expand our business.

BUSINESS STRATEGIES

Our principal objectives are (i) to maintain and strengthen our position as one of the leading video conferencing and multimedia audiovisual solution providers in Hong Kong; and (ii) to expand our market share in the video conferencing and multimedia audiovisual industry in the PRC and Singapore. We aim to achieve these objectives by implementing the following strategies:

To expand our sales and marketing department in Hong Kong

Our Directors consider that it is important to maintain and strengthen our position as being one of the leading video conferencing and multimedia solution providers in Hong Kong, and our Hong Kong office will remain to be our headquarters. As such, we plan to expand our sales and marketing department by recruiting approximately five senior and experienced sales staff.

In connection with our aforesaid plan, the total expenditure for such expansion will primarily consist of the estimated salary of the five senior and experienced sales staff to be recruited, and is estimated to be approximately HK$11.5 million, with reference to the current remuneration packages of our Group and the local employment market for relevant sales and marketing personnel.

Our Directors confirm that as at the Latest Practicable Date, none of these sales staff has been recruited yet.

We plan to spend such expenditure by stages from the Latest Practicable Date to 30 June 2017. We plan to finance such expenditure from the proceeds from the Placing. If there is a shortfall in funding, such expenditure would be financed by our internal resources.

To acquire a warehouse in Hong Kong

As at the Latest Practicable Date, we rent two warehouses in Hong Kong for our operating needs. Our Directors consider that it would not be in our best interest to continue to use leased properties as our warehouse because of: (i) the risk of substantial increases in rental expenses; and (ii) the risk of early termination or non-renewal of our tenancy agreements by the relevant landlord. As such, we intend to acquire our own warehouse. We also intend to use part of such warehouse as a supporting centre for our clients.

We target to acquire a warehouse with approximately 7,000 sq.ft. in the Eastern Kowloon region, which would be located close to our current office. Nevertheless, as at the Latest Practicable Date, we have not identified any potential acquisition target.

In connection with our aforesaid plan, the total capital expenditure is estimated to be approximately HK$29.5 million, which comprises (i) approximately HK$24.0 million as our payment other than by way of mortgage loan (i.e. approximately 60% of the total consideration for the warehouse); (ii) approximately HK$3.8 million as stamp duty and professional fees payable; and (iii) approximately HK$1.7 million as refurbishment and other expenses.

We plan to spend such capital expenditure by stages from the Latest Practicable Date to 30 June 2017. We plan to finance such expenditure from the proceeds from the Placing. If there is a shortfall in funding, such expenditure would be financed by our internal resources.

To set up new regional offices with showrooms in Beijing, Shanghai and Singapore

Our Directors are of the view that there has been growing demand for video conferencing and multimedia audiovisual solution in Singapore and in the PRC, especially in first-tier cities such as Beijing and Shanghai. Leveraging on our experience as an established video conferencing and multimedia audiovisual solution provider in Hong Kong, we consider that we are well positioned to provide a wide range of video conferencing and multimedia audiovisual solution to potential clients in the PRC and Singapore. In order to increase our public awareness in the PRC and Singapore, we intend to enhance our sales and marketing activities in Beijing, Shanghai and Singapore by: (i) setting up regional offices with showrooms; and (ii) expanding our sales team through recruitment in the local job markets.

In connection with our aforesaid plan, the total expenditure is estimated to be approximately HK$13.7 million.

We plan to spend such expenditure by stages from the Latest Practicable Date to 30 June 2017. We plan to finance such expenditure from the proceeds from the Placing. If there is a shortfall in funding, such expenditure would be financed by our internal resources.

To carry out marketing and promotion in Hong Kong, the PRC and Singapore

With the setting up of our regional offices and showrooms in Beijing, Shanghai and Singapore, and the expansion of our sales and marketing department in Hong Kong, our Directors consider that it is necessary to carry out marketing and promotion activities on both traditional and new media platforms to improve public awareness of our Group and further strengthen our position in Hong Kong, the PRC and Singapore, in order to effectively develop our clientele and increase our market share, thereby contributing to high revenue and business growth in the future.

In connection with our aforesaid plan, the expenditure is estimated to be approximately HK$2.4 million.

We plan to spend such expenditure by stages from the Latest Practicable Date to 30 June 2017. We plan to finance such expenditure from the proceeds from the Placing. If there is a shortfall in funding, such expenditure would be financed by our internal resources.

We intend to use approximately HK$3.4 million from the Latest Practicable Date to 30 September 2015, and HK$36.2 million from 30 September 2015 to 31 March 2016 from the proceeds for the expansion of our Group. Except for the approximately HK$29.5 million from 30 September 2015 to 31 March 2016 used for the acquisition of the new warehouse, remaining amount will be deployed as staff cost and other operating expense for the year ending 31 March 2016. Despite the expected increase in revenue, the financial results of our Group for the year ending 31 March 2016, will be adversely affected by (i) the expected lower revenue generated by each employee after hiring additional sale personnel in Hong Kong and expenses incurred in setting up new offices overseas in the first year after the Listing, (ii) the increase in directors' remuneration for the year ending 31 March 2016 as compared to the year ended 31 March 2015, (iii) the increase in selling, promotion and exhibition expenses and (iv) additional expenses such as listing fees and professional fees to be incurred after the Listing.

For details of our implementation plan, please refer to the paragraph headed "Future Plans and Use of Proceeds — Implementation Plans" in this prospectus.

BUSINESS MODEL AND OUR OPERATION

Our revenue generated during the Track Record Period is primarily derived from the provision of video conferencing and multimedia audiovisual solution in Hong Kong, which can be generally divided into two lines, namely the provision of (i) solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services; and (ii) audiovisual system maintenance services. The following table sets forth the breakdown of our Group's revenue by such two lines during the Track Record Period:

Service type	Year ended 31 March				Nine months ended 31 December	
	2013		2014		2014	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services *(Note)*	104,038	96.2	95,459	93.2	80,478	92.2
Audiovisual system maintenance services	4,081	3.8	7,015	6.8	6,768	7.8
Total:	108,119	100.0	102,474	100.0	87,246	100.0

Note:

The scope of our services varies from project to project depending on our clients' needs. Some of our clients may only require us to procure and deliver certain video conferencing and multimedia audiovisual equipment without requiring any design or installation services to be provided by us. In carrying out our projects with such particular scope, however, our Directors do not consider that we are engaging in a separate business line for the following reasons:

– we position ourselves as a service provider of high quality, integrated and tailor-made video conferencing and multimedia audiovisual solution. The installation works together with the consultation services that we provide to our clients distinguish us from being a general equipment reseller, and sales of video conferencing and multimedia audiovisual equipment constitute an integral part of our business but not a standalone business line;

– we would typically provide a consultation of a varying degree to our clients, including but not limited to: (i) making equipment recommendations; (ii) providing descriptions of the features and functions of equipment; (iii) arranging for equipment demonstrations; and (iv) advising our clients on whether the relevant equipment would be compatible with their existing or surrounding video conferencing and multimedia audiovisual equipment or system, where applicable (the "**Consultation Services**"); and

– some of these projects involved installation works for certain parts of equipment they had ordered.

Given that a service element was involved in these projects, our Directors consider that it would not be appropriate to classify them as a separate business line of trading or reselling. During the Track Record Period, we had projects which required us to procure and deliver certain video conferencing and multimedia audiovisual equipment and solely involved our Consultation Services (i.e. without requiring any design or installation services from our Group). For the same period, the revenue attributable to this kind of project was approximately 8.3%, 8.0% and 8.4% of our total revenue, respectively.

The end-users of video conferencing and multimedia audiovisual solution can be generally divided into two categories, namely: (i) the public sector, which refers to the Government bureaus and departments, primary and secondary schools, and universities; and (ii) the private sector, which refers to parties other than the public sector, including, but not limited to, banks, offices of various businesses, multi-national corporations, retail outlets and small-medium enterprises.

In certain situations, end-users may not directly, but through their contractors, engage us for our video conferencing and multimedia audiovisual solution. As such, during the Track Record Period, our clients generally included both (i) end-users; and (ii) contractors engaged by the end-users.

Our projects of video conferencing and multimedia audiovisual solution are classified as either in the public sector or private sector by reference to the backgrounds of the end-users. During the Track Record Period, we primarily undertook projects in (i) both the public and private sectors in Hong Kong; and (ii) the private sector in the PRC, Singapore and Macau.

Operation mode in Hong Kong

During the Track Record Period, i-Control (Hong Kong) and Eduserve International were the parties executing all the contracts in respect of our Group's projects located in Hong Kong.

i-Control (Hong Kong) was wholly-owned by i-Control (ITAV) but i-Control (ITAV) only held 80% shareholding interest in Eduserve International. The remaining 20% shareholding interest in Eduserve International was held by Mr. Poon King Hang, the manager of Eduserve International. Please also refer to the diagram of our shareholding structure on page 95 in this prospectus.

During the Track Record Period, both Eduserve International and i-Control (Hong Kong) were service providers of video conferencing and multimedia audiovisual solution. They provided same type of service to their respective clients and operated separately. They had overlapping client base during the Track Record Period and therefore they potentially could compete with each other.

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, we had 15, 18 and 29 clients which both i-Control (Hong Kong) and Eduserve International provided service to. These overlapping clients were attributable to approximately 15.2%, 6.0% and 12.5% of our total revenue for the same periods, respectively.

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, the percentage of net profit contributed by Eduserve International in proportion of net profit attributable to the equity owner of our Company (excluding listing expense and gain from disposal of investment property) were approximately 5.1%, 8.8% and 11.6%, respectively.

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, the percentage of net profit contributed by i-Control (Hong Kong) in proportion of net profit attributable to the equity owner of our Company (excluding listing expense and gain from disposal of investment property) were approximately 89.3%, 98.1% and 73.1%, respectively.

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, the percentage of net profit/loss contributed by other operating subsidiaries of our Group in proportion of net profit attributable to the equity owner of our Company (excluding listing expense and gain from disposal of investment property) were approximately 5.6%, -6.9% and 15.3%, respectively.

The following table sets forth the breakdown of certain financial information of our Group during the Track Record Period:

	Year ended 31 March						Nine months ended 31 December		
	2013			2014			2014		
	Revenue	Gross operating profit	Gross operating margin ratio	Revenue	Gross operating profit	Gross operating margin ratio	Revenue	Gross operating profit	Gross operating margin ratio
Eduserve International	27.2%	22.1%	29.8%	26.4%	21.0%	30.4%	24.8%	19.9%	33.6%
i-Control (Hong Kong)	64.9%	68.3%	38.6%	71.7%	76.4%	40.6%	64.6%	64.6%	41.8%
Other operating subsidiaries of our Group	7.9%	9.6%	32.3%	1.9%	2.6%	30.0%	10.6%	15.5%	46.4%
Total:	100.0%	100.0%		100.0%	100.0%		100.0%	100.0%	

We are of the view that by maintaining two separate operating subsidiaries, we can further strengthen our competitive edge and increase our market share. In view of the potential conflict and competition between Eduserve International and i-Control (Hong Kong), and in order to protect the interest of Shareholders as a whole after Listing, we agree to adopt the following internal control measures to govern the allocation of business and resources between them:

- all our clients, including both existing clients and new clients of both i-Control (Hong Kong) and Eduserve International, will be informed that both i-Control (Hong Kong) and Eduserve International provide same type of service by, including but not limited to, the following manner: (i) new brochure or other marketing material on the latest development of our Group including our corporate structure and services provided by i-Control (Hong Kong) and Eduserve International; (ii) our Group's website at www.i-control.com.hk will be updated which will include this prospectus; and (iii) all name cards of all members of our Group (if any) will be updated to show that the holding company of our Group is our Company;

- we will implement formal policy that, all our clients, including both existing clients and new clients of both i-Control (Hong Kong) and Eduserve International, will be referred to i-Control (Hong Kong), and all our service contracts with our clients will be executed, and the relevant projects will be carried out, by i-Control (Hong Kong), unless: (i) the relevant clients approaching Eduserve International, after being informed that both i-Control (Hong Kong) and Eduserve International provide same type of service as described above, still intend to engage Eduserve International instead of i-Control (Hong Kong) for the provision of our services; or (ii) the

relevant projects involve the procuring and delivering of items of equipment that Eduserve International possesses the distributorship rights (for details of our distributorship arrangements, please refer to the paragraph headed "Distributorship" on page 130 in this prospectus) and solely involve our Consultation Services (i.e. without requiring any design or installation services from our Group). Our revenue attributable to projects of procuring and delivering certain equipment in respect of which Eduserve International possesses the distributorship rights, which solely involved our Consultation Services (i.e. without requiring any design or installation services from our Group) was approximately 5.5%, 5.5% and 5.4% of our total revenue during the Track Record Period, respectively. Eduserve International's purchases of equipment from authorized distributorship suppliers as a percentage of the Group's total purchases of materials during the Track Record Period amounted to approximately 10.4%, 9.7% and 10.4% of the Group's total purchases of materials during the Track Record Period, respectively;

- our independent non-executive Directors will review, on an annual basis, the allocation of business and resources between Eduserve International and i-Control (Hong Kong);

- in assessing the appropriateness of the nature and amount of emoluments of our Directors and senior management, in particular, Mr. Poon King Hang, our remuneration committee will take into account the total remuneration package of Mr. Poon King Hang, including but not limited to, the dividends declared from Eduserve International in favour of him, to make sure the interest of Shareholders as a whole will be protected after the Listing;

- our Directors will ensure that in the event of there is any material conflict or potential conflict between Eduserve International and i-Control (Hong Kong) which may lead to the interests of the public shareholders being adversely affected then the matter will be reported to our independent non-executive Directors as soon as practicable when such conflict or potential conflict is discovered, and a board meeting will be held to review and evaluate the implications and risk exposure of such event and our Directors will monitor any material irregular business activities;

- in the event that there is any conflict in the operations of Eduserve International and i-Control (Hong Kong), any Director or senior management, who is considered to be interested in a particular matter or the subject matter, shall disclose his/her interests to our Board, and any interested Directors shall not vote on the resolutions of our Board approving the same and shall not be counted in the quorum of the relevant Board meeting under the GEM Listing Rules and Articles of Association; and

- our Board will also conduct a review on the effectiveness of such internal control measures on a yearly basis to ensure the appropriateness of the allocation of business and resources between Eduserve International and i-Control (Hong Kong) and our Directors will be entitled to seek independent professional advice from external parties at our Company's cost when they consider necessary. In addition, we will also engage external internal control consultant to carry out on-going internal audit to ensure the internal control measures are adequate and effective.

The above internal control measures were established on 29 April 2015 and implemented and effective on 6 May 2015. Our Directors and the Sole Sponsor have reviewed the above internal control measures established by our Group, and are of the view that the above internal control measures, when adopted, will be adequate and effective to manage the potential conflict and competition between Eduserve International and i-Control (Hong Kong).

Operation mode in the PRC

During the Track Record Period, i-Control (Shanghai), a PRC EIT taxpayer, was the party executing all the contracts in respect of our Group's projects located in the PRC.

During the Track Record Period, our Group's projects located in the PRC were principally processed by our Group's PRC staff in i-Control (Shanghai). i-Control (Shanghai) outsourced the system installation work to contractors in the PRC who are Independent Third Parties. Our Group's PRC staff would carry on day-to-day monitor work, with occasional supervision by Mr. Wong To Yan, the 30% shareholder of i-Control (China), to ensure if the contractors' performance was in line with our Group's standards. i-Control (Shanghai) received income and born the contracting fees.

During the Track Record Period, the video conferencing and multimedia audiovisual equipment to be installed were principally procured locally by i-Control (Shanghai) in the PRC. For certain items of equipment where they were more economically sourced outside the PRC, such equipment would then be procured and shipped from Hong Kong. Such equipment would be incidentally included in the purchase list of i-Control (Hong Kong) or i-Control (China) to be procured in Hong Kong initially, followed by delivery to i-Control (Shanghai) in the PRC by a forwarder, an Independent Third Party. i-Control (Hong Kong) and i-Control (China) would invoice the third party equipment cost and shipment cost, without any mark-up, to i-Control (Shanghai) as i-Control (Hong Kong) and i-Control (China) had no substantial involvement on behalf of i-Control (Shanghai) in the purchase process. The ultimate clients of the projects then settled the payments to i-Control (Shanghai) in the PRC. Neither i-Control (Hong Kong) nor i-Control (China) set up a separate scheme with significant involvement to carry on related party transactions in assisting i-Control (Shanghai) to procure equipment. The equipment that was procured by i-Control (Hong Kong) or i-Control (China) on behalf of i-Control (Shanghai) was also required to be procured, usually in larger quantities, by i-Control (Hong Kong) or i-Control (China) for other projects in the ordinary course of their daily business. Therefore, the procurement by i-Control (Hong Kong) or i-Control (China) of equipment on behalf of i-Control (Shanghai) was only an incidental situation.

During the Track Record Period and up to the Latest Practicable Date, our Group did not provide any audiovisual system maintenance services in the PRC.

Our Directors consulted the Tax Consultant and obtained confirmation that the abovementioned transaction flow did not have significant transfer pricing exposure between the PRC and Hong Kong.

Operation mode in Macau

During the Track Record Period, i-Control (Hong Kong) and Eduserve International, both being Hong Kong profits tax taxpayers, were the parties executing all the contracts of our Group's projects located in Macau.

During the Track Record Period, our Group's projects located in Macau were processed by our Group's staff in Hong Kong. i-Control (Hong Kong) and Eduserve International, as the case may be, outsourced the system installation work to contractors in Macau who are Independent Third Parties. Our Group's staff from Hong Kong visited Macau in order to ensure that the contractors' performance was in line with our Group's standards.

During the Track Record Period, the items of video conferencing and multimedia audiovisual equipment to be installed were procured in Hong Kong and then shipped to Macau. Items of equipment procured in Hong Kong were purchased by i-Control (Hong Kong) or Eduserve International. Clients of the projects settled the payments to i-Control (Hong Kong) and Eduserve International, as the case may be, in Hong Kong.

During the Track Record Period and up to the Latest Practicable Date, our Group did not provide any audiovisual system maintenance services in Macau.

Operation mode in Singapore

i-Control (Singapore), a Singapore income taxpayer, was and will be the party executing all the contracts of our Group's projects located in Singapore.

Our Group's project located in Singapore was processed by our Group's staff in Hong Kong since i-Control (Singapore) has no permanent staff at the present time. i-Control (Singapore) outsourced and will outsource system installation work to contractors in Singapore who are Independent Third Parties. Our Group's staff from Hong Kong visited Singapore in order to ensure the contractors' performance was in line with our Group's standards.

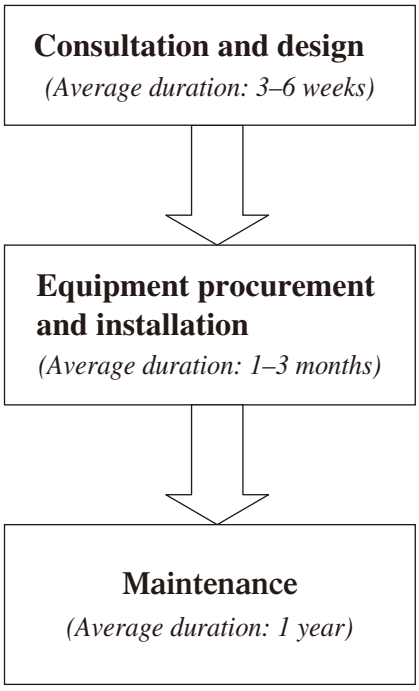
The video conferencing and multimedia audiovisual equipment to be installed were principally procured locally by i-Control (Singapore) as a contracting party in Singapore. For certain items of equipment, where they were more economically sourced outside Singapore, such equipment would then be procured and shipped from Hong Kong. Such equipment would be incidentally included in the purchase list of i-Control (Hong Kong) to be procured in Hong Kong initially, followed by delivery to our ultimate client in Singapore by a forwarder, an Independent Third Party. i-Control (Hong Kong) would invoice the third party equipment cost and shipment cost to i-Control (Singapore), without any mark-up, as i-Control (Hong Kong) had no substantial involvement, on behalf of i-Control (Singapore), in the purchase process. The ultimate client of the projects then settled the payments to i-Control (Singapore) in Singapore.

Our Directors consulted the Tax Consultant and obtained confirmation that the abovementioned transaction flow did not have significant transfer pricing exposure between Singapore and Hong Kong.

Solution for audiovisual, conferencing, presentation and multimedia control systems including installation services

We are able to provide to our clients high quality, integrated and tailor-made video conferencing and multimedia audiovisual solution that we believe is simple to operate and maintain. We devise a suitable video conferencing and multimedia audiovisual solution after careful deliberation of our clients' specific needs. We also recommend, procure and/or install the necessary video conferencing and multimedia audiovisual equipment that best suits our clients' requirements.

Our general operational work-flow is set out in the pattern below:



In general, our project cycle may range from 2 to 4 months (excluding the relevant maintenance period), depending on the project size. We do not offer any fixed package of video conferencing and multimedia audiovisual solution to our clients. Instead, we devise a wide range of video conferencing and multimedia audiovisual solution that best suits individual needs of our clients, including digital signage systems integration, multimedia classroom and lecture theatre installations, and conference room solutions. For types of video conferencing and multimedia audiovisual solution that we provided to our clients during the Track Record Period, please refer to the paragraph headed "Business — Our Services" in this prospectus.

Consultation and design

In general, when our clients approach us, our staff in the sales and marketing department will arrange a consultation with our clients in order to familiarise ourselves with: (i) their needs and specifications; (ii) the proposed sites for installation; (iii) their budgets; (iv) their existing and surrounding video conferencing and multimedia audiovisual equipment or system, if any; and (v) their visual effect requirements and preference.

We will then provide our clients with a design proposal, which is generally presented in the form of drawings and floor plan layouts together with illustrations. Our design proposal also generally includes recommendations in respect of items of equipment, and descriptions of the features and functions of such equipment. In certain cases, we may arrange for equipment demonstration in order to allow our clients to better understand the operation and features of our suggested equipment. Upon our clients' request, we may provide photos and catalogue of equipment for their consideration. We will keep refining our design proposal based on the feedback from our clients until they are satisfied with the same.

When our clients accept our design proposal, we provide them with our quotation, which will generally include a fee breakdown for each item of the equipment and each type of our services to be provided. Our staff in the sales and marketing department are responsible for conducting negotiation with our clients in relation to the quoted fees and scope of services.

In other cases, our clients or their contractors may directly provide us with all the necessary specifications and drawings for us to prepare the quotation or tender. We will then prepare and submit our quotation or tender for our clients to consider.

The equipment fee and service fee included in our quotation or tender are generally based on our cost estimates plus certain mark-up margins. Our cost estimates as to our equipment and services to be provided will generally take into account a number of factors, including (i) the scope of our services; (ii) complexity of the design and installation works; (iii) duration of the project; (iv) costs of equipment to be procured and installed; (v) the level of human resources to be involved; (vi) additional services to be provided such as training and on-site maintenance; and (vii) general market conditions. In determining the mark-up margins, we will generally take into account a number of factors, including (i) quantity of equipment; (ii) our inventory of the equipment required; (iii) our relationship with our clients; (iv) risk factors; and (v) historical fees we received for similar equipment or services.

We may require our clients to settle 50% of our total fee upon their acceptance of our quotation or tender as prepayment. In determining whether to require our clients to settle such prepayment, we will generally take into account a number of factors, including (i) our relationship with our clients; (ii) the relevant contract sum; and (iii) our clients' background. We generally issue invoices to our clients for the remaining balance of our total fee upon completion of the installation. We generally allow an average credit period of 30 days to our clients. In some cases, our clients will request the right to withhold approximately 5% of our total agreed contract sum due to us as retention monies. The retention monies are generally released to us after the expiry of our standard one-year maintenance service period.

Equipment procurement and installation

After our client has confirmed its acceptance of our quotation or tender, we will generally form a project team which will be responsible for the administration of the project. In general, the project team will mainly consist of a project manager, an audiovisual specialist, a programmer and a project administrator.

In certain situations, our projects may only form part of our clients' entire refurbishment project, and the remaining parts will be handled by other contractors or subcontractors engaged by our clients, including interior designers and network and electrical engineers. In such cases, we co-operate with these parties to ensure our solutions to be provided to our clients would complement and be compatible with the overall design of the refurbishment project.

We attend regular meetings with such parties to refine our solutions to be provided to our clients, keep ourselves updated about the progress of our clients' entire refurbishment project, raise any issues encountered and co-ordinate schedules to ensure smooth and prompt performance of our respective installation works.

After formation of our project team, we then generally proceed to procure the equipment required. We will firstly check our warehouse to determine if our inventory of the equipment required is sufficient to meet the installation orders. If the inventory we hold is not sufficient, we will place orders with our suppliers for the relevant equipment. The ordered equipment is usually delivered to our warehouse but, in some situations, we may arrange for direct delivery of the same to our clients' site for installation. In general, we only maintain inventory for some of the commonly purchased items such as projector and display systems, video conferencing systems and interactive systems, which we can sell and deliver to our clients immediately upon receipt of their orders. For details of our inventory control measures, please refer to the paragraph headed "Business — Our Suppliers — Inventory control measures" in this prospectus. The time required for delivery depends on the location of our suppliers' distribution points, and generally requires one to two weeks. We will inspect the equipment after their arrival and, if defective equipment is identified, it will be returned to our suppliers for replacement.

We may encounter situations where certain equipment of a particular brand is out of stock or not readily available in the market. In such case, we will generally inform our clients and recommend other suitable equipment as substitutes, and, if applicable, variation orders with the fee quotes for the revised equipment and services will be negotiated between the parties. In some projects, our clients may request us to provide services or procure equipment beyond the original scope of our services. We will provide them with our supplemental quotations for the additional services or equipment.

As at the Latest Practicable Date, we were the authorised distributor of three of our video conferencing and multimedia audiovisual equipment suppliers. Our Directors believe that, as a result of these distributorship arrangements, we have been able to procure quality video conferencing and multimedia audiovisual equipment from a stable source of supply. Further, we were given the rights to be the sole distributor or agent of certain equipment from two of these suppliers. In some cases, we had clients who placed purchase orders with us for video conferencing and multimedia audiovisual equipment as we possessed such exclusive right of distributorship in respect of such equipment in Hong Kong, Macau and/or the PRC, with or without design or installation services from our Group, depending on our clients' requests. Our revenue attributable to projects of procuring and delivering certain equipment from these three suppliers which solely involved our Consultation Services (i.e. without requiring any design or installation services from our Group) was approximately 5.5%, 5.5% and 5.4% of our total revenue during the Track Record Period, respectively.

Depending on our clients' specific needs, we may offer various types of customised solutions with flexible combinations of our services. For instance, some of our clients may only require us to procure and deliver certain video conferencing and multimedia audiovisual equipment without any design or installation works involved, whereas other clients may request to have all of our design, procurement and installation services. We provided Consultation Services of a varying degree to our clients in all of our projects during the Track Record Period. During the Track Record Period, we had projects which required us to procure and deliver certain video conferencing and multimedia audiovisual equipment and which solely involved our Consultation Services (i.e. without requiring any design or installation services from our Group). For the same period, the revenue attributable to this kind of projects was approximately 8.3%, 8.0% and 8.4% of our total revenue, respectively.

We generally carry out installation through our team of technicians. On some occasions, however, we may outsource part of our work to contractors which are Independent Third Parties.

Upon completion of the installation work, we will carry out a user acceptance test which generally comprises a series of performance checkings to ensure that the installed equipment and installation services that we provide are up to the standards as agreed with our clients. We normally require our clients to sign a commissioning form which will evidence our completion of the user acceptance test. Our Directors believe that this arrangement can avoid future disputes concerning the quality and installation of the equipment. After our clients sign the commissioning form, we will issue invoices to them for the remaining balance of the total fee. We generally allow an average credit period of 30 days to our clients.

After the equipment installed comes into operation, we will circulate to our clients a set of user manuals which sets out the functions and operational details of these items of equipment for their future reference. Depending on our clients' needs and requests, we normally provide one to three sessions of free training to our clients on the daily operation of the equipment that we have installed.

Audiovisual system maintenance services

Our quotation or tender will normally include a standard one-year maintenance service to our clients in relation to the equipment installed by us. Upon expiry of such one-year maintenance service, our clients may request renewal of our maintenance service. Subject to our negotiation with our clients, we may renew our maintenance service for another one year with a pre-paid annual service fee.

We also provide maintenance services to clients whose equipment are not installed by us.

In general, our annual maintenance service will include: (i) on-site service telephone calls or repair visits; (ii) replacement and equipment on-loan services where any equipment becomes defective during the maintenance period; and (iii) monthly preventive maintenance visits, depending on our clients' requirements. Our preventive maintenance generally refers to complete instrument cleaning services, functional inspections and checkings, as well as hardware adjustments and testings (excluding the cost of spare parts used for replacement). Through our on-site service telephone call hotline, our clients may consult our staff on technical issues they encounter during operation. In the event that the reported issues concern

the operational usage of the equipment, we generally respond to our clients within the same day upon receipt of their calls. Based on the information available, we will provide suggestions or solutions for resolving the reported issues, and, where applicable, coordinate with our technicians to: (i) confirm the problems of the defective equipment; (ii) arrange for on-site remedial actions; (iii) schedule for the dismantling and return of the relevant equipment; and (iv) prepare a service or maintenance report after each on-site visit. Further, if the defective equipment cannot be immediately repaired, we will normally provide equipment on a temporary loan basis to our client until the repair is completed.

We target to provide on-site support to our clients within the next business day following our clients' inquiries or requests. In the event that our clients require on-site support during non-business hours or require emergency service, we will charge an extra hourly fee based on the schedules set out in the maintenance service agreements. Depending on our clients' needs, we may also station our technicians at a designated venue of our clients for a specified period to provide on-site support services.

Hardware repair service is generally covered by the warranty period provided by the relevant hardware suppliers, generally for a period of one year. Therefore, our scope of maintenance service relating to repairing the hardware is limited to: (i) liaising with the relevant suppliers on our clients' behalf for replacement or repair services; and (ii) arranging for the installation of the hardware delivered by the relevant suppliers as replacement.

The amount of our annual maintenance service fee depends on a number of factors, including (i) the size and complexity of the equipment involved; (ii) the life cycle of the equipment; (iii) the number of our staff to be involved; and (iv) the scope of maintenance services.

Our Directors are of the view that the life cycle of the equipment installed is generally around three to four years because, based on their experience: (i) the term of tenancy in Hong Kong for office premises is generally around three years, and if clients need to relocate to new office premises upon expiry of the original tenancy, they may prefer having new equipment at the new offices rather than relocating the old one; (ii) equipment aged more than three years may not be compatible with the prevailing technology; and/or (iii) the maintenance costs for equipment aged more than three years are generally substantial. Further, according to the Ipsos Report, more schools in Hong Kong are going to use more video and multimedia products to improve teaching quality in the coming years, which our Directors believe will in turn create a stable source of business for the audiovisual service industry.

In view of the aforesaid, our Directors consider that providing maintenance services enables us to consolidate our business relationships with, and keep track of the changing needs of our existing clients, and to become familiar with our new clients' needs. We are able to provide them with continuing consultation with updated video conferencing and multimedia audiovisual technology information, and therefore explore new business opportunities.

OUR SERVICES

The following sets out types of our video conferencing and multimedia audiovisual solution provided to our clients during the Track Record Period:

Digital signage systems integration

Our digital signage systems are generally used for advertising or delivering real-time information to viewers in public. Therefore, our clients usually have high requirements as to the size and quality of the signage display we use. In the event that our clients demand an exceptionally large video display that is not readily available in the market, we may mount a number of display panels together to form a single large video wall in order to produce the visual effects required by our client.

In one of our projects, for example, we have decorated the entrance area of our client's office with an interactive projection system which produces the visual effects of a waterfall.

Conference room solutions

Our conference room solutions are generally targeted at banks, investment companies and technology companies. We incorporate a number of audiovisual features in our solutions to enhance the interactive experience of participants. For instance, our multi-source conferencing system enables presentation and video conference to be conducted simultaneously. Participants are able to read the presentation materials from a giant display panel on the main wall, and have a real-time distance meeting with other parties via displays on the side walls at the same time. Our system supports multi-site conference and the number of site depends on equipment capacity. We believe that our conference room solutions would benefit our clients by reducing their travelling time and expenses.

Our solution also incorporates a central control system for audiovisual and lighting settings, and a room booking system. In some cases, interactive whiteboard systems are installed which allow participants to share information through the network simply by writing on the display whiteboard directly.

Certain clients with overseas branches may also request us to include an interpretation system in our solutions. Our interpretation systems are generally operated by translators and the translated audio signals are delivered to participants. Participants may therefore listen to the presentations in their preferred languages.

Multimedia classroom and lecture theatre installations

Our multimedia classroom and lecture theatre installations services target education institutions and multi-national media companies. Our solutions are designed to provide a digital training, seminar and discussion platform for our clients. Through discussions with our clients, we recognise that our clients may from time to time conduct training or seminar sessions involving a significant number of overseas participants. In view of such needs, we have developed a special video conference system for use in public and in auditoriums whereby the speakers may access and control all the audiovisual equipment via a control panel. Such systems help to reduce the time involved in setting up the equipment significantly and enable presentations to be delivered in a smooth and efficient manner.

Our projects

During the Track Record Period, we had completed 8,740 projects.

The following table sets forth the breakdown of the number of projects completed by our Group during the Track Record Period based on geographical location:

Solution for audiovisual, conferencing, presentation and multimedia control systems including installation services

Location	For the year ended 31 March 2013	2014	For the nine months ended 31 December 2014
Hong Kong	2,677	2,333	2,161
The PRC	26	11	12
Singapore	–	–	1
Macau	12	16	22
Total:	2,715	2,360	2,196

Audiovisual system maintenance services

Location	For the year ended 31 March 2013	2014	For the nine months ended 31 December 2014
Hong Kong	530	520	418
The PRC	–	–	–
Singapore	–	–	1
Macau	–	–	–
Total:	530	520	419

As stated on page 111 in this prospectus, our pricing in our quotation or tender is generally based on our cost estimates plus certain mark-up margins. In securing projects in the PRC, Macau and Singapore, in view of the difference in their operation environment comparing with Hong Kong, we will also consider certain additional factors arising from the differences in the tax systems and regulatory environment in the PRC, Macau and Singapore.

As to our operation structure, please refer to pages 105 to 109 in this prospectus. When we procure certain video conferencing and multimedia audiovisual equipment in the PRC, Macau or Singapore, we will first determine if it is commercially viable to procure it locally in the relevant place. If such equipment is not readily available in the local market at acceptable

terms or prices, we will estimate the additional costs and expenses that may be incurred by procuring the same from Hong Kong and shipping the same to the PRC, Macau or Singapore, which typically include, among others, import duties (if any), handling fees and/or shipment costs. We will then adjust the equipment fee and/or service fee in our quotation accordingly. In stating so, our Directors consider that there is no material difference in terms of the operation structure between our projects in Hong Kong, the PRC, Macau and Singapore.

Other than the aforesaid, the factors that we take into account in determining the cost estimates and the mark-up margins for projects in the PRC, Macau and Singapore are substantially similar to those in regard to projects in Hong Kong. As such, our Directors adopt consistent pricing policy and operation mode with no material difference in respect of projects in Hong Kong, the PRC, Macau and Singapore.

As at the Latest Practicable Date, we have a total of 489 projects either in progress or yet to commence, which are expected to be completed on or before 30 September 2015. As at the Latest Practicable Date, the total contract sum of these 489 projects was approximately HK$24.9 million, and the total amount of revenue to be recognised for the year ending 31 March 2016 was approximately HK$24.9 million.

The following table sets forth the details of our projects which were either in progress or yet to commence as at the Latest Practicable Date with a total contract sum of more than HK$0.4 million in descending order based on the total contract sum[(Note 1)]:

No.	Location	Project nature (public/ private sector)	Project status (in progress/ yet to commence)	Actual/expected completion date	Total contract sum *(HK$ million)*	Revenue to be recognised for the year ending 31 March 2016 [(Note 2)] *(HK$ million)*
1.	Hong Kong	Private	In progress	End of June 2015	3.0	3.0
2.	Hong Kong	Private	In progress	End of June 2015	2.5	2.5
3.	Hong Kong	Public	In progress	End of July 2015	1.2	1.2
4.	Hong Kong	Public	In progress	End of July 2015	0.9	0.9
5.	Hong Kong	Private	In progress	End of July 2015	0.9	0.9
6.	Hong Kong	Private	In progress	End of July 2015	0.8	0.8
7.	Hong Kong	Private	In progress	End of July 2015	0.6	0.6
8.	Macau	Private	In progress	End of August 2015	0.5	0.5
9.	Hong Kong	Private	In progress	End of June 2015	0.4	0.4
Total:					10.8	10.8

Notes:

1. All of these projects are concerned with providing solution for audiovisual, conferencing, presentation and multimedia control systems including installation services.

2. According to our revenue recognition policy, none of these projects' revenue had been recognised as at the Latest Practicable Date. For details, please refer to the paragraph headed "Financial Information — Our Critical Accounting Policies – Revenue recognition" in this prospectus.

In relation to solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, we had 10 projects either in progress or yet to commence as at the Latest Practicable Date with a total contract sum between HK$200,001 and HK$400,000. As at the Latest Practicable Date, the total contract sum of these 10 projects was approximately HK$3.1 million, and the total amount of revenue to be recognised for the year ending 31 March 2016 was approximately HK$3.1 million. We also had 187 projects either in progress or yet to commence as at the Latest Practicable Date with total contract sum of or below HK$200,000. As at the Latest Practicable Date, the total contract sum of these 187 projects was approximately HK$4.5 million, and the total amount of revenue to be recognised for the year ending 31 March 2016 was approximately HK$4.5 million.

In relation to audiovisual system maintenance services, we had 283 projects either in progress or yet to commence as at the Latest Practicable Date. As at the Latest Practicable Date, the total contract sum of these 283 projects was approximately HK$6.5 million, and the total amount of revenue to be recognised for the year ending 31 March 2016 was approximately HK$6.5 million.

SALES AND MARKETING

During the Track Record Period, we mainly provided video conferencing and multimedia audiovisual solution to our clients in Hong Kong. We also have clients based in the PRC, Singapore and Macau. As at the Latest Practicable Date, we had one subsidiary in Shanghai, the PRC and one subsidiary in Singapore. Our staff in the PRC are generally responsible for providing video conferencing and multimedia audiovisual solution to our clients in the PRC. The following table sets forth the breakdown of our revenue by geographical locations of our clients during the Track Record Period:

	Year ended 31 March				Nine months ended 31 December	
Location	**2013**		**2014**		**2014**	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Hong Kong	98,069	90.7	96,224	93.9	73,994	84.8
The PRC *(Note 1)*	9,296	8.6	2,495	2.4	1,381	1.6
Singapore *(Note 2)*	–	–	–	–	9,373	10.7
Macau *(Note 3)*	754	0.7	3,755	3.7	2,498	2.9
Total:	108,119	100.00	102,474	100.00	87,246	100.00

Notes:

1. During the Track Record Period, our projects located in the PRC were principally handled by our PRC staff. The items of video conferencing and multimedia audiovisual equipment to be installed were principally procured in the PRC with the remaining equipment procured in and shipped from Hong Kong. We outsourced the system installation work to contractors in the PRC who are Independent Third Parties. Our PRC staff would monitor, and if necessary, our Hong Kong staff would visit the PRC to monitor, whether our contractors' performance met our standards. During the Track Record Period and up to the Latest Practicable Date, we did not provide any audiovisual system maintenance services in the PRC.

2. During the Track Record Period, our project in Singapore was handled by our Hong Kong staff. The items of video conferencing and multimedia audiovisual equipment to be installed were principally procured in Singapore with the remaining equipment procured in and shipped from Hong Kong. We outsourced the system installation work to contractors in Singapore who are Independent Third Parties. Our Hong Kong staff visited Singapore from time to time to monitor whether our contractors' performance met our standards.

3. During the Track Record Period, our projects located in Macau were handled by our Hong Kong staff. The items of video conferencing and multimedia audiovisual equipment to be installed were procured in Hong Kong and then shipped to Macau. We outsourced the system installation work to contractors in Macau who are Independent Third Parties. Our Hong Kong staff would visit Macau to monitor whether our contractors' performance met our standards. During the Track Record Period and up to the Latest Practicable Date, we did not provide any audiovisual system maintenance services in Macau.

The following table sets forth the breakdown of our revenue by our projects in public and private sectors during the Track Record Period:

	Year ended 31 March				Nine months ended 31 December	
	2013		2014		2014	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Public sector *(Note 1)*	34,056	31.5	25,686	25.1	22,498	25.8
Private sector *(Note 2)*	74,063	68.5	76,788	74.9	64,748	74.2
Total:	108,119	100.00	102,474	100.00	87,246	100.00

Notes:

1. Public sector refers to Government bureaus and departments, primary and secondary schools, and universities, etc.

2. Private sector refers to parties other than the public sector, including but not limited to banks, offices of various businesses, multi-national corporations, retail outlets and small-medium enterprises, etc.

Our Directors consider that there is no seasonal fluctuation in the demand for our video conferencing and multimedia audiovisual solution.

We generally adopt a flexible pricing strategy for our video conferencing and multimedia audiovisual solution. For details, please refer to the paragraph headed "Business — Business Model and Our Operation" in this prospectus.

As at 31 December 2014, we had 19 staff in our sales and marketing department who were primarily responsible for promoting our video conferencing and multimedia audiovisual solution, organising marketing activities, approaching new clients, responding to enquiries from our potential clients and negotiating quotations with our clients. We obtained the projects in the public sector during the Track Record Period by regularly checking the Government's websites to identify potential projects and/or by receipt of invitations from the Government to submit tenders for its projects. During the Track Record Period, we did not engage any external salesman, distributor or trading company for our video conferencing and multimedia audiovisual solution.

During the Track Record Period, we carried out our marketing activities generally through our websites and advertisements in magazines.

We adopt a sales incentive scheme for our staff in our sales and marketing department. Apart from the basic monthly salary, our staff in our sales and marketing department is generally entitled to a commission which is calculated by reference to the gross profit derived from the orders and projects handled by that staff in the relevant month.

For details of our employees benefit schemes, please refer to the paragraph headed "Business — Our Employees" in this prospectus.

Our Directors are of the view that the risk of reliance on our staff to promote our services and maintain our client relationship (for details of such risk factor, please refer to the section headed "Risk Factors" in this prospectus) is minimised by the following measures:

- we have implemented sales incentive scheme and employees benefit scheme;
- a number of our top five clients during the Track Record Period are directly handled by our executive Directors; and
- we invited some of our key employees to subscribe for shares in certain subsidiaries in our Group (for details of such minority shareholdings, please refer to the section headed "History, Reorganisation and Group Structure" in this prospectus).

Further, with the adoption of the Share Option Scheme after the Listing, we consider that the interests of our employees will be linked to our Group's interest, thereby further strengthening the relationships between our Group and our employees.

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our promotion and exhibition expenses amounted to approximately HK$385,000, HK$389,000 and HK$490,000, respectively, representing approximately 3.1%, 8.1% and 3.3% of our other operating expenses for the same periods.

Moreover, we believe that the Listing will be a breakthrough in promoting our Group to the general public, thus further enhancing our brand and future business development.

OUR CLIENTS

Our top five clients for the two years ended 31 March 2014 and the nine months ended 31 December 2014 were Independent Third Parties and were mostly multi-national enterprises, listed companies, institutions of tertiary education and various contractors. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our total revenue attributable to our top five clients amounted to approximately HK$32.9 million, HK$29.6 million and HK$29.7 million, respectively, accounting for approximately 30.4%, 28.9% and 34.0% of our total revenue, respectively. During the same period, our revenue generated from sales to our top client amounted to approximately 8.8%, 7.0% and 10.7% of our total revenue, respectively. As at the Latest Practicable Date, save for an insignificant amount of shares in Client A, which is a company whose shares are listed on the Stock Exchange, held for passive investment purpose from time to time, none of our Directors, Shareholders (which to the knowledge of our Directors owns more than 5% of the issued share capital of our Company) or their respective close associates had any interest in any of our top five clients during the Track Record Period.

The following three tables set forth the details of our top five clients during the Track Record Period:

For the year ended 31 March 2013

Client	Background	Project nature (public/private sector)	Approximate % of our total revenue	Length of business relationship with our Group as at the Latest Practicable Date (number of years)
Client E	A tertiary education institute in Hong Kong	Public	8.8%	21
Client F	An interior design company in Hong Kong	Private	6.3%	2
Client A	A leading global operator of exchanges and clearing house in Hong Kong	Private	6.0%	5
Client G	A tertiary education institute in Hong Kong	Public	4.9%	5
Client D	A company in Hong Kong providing telecommunication solution	Private	4.4%	5

For the year ended 31 March 2014

Client	Background	Project nature (public/private sector)	Approximate % of our total revenue	Length of business relationship with our Group as at the Latest Practicable Date (number of years)
Client A	A leading global operator of exchanges and clearing house in Hong Kong	Private	7.0%	5
Client B	A global provider of information and communication technology services and solution	Private	6.4%	6
Client C	A design company in Hong Kong	Private	5.9%	5
Client D	A company in Hong Kong providing telecommunication solution	Private	5.5%	5
Client E	A tertiary education institute in Hong Kong	Public	4.1%	21

For the nine months ended 31 December 2014

Client	Background	Project nature (public/private sector)	Approximate % of our total revenue	Length of business relationship with our Group as at the Latest Practicable Date (number of years)
Client H	A design company in Singapore	Private	10.7%	1
Client B	A global provider of information and communication technology services and solution	Private	6.9%	6
Client A	A leading global operator of exchanges and clearing house in Hong Kong	Private	6.2%	5
Client I	An insurance company in Hong Kong	Private	5.2%	1
Client J	A tertiary education institute in Hong Kong	Public	5.0%	6

Major contract terms

From time to time, we receive requests for quotations and invitations to tender from our clients and are engaged to provide video conferencing and multimedia audiovisual solution based on our clients' needs. Save and except that there may be variation orders or supplemental orders placed by our client in the same project, our engagements with our clients are on a project basis and are generally non-recurring in nature. Except for the maintenance service agreements with our clients which generally last for one year, we did not enter into any long-term agreements with our clients during the Track Record Period. The major contract terms with our clients typically include, amongst others, the following:

Solution for audiovisual, conferencing, presentation and multimedia control systems including installation services

Major contract terms	**General description**
Scope of work and equipment to be purchased	This is generally in the form of a price list with breakdown of the unit price of each equipment to be installed and the service fee for certain scope of work to be performed.
Completion date	A project is generally completed (excluding maintenance service) when our client has performed the user's acceptance test and signs off the commissioning form.
Terms of payment	We may require our clients to settle 50% of the total fee upon their acceptance of our quotation as prepayment. We generally issue an invoice to our clients for the outstanding payment upon completion of the projects. We generally allow an average credit period of 30 days to our clients. In most scenarios, our clients settle our invoices by cheque. In general, our clients in Hong Kong and Macau settle our invoices in Hong Kong dollars, while our clients in the PRC and Singapore settle our invoices in RMB and Singapore dollars, respectively.
Anti-collusion	For projects obtained through tender, we are required not to communicate with any person other than our client the amount of any tender or otherwise collude with any other person to adjust the amount of any tender.
Compensation	In the event that we are unable to complete our work to the satisfaction of our clients within the specified time period, we may be required to compensate our clients at a pre-agreed rate of damages.

Major contract terms	General description
Retention	Some of our clients may retain approximately 5% of the contract price until the one-year maintenance period expires.
Warranty period	Products provided to our clients are generally covered by a warranty period of 12 months.
Intellectual property rights	Some of our clients may require us to undertake that products supplied by us do not infringe the intellectual property rights of any third party.

Audiovisual system maintenance services

Major contract terms	General description
Scope of work	Description of the particular type of video conferencing and multimedia audiovisual system, form of service required and the maintenance fee. Form of service required generally sets out the number of on-site service calls or repair visits and number of on-site preventive maintenance visits included in the service contract.
Duration	Our maintenance services typically last for a period of 12 months.
Terms of payment	We generally issue an invoice to our clients for the pre-paid service fee upon a service contract is concluded.
Termination	Some of our clients may at any time at its option on giving us certain months' prior written notice to terminate the service contract.

OUR SUPPLIERS

Our suppliers include local distributors of video conferencing and multimedia audiovisual equipment in Hong Kong and overseas manufacturers headquartered in the United States, Canada and Finland. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our material cost of the video conferencing and multimedia audiovisual equipment constitutes our largest cost of inventories sold, which together accounted for approximately 89.7%, 88.1% and 84.8% of our total purchases, respectively.

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our top five suppliers were Independent Third Parties and our total purchase attributable to them amounted to approximately HK$20.1 million, HK$17.6 million and HK$15.8 million, accounting for approximately 32.5%, 31.4% and 30.6% in aggregate of our total purchase of materials amount, respectively. For the same periods, our top supplier accounted for approximately 11.3%, 10.9% and 7.1% of our total purchase of materials amount, respectively. As at the Latest Practicable Date, none of our Directors, Shareholders (which to the knowledge of our Directors owns more than 5% of the issued share capital of our Company) or their respective close associates had any interest in any of our top five suppliers during the Track Record Period. Further, save and except that Client B was one of our top 15 suppliers for the two years ended 31 March 2014, our top 15 suppliers engaged by us were not our top 15 clients during the Track Record Period, nor vice versa.

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, the revenue attributable to Client B amounted to approximately HK$4.5 million, HK$6.6 million and HK$6.0 million respectively, representing approximately 4.1%, 6.4% and 6.9% of our total revenue respectively. For the same periods, our total purchases attributable to Client B were approximately HK$2.7 million, HK$2.2 million and HK$0.2 million respectively, representing 3.8%, 3.5% and 0.3% of our total purchases respectively. The weighted average of the gross operating margin with Client B was approximately 52.8%, 50.2% and 46.0% for the same periods respectively, which was higher than our Group's weighted average gross operating margin at 36.9%, 38.0% and 41.8% for the same periods, respectively. During the Track Record Period, besides our service line of solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, we also provided audiovisual system maintenance services to Client B. Since the weighted average gross operating margin of our audiovisual system maintenance services during the Track Record Period was close to 100%, our Directors consider that our provision of audiovisual system maintenance services to Client B resulted in an overall increased weighted average gross operating margin with Client B during the Track Record Period. Our Directors consider that the reason why we had such arrangement with Client B was because during the Track Record Period (i) we placed purchase orders with Client B for video conferencing and multimedia audiovisual equipment that Client B, to the best knowledge of our Directors, possessed the authorised right of distributorship in respect of such equipment; and (ii) we were engaged by Client B as its subcontractor to provide video conferencing and multimedia audiovisual solution, which was generally attributable to our established long-term business relationship with it.

The following three tables set forth the details of our top five suppliers during the Track Record Period:

For the year ended 31 March 2013

Supplier	Background	Types of goods/ services provided by our supplier	Approximate % of our total purchases of materials	Length of business relationship with our Group as at the Latest Practicable Date (number of years)
Da-Lite Screen Company, Inc*(Note)*	A company providing audiovisual technologies solution in the United States	Projection screen	11.3%	28
Planar Systems, Inc	A display design company in the United States	Digital video wall system	6.8%	3
Supplier G	A company providing information and communications technologies in Hong Kong	Projector and display system	5.1%	5
Supplier H	A company providing visual collaboration solution in Canada	Inter-active board	4.7%	4
Supplier I	An audiovisual company in Hong Kong	Video conference system	4.6%	3

Note: Da-Lite Screen Company, Inc was acquired by Milestone AV Technologies LLC in 2013. All the products purchased and the terms remained unchanged. We therefore considered the two companies as the same supplier.

For the year ended 31 March 2014

Supplier	Background	Types of goods/ services provided by our supplier	Approximate % of our total purchases of materials	Length of business relationship with our Group as at the Latest Practicable Date (number of years)
Milestone AV Technologies LLC	A company providing audiovisual technologies solution in the United States	Projection screen	10.9%	28
Planar Systems, Inc	A display design company in the United States	Digital video wall system	5.9%	3
Supplier C	A company providing electronic products and audiovisual design in Hong Kong	Central control and switcher	5.6%	4
Supplier D	A wholesale technology distributor company in the PRC	Video conference system	4.6%	4
Supplier E	A company manufacturing advanced control and automation systems in Hong Kong	Central control and switcher	4.4%	5

For the nine months ended 31 December 2014

Supplier	Background	Types of goods/ services provided by our supplier	Approximate % of our total purchases of materials	Length of business relationship with our Group as at the Latest Practicable Date (number of years)
Milestone AV Technologies LLC	A company providing audiovisual technologies solution in the United States	Projection screen	7.1%	28
Supplier D	A wholesale technology distributor company in the PRC	Video conference system	6.2%	4
Supplier E	A company manufacturing advanced control and automation systems in Hong Kong	Central control and switcher	6.1%	5
Supplier C	A company providing electronic products and audiovisual design in Hong Kong	Central control and switcher	6.0%	4
Supplier J	A company providing metering and instrumentation solution in Singapore	Video conference system	5.2%	1

We select our suppliers based on a number of factors, including their (i) equipment quality; (ii) reputation; (iii) price; (iv) supply capacity; (v) time of delivery; and (vi) market share. We also constantly monitor and evaluate our current and potential suppliers in respect of their ability to meet our quality requirements and demands. We typically procure video conferencing and multimedia audiovisual equipment from various suppliers so as to avoid reliance on any particular supplier, thereby minimising the risk of disruption of our operations if any particular supplier is not able to deliver video conferencing and multimedia audiovisual equipment of a particular type in a timely manner. During the Track Record Period, we did not experience any material difficulties in obtaining any of our video conferencing and multimedia audiovisual equipment to meet our demands in a timely manner and did not have any material disputes with our suppliers.

Major contract terms

We normally place purchase orders with our suppliers for video conferencing and multimedia audiovisual equipment. The major contract terms with our suppliers typically include, amongst others, the followings:

Major contract terms	General description
Specifications and quantities of equipment to be purchased	This is generally in a form of price list showing the unit price and specifications of each equipment.
Delivery	The ordered equipment are usually delivered to our warehouse but in some situations, we may arrange for direct delivery of the same to our clients' designated site for installation. For overseas suppliers, the costs of transportation, including freight charges, international handling fees and insurance costs (where applicable), are generally borne by us. If the equipment is damaged during delivery, liability will generally rest with us and is covered by insurance.
Terms of payment	Our suppliers generally require us to settle 30–50% of the total purchase price upon their confirmation of our purchase orders as prepayment. Our suppliers generally issue an invoice to us for the outstanding payment upon delivery of the equipment. The average credit period on purchase of goods is 30 days.

Major contract terms	General description
	In most scenarios, we settle our invoice by cheque or telegraphic transfer. In general, for suppliers having distribution points in Hong Kong, we settle their invoices in Hong Kong dollars; and for suppliers in the United States, Singapore, Canada and Finland, we settle their invoices in USD, Singapore dollars or Euro, as the case may be.
Product return	After the arrival of the equipment, we will examine the same and report to the relevant suppliers if defective goods are found. Our suppliers then arrange for replacement of the equipment to us and bear all the relevant costs. The defective equipment is then delivered back to the relevant suppliers and we generally bear the costs of delivery incurred in the product return. Product return is not common within our Group.
Warranty period	Our suppliers generally grant us a warranty period of one year for the equipment.

Outsourcing

During the Track Record Period, we outsourced some of our system installation work to contractors who are Independent Third Parties because we consider that: (i) this minimises the need to employ a large workforce including skilled labour in different specialised areas; and (ii) this increases flexibility and cost effectiveness in carrying out the contracts. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, the cost for outsourcing our system installation work together accounted for approximately 10.3%, 11.9% and 15.2% of our cost of inventories sold, respectively. Our Directors consider that we maintain a good business relationship with our contractors.

To minimise the risk of reliance on our contractors for the provision of certain system installation work of our projects, we have established a selection and control system as follows:

- to maintain relationships with a number of contractors;
- to closely monitor if our contractors' performance meets our standards;
- to evaluate our contractors' performance in terms of their efficiency, service quality, responsiveness to our requests and fee levels, after completion of each project; and
- to continuously explore potential new contractors.

Inventory control measures

In most situations, we place purchase orders with our suppliers for the video conferencing and multimedia audiovisual equipment after finalising the specification and quantity of video conferencing and multimedia audiovisual equipment to be installed and/or to be purchased by our clients. Therefore, our inventory is maintained at a minimal level for those commonly purchased video conferencing and multimedia audiovisual equipment such as projector and display system, video conference system and interactive system. We maintain our inventory at a level which is sufficient to cope with the demands of our clients from time to time. By adopting such measures, we ensure that we do not stock up excessive equipment. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our inventory turnover was approximately 29 days, 29 days and 31 days, respectively.

Distributorship

As at the Latest Practicable Date, we were the authorised distributor of three of our video conferencing and multimedia audiovisual equipment suppliers. The following table sets out the major contract terms and previous course of dealings of such distributorship arrangements as at the Latest Practicable Date:

	Milestone AV Technologies LLC ("Milestone")	**Planar Systems, Inc ("Planar")**	**Sanako Corporation ("Sanako")**
Distributor	Eduserve International[Note]	i-Control (Hong Kong)[Note]	Eduserve International[Note]
Expiry date	31 December 2015	31 December 2015	Continues to be in force until termination
Equipment	Da-Lite branded products, including but not limited to, projection screens, lecterns, easels, computer workstations, laser pointers, projection carts	Planar's video wall and digital signage product line	Sanako's products
Geographical scope	Hong Kong and Macau	Hong Kong, the PRC and Macau	Hong Kong and Macau
Distributorship nature	Authorised exclusive distributor	Authorised non-exclusive distributor	Authorised sole agent
Minimum purchase commitment	There is no requirement in the contract terms for minimum purchase commitment	There is no requirement in the contract terms for minimum purchase commitment	There is no requirement in the contract terms for minimum purchase commitment

	Milestone AV Technologies LLC ("Milestone")	Planar Systems, Inc ("Planar")	Sanako Corporation ("Sanako")
Product return policy	Directors confirmed that while there is no written product return policy, Milestone has been co-operative in replacing products which were defective during the Group's previous course of dealings with Milestone	Products may only be returned to Planar with Planar's prior approval. Any products that Planar chooses to accept as returns will be shipped at the Company's expense. If Planar accepts the returned products, it will charge a restocking fee of 25%	Sanako will replace defective products for a period of (thirty) 30 days and will refund reasonable transport and insurance costs
Penalty	There is no penalty clause in the contract terms	If a shipment is delayed more than thirty (30) days beyond the estimated shipping date, the Company will be responsible for material and storage charges equal to 10% of the product order. If a shipment is postponed by the Company for more than ninety (90) days beyond Planar's scheduled ship date, a fee equal to 25% of the price for the products ordered must be paid to Planar	There is no penalty clause in the contract terms
Termination provision	Written notice is provided from Milestone revoking such distributorship. Save as disclosed above, there are no other terms on termination of the distributorship	Either party may terminate such distributorship without cause by giving not less than sixty (60) days' prior written notice of termination to the other party	Such distributorship can be terminated by either party with a prior written notice of six (6) months

Our Directors consider that these three distributorship arrangements are material to our business operation.

Note: The distributorships between Milestone and Sanako with Eduserve International commenced before the incorporation of i-Control (Hong Kong), and will continue to be held by Eduserve International. The distributorship between Planar with i-Control (Hong Kong) will continue to be, and all new distributorships secured by our Group will be, held by i-Control (Hong Kong). Any deviation from the above would require the prior consent from all our independent non-executive Directors.

We have established stable working relationships with our suppliers who have distributorship arrangements with us as at the Latest Practicable Date. Our Directors believe that our distributorship arrangements with these suppliers enable us to: (i) secure a stable supply of quality video conferencing and multimedia audiovisual equipment from time to time; and (ii) reinforce our reputation as the preferred working party of overseas manufacturers. As at the Latest Practicable Date, we had business relationships with these suppliers for a period ranging from 3 to 28 years.

Our Directors are of the view that we do not overly rely on these three suppliers who have distributorship arrangements with us because: (i) there is a mutual reliance between us and these suppliers; and (ii) we also cooperated with these suppliers in providing product demonstrations, trainings for end-users, and organising marketing and promotional activities for their products. Further, our purchase of materials from these suppliers accounted for 20.4%, 18.7% and 17.5% of our total purchase of materials during the Track Record Period. In the event that any of these suppliers decides to terminate or refuses to renew its distributorship arrangements with us, our Directors consider that we would be able to procure video conferencing and multimedia audiovisual equipment of comparable functions and features from other suppliers at similar prices, due to: (i) the availability of lower-cost substitutes associated with keen price competition among manufacturers; and (ii) our practice of having multiple suppliers of video conferencing and multimedia audiovisual equipment. During the Track Record Period, we did not experience any termination, disruption or rejection to renew the distributorship arrangements with our suppliers.

QUALITY CONTROL

We place significant emphasis on quality control. Upon completion of the installation work, we will carry out a user acceptance test which generally comprises a series of performance checkings to ensure that the installed equipment and installation services we provided are up to the standards as agreed with our clients.

Our project managers, are responsible for our quality control. They control and monitor each step in our operating procedures to ensure the adherence to stringent quality standards.

We keep ourselves abreast with the latest video conferencing and multimedia audiovisual technology and equipment, and constantly monitor and evaluate our current and potential suppliers on their ability to meet our equipment quality standards, to ensure the video conferencing and multimedia audiovisual equipment we install and sell meets the requirements of our clients. We may negotiate with our suppliers and arrange for returns if the products supplied are found to be defective on arrival.

We have a computerised information management system to facilitate the management of our operations. All information in relation to our operations including our clients' information, site information, specifications of the video conferencing and multimedia audiovisual systems, tenders and quotations (whether confirmed or not), inventories, invoices issued or received, payment schedule, delivery schedule and installation schedule, are stored in this system. Such system helps us to facilitate our project management and allocation of manpower, and to remind us to issue invoices or arrange for payments in a timely manner.

The management system of Eduserve International for the provision of (i) solution for audiovisual, conferencing, presentation and multimedia control systems including installation services; and (ii) audiovisual system maintenance services, has been assessed and certified as meeting the requirements of ISO 9001:2008 since 7 December 2012. Such certificate is valid until 7 December 2015. Further, the management system of i-Control (Hong Kong) for the provision of sales, distribution and after sales service of audio and video products excluding programming services and project management has been assessed and certified as meeting the requirements of ISO 9001:2008 since 9 February 2011. Such certificate is valid until 9 February 2017. During the Track Record Period, we had not received any material claims or complaints by our clients in respect of the quality of our services and the video conferencing and multimedia audiovisual equipment provided by our suppliers and there was no incident of failure of our quality control system which had a material and adverse impact on our business operations.

MAJOR QUALIFICATIONS AND LICENCES

Based on the advice of the HK Legal Counsel, our Directors confirmed that during the Track Record Period and up to the Latest Practicable Date, there are no licences, consents, approvals, permits, authorisations, certificates or orders required in order for our Group to engage in the provision of video conferencing and multimedia audiovisual solution in Hong Kong under the Hong Kong laws.

As of March 2015, we are one of the approximately 48 video conferencing and multimedia audiovisual solution providers in Hong Kong, of which about 37 were also approved by the Development Bureau of the Government as suppliers and specialist contractors of materials and specialist contractors for public works under the video electronics installation category. When the Government invites a tender or requests for a quotation, it may or may not include a requirement that the contractors have to be approved suppliers of materials and specialist contractors for public works. Our Directors confirmed that, during the Track Record Period and up to the Latest Practicable Date, we had not carried out any projects (including both private and public sectors) which as a prerequisite required us to have obtained the aforesaid approval from the Development Bureau of the Government. Our Directors confirmed that we have not been awarded with any tenders for public works contracts from Government which requires the approval of approved suppliers of materials and specialist contractors for public works during the Track Record Period and up to the Latest Practicable Date. Therefore, our Directors considered that if the aforesaid approval cannot be retained, the impact on our Group's business and sustainability would be minimal.

Further, as advised by the PRC Legal Advisers, our Directors confirmed that during the Track Record Period and up to the Latest Practicable Date, we have obtained all the relevant licences, permits or approvals in relation to our operations in the PRC.

Further, as advised by the Singapore Legal Advisers, our Directors confirmed that, during the Track Record Period and up to the Latest Practicable Date, there are no licences, permits or approval issued by any regulatory authority in Singapore specifically required for our Group's provision of solutions for audiovisual, conferencing, presentation and multimedia control systems including installation services, as well as audiovisual system maintenance services in Singapore under Singapore laws.

AWARDS, RECOGNITIONS AND CORPORATE SOCIAL RESPONSIBILITIES

In recognition of our socially responsible actions and commitment to quality services, we have received a number of major awards and recognitions during our operating history. Below is a summary of our recent awards:

No.	Awards	Year of Grant	Awarding Organisation
1.	HSBC Living Business Certificate of Merit in People Caring Award	2012	The Hongkong and Shanghai Banking Corporation
2.	The 4th Hong Kong Outstanding Corporate Citizenship Logo under SME Category	2014	Hong Kong Productivity Council
3.	5 Years Plus Caring Company	2014	The Hong Kong Council of Social Services
4.	Family-Friendly Win-Win For All	2014	Family Council

COMPETITION

Competition within the video conferencing and multimedia audiovisual solution industry in Hong Kong is intense and fierce. For more information about the market of the video conferencing and multimedia audiovisual solution industry in Hong Kong, please refer to the paragraph headed "Industry Overview — Competitive Environment" in this prospectus. According to the Ipsos Report, (i) company reputation and track record; and (ii) industry-specific knowledge, are the entry barriers to the video conferencing and multimedia audiovisual solution industry in Hong Kong. For details, please refer to the paragraph headed "Industry Overview — Entry Barriers" in this prospectus.

We consider that our competitive strengths have contributed to our success. As such, even though competition within the video conferencing and multimedia audiovisual solution industry in Hong Kong will continue to be fierce and intense in the future, we are confident that we are able to withstand the intense competition based on our competitive strengths. For further details of our competitive strengths, please refer to the paragraph headed "Business — Our Competitive Strengths" in this prospectus.

OUR EMPLOYEES

As at 31 December 2014, we had a total of 64 full-time employees. The following table sets forth the number of our employees by functional area and geographical location:

	Number of employees		
	Hong Kong	**The PRC**	**Total**
Management	9	–	9
Procurement	2	–	2
Service and Maintenance	16	–	16
Sales and Marketing	17	2	19
Administration	15	3	18
Total	59	5	64

We recruit our employees based on a number of factors such as their work experience, educational background, qualifications or certifications possessed and vacancy. We may recruit our employees by advertising on websites and newspapers.

We aim to fill our senior management team with internal staff. Therefore, when we make hiring decisions for senior positions, we usually give preference to existing employees who are considered eligible for being promoted to such positions. If no suitable candidate is identified within our Group for such positions, we will use professional online recruitment websites and newspapers to distribute information about the vacancies. During the Track Record Period, we did not engage any human resources agency for recruitment purposes. As a result of our efforts on talent retention, three of our members of senior management have served us for over 15 years.

We also strive to train and retain talented employees through a comprehensive training process, and offer performance based remuneration packages and career development opportunities to our employees. On-the-job training will be provided to our new employees. We also co-operate with our suppliers to organise training sessions, seminars and sharing sessions about the features, functions, operations and/or sales and marketing strategies about their new products and/or the latest video conferencing and multimedia audiovisual technology for our employees. We conduct yearly reviews for our employees, and offer performance-based salaries and bonuses. We believe that these initiatives have contributed to stronger work incentives among our employees.

The remuneration package for our employees generally includes salary and bonuses. In addition, the staff in our sales and marketing department is generally entitled to a commission which is calculated by reference to the gross profit derived from the orders and projects handled by that staff in the relevant year. Our employees also receive welfare benefits, including medical care, study allowance, retirement benefits, occupational injury insurance and other miscellaneous items. Our staff cost, including wages, salaries and other employee's benefits, amounted to approximately HK$14.6 million, HK$14.5 million and HK$12.9 million for the two years ended 31 March 2014 and the nine months ended 31 December 2014, respectively which amounted to approximately 13.5%, 14.2% and 14.8% of our revenue respectively for the same periods.

In addition to the sales incentive scheme, we adopt the following measure to foster our employees' loyalty to our Group:

- we fill our senior management positions or our directorship position on our Board with existing employees who have demonstrated excellent business performance consistently as our first priority. For example, our executive Director, Mr. WL Chan, joined our Group in around May 1997 as a sales executive and became our executive Director through internal promotion over the years; and/or

- we invited some of our key employees to subscribe for shares in certain subsidiaries in our Group (for details of such minority shareholdings, please refer to the section headed "History, Reorganisation and Group Structure" in this prospectus).

In considering whether to promote an employee, our Directors would assess the performance of that employee, whether it would be in the best interests of our Group and whether it would be an appropriate commercial decision to do so in order to facilitate our business development.

We have also adopted the Share Option Scheme which will become effective upon Listing. The Share Option Scheme is designed to provide incentives and rewards to our employees.

During the Track Record Period and up to the Latest Practicable Date, we have not set up any trade union for our employees. We have not had any strikes or other material labour disputes that have materially disrupted our operations, during the Track Record Period and thereafter up to the Latest Practicable Date. Our Directors believe that we have maintained a good working relationship with our employees.

Health and Occupational Safety

We place emphasis on the health and safety of our employees in our operation. We also provide our employees with guidance from time to time on work safety to ensure that all of our employees are abreast of our safety procedures and policies, which includes guidelines for safety management and proper installation and usage of video conferencing and multimedia audiovisual equipment.

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, the number of incidents of work injury were one, nil and nil, respectively. For the year ended 31 March 2013, the total costs for compensation of work injury were HK$3,000 (as fully covered by our insurance). Further, as at the Latest Practicable Date, there was no outstanding or pending claims of work injury from our employees. As such, our Directors confirm that our Group did not have any material accident during the Track Record Period.

PROPERTY

Real properties

As at the Latest Practicable Date, our Group held eight properties in Hong Kong, all of which are for our own use.

The following table sets out the information of the properties we owned as at the Latest Practicable Date:

Address	Usage	Approximate gross floor area *(sq. ft.)*
Office A on 12th Floor, MG Tower, No. 133 Hoi Bun Road, Kowloon	Office *(Note 1)*	3,722
Office B on 12th Floor, MG Tower, No. 133 Hoi Bun Road, Kowloon	Office *(Note 2)*	2,058
Office K on 12th Floor, MG Tower, No. 133 Hoi Bun Road, Kowloon	Office *(Note 3)*	2,180
Office L on 12th Floor, MG Tower, No. 133 Hoi Bun Road, Kowloon	Office *(Note 1)*	2,118
Car parking space No. P52 on 2nd Floor, MG Tower, No. 133 Hoi Bun Road, Kowloon	Office–car park	136
Car parking space No. P53 on 2nd Floor, MG Tower, No. 133 Hoi Bun Road, Kowloon	Office–car park	136
Car parking space No. P54 on 2nd Floor, MG Tower, No. 133 Hoi Bun Road, Kowloon	Office–car park	136
Car parking space No. P85 on 2nd Floor, MG Tower, No. 133 Hoi Bun Road, Kowloon	Office–car park	136

Notes:

1. They are leased to i-Control (Hong Kong) by View Mark at a monthly rent of HK$122,640, inclusive of management charges, government rates, property tax and rent. The term of the lease is from 1 August 2013 to 31 July 2015.

2. It is leased to Newmark by Modern China at a monthly rent of HK$47,160 inclusive of management charges, government rates, property tax and rent. The term of the lease is from 1 August 2013 to 31 July 2015. On 29 June 2014, Newmark agreed to transfer, among other things, its existing rights and obligations under the lease with Modern China to i-Control Consultancy. For details of the transfer, please refer to the paragraph headed "A. Further Information About Our Company and Our Subsidiaries — 4. Group reorganisation" in Appendix VI to this prospectus.

3. It is leased to Eduserve International by Billion Peace at a monthly rent of HK$38,400 inclusive of management charges, government rates, property tax and rent. The term of the lease is from 1 August 2013 to 31 July 2015.

As advised by the Hong Kong legal advisers as to properties matters, our eight properties in Hong Kong possess good and marketable title under the laws of Hong Kong as at the Latest Practicable Date. During the Track Record Period and up to the Latest Practicable Date, none of our eight properties was subject to compulsory order for sale or auction in public pursuant to the Land (Compulsory Sale for Redevelopment) Ordinance (Chapter 545 of the laws of Hong Kong).

As at the Latest Practicable Date, all our eight properties were subject to mortgage.

For further details of the properties owned by our Group, please refer to the Property Valuation Report set out in Appendix IV to this prospectus.

Leased properties

The following table sets out the addresses, approximate gross floor area and the lease terms of the properties leased by us as at the Latest Practicable Date:

No.	Address	Usage	Approximate gross floor area *(sq. ft.)*	Term	Monthly rent
1.	Unit C on 10th floor, Wing Shan Industrial Building, No. 428 Cha Kwo Ling Road, Yau Tong, Kowloon	Warehouse	3,540	From 1 August 2013 to 31 July 2015	HK$22,000*(Note 1)*
2.	Unit V3, on the 12th Floor, Kwun Tong Industrial Centre Block 3, Kwun Tong Road 448–458, Kowloon	Warehouse	2,593	From 20 December 2012 to 19 December 2015	HK$20,000 *(Note 2)*
3.	Suite 609, Mong Kok Plaza, 175 Yan An Dong Road, Shanghai, PRC	Office	1,779.81	From 16 March 2015 to 15 September 2015	RMB6,600
4.	1803, Block B, Tian An International Building, Ren Min South Road, Lo Wu District, Shenzhen, PRC	Office	917.09	From 10 May 2015 to 31 August 2015	RMB6,800

Notes:

1. The monthly rent is inclusive of rates, government rent and management charges.

2. The monthly rent is inclusive of rates, government rent and management charges.

LEGAL PROCEEDINGS AND LEGAL COMPLIANCE

Our Directors confirm that, save as disclosed in the paragraphs below, our Group had conducted our operations and carried out our business in material compliance with the relevant laws and regulations in Hong Kong, the PRC and Singapore during the Track Record Period and up to the Latest Practicable Date.

Our Controlling Shareholders have entered into the Deed of Indemnity whereby our Controlling Shareholders have agreed to indemnify our Group, subject to the terms and conditions of the Deed of Indemnity, in respect of any liabilities which may arise as a result of any non-compliance of our Group on or before the date on which the Placing becomes unconditional. Further details of the Deed of Indemnity are set out in the paragraph headed "E. Other Information — 1. Tax and other indemnity" in Appendix VI to this prospectus.

As at the Latest Practicable Date, we were not involved in any material litigation, arbitration or claim of material importance, and no litigation, arbitration or claim is known to us to be pending or threatened by or against us, that would have a material adverse effect on our operating results or financial conditions.

Our Directors were aware of the occurrence of the following non-compliance in relation to the operation of our Group during the Track Record Period, details of which are set out below:

Non-compliance with the Predecessor Companies Ordinance

As at the Latest Practicable Date, our Directors were aware of 43 incidents of non-compliance of our Group with the Predecessor Companies Ordinance. As advised by the HK Legal Counsel, the relevant members of our Group are not liable for prosecution for any non-compliance incidents which took place more than three years after the commission of the offences by virtue of section 351A of the Predecessor Companies Ordinance. As 35 of the above-mentioned non-compliance incidents were time-barred by section 351A of the

Predecessor Companies Ordinance, only 8 out of the 43 incidents of non-compliance may be liable for prosecution, details of which are set out below:

Relevant section of the ordinance	Member(s) of our Group/Year(s) of non-compliance(s)	Reason(s) for the non-compliance	Remedial action	Estimated/actual fine/penalty
Failure to notify the Registrar on appointment of directors or change of personal details of directors within the prescribed time limit, in breach of section 158(4) of the Predecessor Companies Ordinance	Eduserve International/2013.	The omission was unintentional and due to the inadvertent oversight of the administrative staff responsible for supervision on secretarial matters. During the material time, the relevant member of our Group had relied on the corporate secretarial services provided by an external service provider to handle such matters.	Eduserve International subsequently notified the Registrar of Companies on 30 October 2013.	Under section 158B(2) of the then Predecessor Companies Ordinance, any person who makes default in complying with the section shall be liable to a fine of HK$100,000 and a daily default fine of HK$550.
	Modern China/2013.	As above.	Modern China subsequently notified the Registrar of Companies on 30 October 2013.	As above.
	i-Control (Hong Kong)/2013.	As above.	i-Control (Hong Kong) subsequently notified the Registrar of Companies on 30 October 2013.	As above.
	View Mark/2013.	As above.	View Mark subsequently notified the Registrar of Companies on 30 October 2013.	As above.

Relevant section of the ordinance	Member(s) of our Group/Year(s) of non-compliance(s)	Reason(s) for the non-compliance	Remedial action	Estimated/actual fine/penalty
	i-Control (China)/2013.	As above.	i-Control (China) subsequently notified the Registrar of Companies on 30 October 2013.	As above.
	Billion Peace/2013.	As above.	Billion Peace subsequently notified the Registrar of Companies on 30 October 2013.	As above.
Failure to file the annual return within the prescribed time period, in breach of section 109(1) of the Predecessor Companies Ordinance	Billion Peace/2012.	The omission was unintentional and due to the inadvertent oversight of the administrative staff responsible for supervision on secretarial matters. During the material time, the relevant member of our Group had relied on the corporate secretarial services provided by an external service provider to handle such matters.	Billion Peace subsequently filed the annual return on 29 November 2012.	Under section 109(4) of the then Predecessor Companies Ordinance, the company and every officer of the company who is in fault shall be liable to a fine of HK$50,000 and, for continued default, to a daily default fine of HK$700.
Failure to file memorandum and new Articles of Association within the prescribed time limit, in breach of section 13(3) of the Predecessor Companies Ordinance	Eduserve International/2012.	The omission was unintentional and due to the inadvertent oversight of the administrative staff responsible for supervision on secretarial matters. During the material time, the relevant member of our Group had relied on the corporate secretarial services provided by an external service provider to handle such matters.	Eduserve International subsequently filed the new memorandum and new articles of association on 25 April 2012.	Under section 13(4) of the then Predecessor Companies Ordinance, the company and every officer who is in default shall be liable to a fine of HK$10,000 and, for continued default, to a daily default fine of HK$300.

Non-compliance with the PRC laws

Set out below are incidents of non-compliance of our Group in respect of the PRC laws:

Relevant section of PRC Law	Particulars of the non-compliance	Reasons for the non-compliance	Remedial action	Estimated/actual fine/penalty
Article 58 of the Social Insurance Law of the PRC provides that "The employer shall apply for the social insurance registration to the local social insurance authority within 30 days from the date of the employment." Article 60 of the Social Insurance Law of the PRC provides that "The employer shall declare and make a full payment of the social insurance funds on its own as scheduled and shall not delay or reduce the payment for reasons other than statutory causes such as force majeure." Article 15 of the Regulations on the Administration of Housing Fund provides that "When employing new staff or workers, the employer shall undertake housing provident fund payment and deposit registration at a housing provident fund management center within 30 days from the date of the employment, and shall go through the formalities of opening or transferring housing provident fund accounts of staff and workers at a commissioned bank with the verified documents of the housing provident fund management center."	According to the relevant sections of PRC law, our PRC subsidiary, i-Control (Shanghai) is obligated to undertake the responsibilities of declaring and making full payment of social insurance fund and housing provident fund for all of its employees through relevant governmental authorities in Shanghai. However, we failed to pay for the social insurance fund and housing provident fund for one of our former employees who was then based in Beijing and three of our employees who are currently based in Shenzhen through the relevant governmental authorities in Shanghai. Instead, we have commissioned a private agency in Shenzhen to pay for the social insurance fund and housing provident fund for the said employees in Shenzhen. Since we did not undertake the responsibilities to pay for the social insurance fund and housing provident fund for the said 4 employees directly by ourselves, and since the social insurance fund and housing provident fund for the 4 said employees were not paid through the relevant authorities in Shanghai, it may be found not in compliance with the relevant sections of PRC law by the relevant governmental authorities in Shanghai.	Our failure is due to our misunderstanding that payment of social insurance and housing provident funds through a private agency is in compliance with PRC law. There is also inconsistency in implementation or interpretation of the relevant PRC laws and regulations among governmental authorities in the PRC.	We have contacted a PRC agent for setting up a branch in Shenzhen so that we will be able to pay the social insurance fund and housing provident fund through our Shenzhen branch for our employees based in Shenzhen. The Controlling Shareholders will enter into a Deed of Indemnity with and in favor of our Group to provide indemnities in respect of monetary fines, settlements payments and any associated costs and expenses which would be incurred or suffered by them in connection with the aforesaid non-compliance occurred on or before the Listing Date. With reference to the daily surcharge rate for overdue payment, our Directors consider that the amount of estimated penalty is not significant, and such amount is not material to our Group's combined financial statements. In view of the aforesaid, no provision for the penalties has been made by our Directors for the preparation of the financial information. Hence, no provisions have been made.	For the social insurance, a daily surcharge equivalent to 0.05%of the overdue payment from the date when the payment is overdue and fine in an amount of between one to three times of the overdue payment. For the housing fund, a penalty ranging from RMB10,000 to RMB50,000.

Relevant section of PRC Law	Particulars of the non-compliance	Reasons for the non-compliance	Remedial action	Estimated/actual fine/penalty
Regulations of the PRC on the Registration Administration of Companies and Company Law of PRC	The address of our current principal office is not consistent with our registered address appearing in our business license.	We were not able to change our legal address. The address of our current office has been registered as the domicile of another company.	We are in the process of finding a new office space which has not been registered as the domicile of another company and then will update the registered address when the address of the new office is confirmed. In addition, the Controlling Shareholders will enter into a Deed of Indemnity with and in favor of our Group to provide indemnities in respect of monetary fines, settlements payments and any associated costs and expenses which would be incurred or suffered by them in connection with the aforesaid non-compliance occurred on or before the Listing Date. Our Directors consider that the amount of estimated fine is not significant, and such amount is not material to our Group's combined financial statements. In view of the aforesaid, no provision for the fine has been made by our Directors for the preparation of the financial information. Hence, no provisions have been made.	A fine of not less than RMB10,000 and not more than RMB100,000

Views of the HK Legal Counsel on the Non-compliance with the Predecessor Companies Ordinance

Billion Peace, Eduserve International, i-Control (Hong Kong), i-Control (China), Modern China and View Mark are not liable for prosecution for any non-compliance committed more than three years after the commission of the offences by virtue of section 351A of the Predecessor Companies Ordinance. Therefore, only the following non-compliances are liable for prosecution:

Company	Non-compliance	Views of the HK Legal Counsel
Failure to notify the Registrar on appointment of directors or change of personal details of directors within the prescribed time limit, in breach of section 158(4) of the Predecessor Companies Ordinance		
Billion Peace	Actual filing on 30 October 2013 after the deadline on 29 October 2013	It is difficult to give a realistic estimation of the likely fine imposed in the event of conviction in the present case based on the records available. However, the non-compliances are very technical and minor due to the fact that the actual filings were only a day after the deadline. Therefore, the HK Legal Counsel is of the view the risk of facing prosecution is low. In the unlikely event of prosecution and conviction, a lenient fine is probable. It is estimated that a fine in the region of HK$2,000 per offence is likely and not unreasonable.
Eduserve International	Actual filing on 30 October 2013 after the deadline on 29 October 2013	
i-Control (Hong Kong)	Actual filing on 30 October 2013 after the deadline on 29 October 2013	
i-Control (China)	Actual filing on 30 October 2013 after the deadline on 29 October 2013	
Modern China	Actual filing on 30 October 2013 after the deadline on 29 October 2013	
View Mark	Actual filing on 30 October 2013 after the deadline on 29 October 2013	

Company	Non-compliance	Views of the HK Legal Counsel
Failure to file the annual return within the prescribed time period, in breach of section 109 of the Predecessor Companies Ordinance		
Billion Peace	Deadline on 15 April 2012 (being 42 days after the date of its incorporation) actual filing on 29 November 2012	It is difficult to give a realistic estimation of the likely fine imposed in the event of conviction in the present case as no case law on penalty are available. Due to the fact that the actual filing was seven months after the deadline, the HK Legal Counsel is of the view that a moderate fine to the tune of HK$10,000 will be imposed in the event of prosecution and conviction.
Failure to file memorandum and new Articles of Association within the prescribed time limit, in breach of section 13(3) of the Predecessor Companies Ordinance		
Eduserve International	Actual filing 25 April 2012 after the deadline on 17 April 2012	It is difficult to give a realistic estimation of the likely fine imposed in the event of conviction in the present case as no records are available. However, the non-compliance is very technical and minor due to the fact that the actual filings were only eight days after the deadline. Therefore, the HK Legal Counsel is of the view the risk of facing prosecution is low. In the unlikely event of prosecution and conviction, a lenient fine is probable. It is estimated that a fine in the region of HK$5,000 is likely and not unreasonable.

Despite that the aforesaid non-compliances are not time-barred by the limitation period of three years under section 351A of the Predecessor Companies Ordinance and are thus liable for criminal prosecution, the HK Legal Counsel is of the opinion that the imposition of the maximum aggregate penalties/fines are highly unlikely in the event of conviction. Given that there are no published statistics provided by the Companies Registry or guidelines set out by the court, it is difficult to give a realistic estimation of the likely penalty imposed in the event of prosecution and conviction. However, in view of the minor and technical non-compliance in the present case, the HK Legal Counsel is of the view that a modest fine is probable in the event of prosecution and conviction.

Directors' View on the Non-compliance with the Predecessor Companies Ordinance

Given that the HK Legal Counsel opines that a modest fine is probable in the event of prosecution and conviction, our Directors consider that such fine in total should have no significant impact on the financial information of our Group and thus no provisions are required to be made. Further, with reference to the HK Legal Counsel's advice, our Directors consider that the non-compliance events disclosed above will not have any material adverse impact on the operation or financial position or business of our Group.

Sole Sponsor's View on the Non-compliance with the Predecessor Companies Ordinance

Our Sole Sponsor confirms that, after carrying out enquiries on the facts and circumstances leading to the non-compliance events and having considered that the non-compliance events have no material financial and operational impact on our Group and taking the view that such events did not involve any dishonesty on the part of our Directors nor impugn their integrity or competence, it concurs with the view of our Directors that the above non-compliance events do not affect the suitability of our Directors under Rules 5.01 and 5.02 of the GEM Listing Rules and the suitability for listing of our Company under Rule 11.06 of the GEM Listing Rules.

Internal Control Measures

In order to continuously improve our corporate governance and to prevent recurrence of the non-compliance incidents, we intend to adopt or have adopted the following measures:

- our Directors attended training sessions on applicable laws and regulations in Hong Kong provided by our legal advisers as to Hong Kong laws on 28 July 2014;

- we will establish an audit committee prior to the Listing, which will establish formal arrangements to apply financial reporting and internal control principles in accounting and financial matters to ensure compliance with the GEM Listing Rules and all relevant laws and regulations;

- our compliance officer, Mr. WY Chan, and our company secretary, Mr. Wong Yiu Leung, are responsible for the day-to-day compliance matters of our Group and will liaise with the auditors of our Group and/or external secretarial companies on a regular and timely basis to ensure ongoing compliance with the relevant deadlines for the filing of documents and other corporate requirements under the Companies Ordinance and/or the GEM Listing Rules. They will report to our Board on any potential non-compliance issue identified by them on a timely basis and, if necessary, consult external professional for advice to address the potential issue;

- we have appointed Pan Asia as our compliance adviser upon the Listing to provide advice to our Directors and management team regarding matters relating to the GEM Listing Rules. The term of such engagement will commence on the Listing Date and end on the date required under Rule 18.03 of the GEM Listing Rules; and

- we have appointed Kwok Yih & Chan as our legal advisers as to Hong Kong laws upon the Listing to advise us on compliance with the GEM Listing Rules and the applicable Hong Kong laws and regulations and such engagement will be reviewed annually. We will appoint King & Wood Mallesons as our legal advisers as to the PRC laws upon the Listing to advise us on compliance with the applicable PRC laws and regulations and such engagement will be reviewed annually.

Other internal control matters

In preparation for the Listing, we engaged SHINEWING Risk Services Limited, an independent internal control adviser (the "**Internal Control Adviser**") in April 2014, to review the internal control system of our Group according to the agreed scope and recommended measures to improve and rectify certain weaknesses of our internal control systems. SHINEWING Risk Services Limited is a professional firm specializing in corporate governance, internal audit and internal control review services. It has been providing pre-IPO internal control review services to listing applicants and listed companies since 2007. Accordingly, we have modified and adopted certain new internal control procedures to enhance our internal control system in August 2014, the implementation of which has been confirmed by the internal control report issued by our Internal Control Adviser upon the conduct of the follow-up reviews in September 2014 and March 2015. In its follow-up reports, the Internal Control Adviser confirmed the implementation status of their recommendations after it had performed walkthroughs of the enhanced internal control processes and systems which included, without limitation, conducting interviews with relevant management and staff members and selecting and reviewing relevant sample documents on site. The Internal Control Adviser's conclusion in its March 2015 follow-up review was the Group had implemented its recommendations and no further findings were noted. The internal control review was conducted based on information provided by our Group, and no assurance or opinion on internal controls was expressed by our Internal Control Adviser. The table below sets out some of the major findings and implementation status of the recommendations.

Major findings	Recommendations	Status of implementation
There is no formal and written mechanism in place to govern staff's declaration on potential conflict of interests on an annual basis, or as and when required.	Management should consider establishing formal policy and procedures for conflict of interests. It should be approved by the management team, reviewed and updated on an annual basis. Moreover, management should also consider requiring relevant staff to declare on potential conflict of interests on an annual basis, or as and when required.	Policy for conflict of interest is established, which describes the processes of declaration of conflict of interest between the staff and our Company. Besides, a form of declaration of conflict of interest is established. Existing staff were required to fill in and sign on that form to declare any existing/potential conflict of interest arising from the discharge of their duties at each financial year end.
There is no formalized succession plan for key management functions. In addition, there is no written mechanism in place to ascertain that the turnover of key functions staff is properly monitored and reported to our Board.	Management should consider establishing a formalized succession plan for the key management functions. The plan should include formal mechanisms related to the monitoring and reporting of key staff turnover to our Board.	Succession plan for key management functions is established, which describes the process and criteria for selecting suitable successor. Monthly staff turnover report is established. The report is submitted to the Board for their review monthly.
There is no whistle-blowing policy for reporting on grievances, misconducts or violations. Formal confidential email or telephone hotline is not established to cater for the enforcement of the whistle-blowing policy.	Management should establish the whistle-blowing policy for reporting on grievances, misconducts or violations. Formal confidential email or telephone hotlines should be established to protect the identification of whistle-blower and effective enforcement of the whistle-blowing policy.	Whistle-blowing policy is established, which states that when there are needs for reporting on grievances, misconducts or violations, employees can contact the designated director directly through a confidential email.

Major findings	Recommendations	Status of implementation
Our Group has not set up a formal and written risk management framework or practice. Therefore, there are no formal and written mechanisms to identify, monitor, report and follow up key risks faced by our Group.	Management should develop a written risk management policies and procedures, which include but not limited to, (i) risk management framework, structure and scope; (ii) business objectives and risk assessment process; (iii) frequency of assessment and monitoring mechanisms; (iv) effective IC and action plan to mitigate risks identified; and (v) compliance with relevant law and regulations.	Risk management policy is established, which explicitly sets out the requirements for identifying, mitigating and monitoring business risks faced by our Group.
There is no comprehensive annual budget which expresses the strategic plan of our Group in measurable terms. Besides, financial analysis between budgeted and actual amount has not been performed. Investigation for variances is not carried out and documented either.	Comprehensive financial budget for our Group should be developed which include but not limited to the following areas: (i) sales; (ii) cost of services and expenditures; (iii) recruitment and payroll; (iv) fixed assets acquisitions; and (v) IT developments. The financial budget should be aligned with our Group's business plan and approved by management with documented evidence. In addition, the financial budget should be monitored on a regular basis. Analysis between budgeted and actual amounts should be performed and documented with investigation results for any significant variance noted. Variance analysis should be reviewed by management on a regular basis with documented evidence.	We will prepare an annual budget which will include sales, cash position and other key performance indicators. The budget will be reviewed and approved by our Board to ascertain its accuracy. Also, regular review will be conducted quarterly during each financial year. Significant variance between the budget and the actual audited result will be identified and analysed.

Major findings	Recommendations	Status of implementation
Our Group does not establish a formal and written policies and procedures for the processes below: (i) financial close reporting process; (ii) revenue and receipts; (iii) cost of services, expenditures and payments; (iv) bank and cash management; (v) fixed assets management; (vi) HR and payroll management; (vii) taxation; and (vii) IT general controls.	Management should consider establishing written policies and procedures for such processes. Such policies and procedures should be approved, reviewed and updated by the management team on a regular basis. Responsible management team should enforce relevant control activities as stipulated in the policies and procedures to ascertain the internal control system is properly implemented.	Formal policies and procedures have been established to govern the practices below: (i) financial close reporting process; (ii) revenue and receipts; (iii) cost of services, expenditures and payments; (iv) bank and cash management; (v) fixed assets management; (vi) HR and payroll management; (vii) taxation; and (vii) IT general controls.
Our Group has yet to establish an internal audit function to monitor and report on deficiencies with the internal control system. A formalised internal audit charter is also not in place to define and identify the mission, objectives, scope, authority and accountability of the internal audit function. Besides, there are no formalised mechanisms to identify, monitor, report and follow up on internal control deficiencies.	Management should establish an internal audit function to monitor and report on deficiencies with the internal control system. A formalised internal audit charter should also be established to define and identify the mission, objectives, scope, authority and accountability of the internal audit function. Management should also consider appointing external internal control consultants to regularly review the internal control system and test check operating cycles in accordance with internal audit plans.	An internal audit charter is established to define and identify the mission, objectives, scope, authority and accountability of the internal audit function. Our Group is also planning to appoint external internal control consultants to regularly review the performance of our Group's internal audit function after listing.

Major findings	Recommendations	Status of implementation
Without segregation of duties on users access rights in the accounting system, potential errors may remain undetected. This may impair the accuracy of financial information. In addition, staff may access and manipulate financial information without proper restrictions and documentation for changes in user's access rights settings. Without independent review on the journal vouchers prepared, incomplete and inaccurate transactions may not be effectively detected and rectified. In the absence of proper initiation and approval for any alterations to the chart of accounts, management may not ascertain if changes made in the accounting system are appropriate and authorised. Errors and omissions may not be timely rectified to prevent any impairment to the financial information.	Management should consider: (i) establishing proper segregation of duties on the users access rights in the accounting system. Management should consider segregating the duties of preparing and approving journal entries. Staff who is assigned to approve journal entries should not be given the right to prepare journal entries in the accounting system; (ii) approving all journal entries before posting to the general ledger; (iii) maintaining proper documentation to record the initiation and approval for alterations to the chart of accounts. Management should also consider reviewing the changes made to the accounts and maintaining documentation for evidence of review to mitigate the risk of any potential errors; and (iv) updating the relevant policy and procedures accordingly.	Proper segregation of duties was established. User access rights were assigned based on their position and authorisation. All journal vouchers, including journal and receipts vouchers were prepared by a responsible accounting staff and approved by our Group's accountant or accounting supervisors. Written approval from the financial controller is required before any changes in the chart of accounts. The financial controller or an authorised officer will inform relevant staff through email afterwards.

Major findings	Recommendations	Status of implementation
Once the bank statement is obtained, the accounting staff checks the balance on the bank statement and that in the accounting system. Bank reconciliation statement is then prepared no matter there is variance or not. However, there is no evidence of review from the management.	The management should consider reviewing and signing on the bank reconciliation statement as evidence of approval.	Bank reconciliation statement was prepared during the monthly closing period no matter there is variance or not. Financial controller signed on the bank reconciliation statements after review as evidence of approval.
Payment voucher and payment requisition form are utilised when there are needs for bank or cash payment. However, there is no formal delegation of authority established that sets out the approving limits and authority for the approval and endorsement of execution of different activities.	Management should consider formalising the delegation of authorities for different activities, stating the approving limits and the respective authority for endorsing these activities in written. Besides, relevant policy and procedures should be updated accordingly.	Formal delegation of authority is established. Payment voucher with amount below HK$500,000 is signed and approved by the accountant and financial controller. For those over HK$500,000, approvals from 2 directors are required.

In addition, the Sole Sponsor carried out its own enquiries into the internal control systems of our Group, including, but not limited to, the items identified in the Internal Control Adviser's review. The Sole Sponsor's enquiries included, for example: (i) interviewing our Directors and senior management; (ii) carrying out site visits at the offices of our Company and other subsidiaries within the Group which are located in Hong Kong, Shanghai, Shenzhen and Singapore, respectively; (iii) reviewing relevant documents produced upon the request of the Sole Sponsor; (iv) interviewing the Internal Control Adviser; and (v) reviewing the progress of enhancing our Group's internal control systems and procedures based on the Internal Control Adviser's recommendations.

Our Directors' and Sole Sponsor's views on internal control measures

Based on our enhanced internal control procedures in place after adoption of the recommendations from the Internal Control Adviser, our Directors are of the view that the internal control measures adopted by our Group are adequate and effective.

The Sole Sponsor has carried out its own enquiries into our Company's internal control systems (as indicated in the paragraph above) and has discussed with our Company and the Internal Control Adviser the adequacy and effectiveness of our Company's internal control systems and is of the view that our Company's internal control systems after having adopted the recommendations from the Internal Control Adviser are adequate and effective.

INTELLECTUAL PROPERTY RIGHTS

Information relating to the intellectual property rights of our Company is set out in the paragraph headed "B. Further Information about Our Business — 2. Intellectual property rights" in Appendix VI to this prospectus.

As at the Latest Practicable Date, we have registered 1 trademark in Hong Kong, 2 domain names in Hong Kong and 1 domain name in the PRC and Singapore respectively. We have filed application for 3 trademarks in the PRC.

Our Directors confirmed that, as at the Latest Practicable Date, no material objections had been received from any third parties with respect to such applications or our use of any of the unregistered trademarks, and the results of such applications are pending. As at the Latest Practicable Date, none of our Directors are aware of any threatened or pending claims by any third parties against us for the use of such unregistered trademarks.

Each of the Controlling Shareholders has jointly and severally undertaken to indemnify and keep each of our Group members fully indemnified against all claims, losses, liabilities, damages, costs, charges, fees, expenses, fines suffered or incurred by any of our Group members as a result of or in connection with use of the unregistered trademarks by our Group in our ordinary course of business. In particular, each of the Controlling Shareholders has jointly and severally undertaken to indemnify and keep each of our Group members fully indemnified against all expenses and losses as a results of or in connection with any dispute as to the rights to use the unregistered trademarks. Further details of the Deed of Indemnity are set out in the paragraph headed "E. Other Information — 1. Tax and other indemnity" in Appendix VI to this prospectus.

We were not aware of any infringement (i) by our Group of any intellectual property rights owned by any third parties; or (ii) by any third party of any intellectual property rights owned by us as at the Latest Practicable Date. During the Track Record Period and up to the Latest Practicable Date, there had not been any pending or threatened material claims made against us, nor had there been any material claims made by us against third parties, with respect to the infringement of intellectual property rights owned by us or third parties.

INSURANCE

Our Group maintains fire, liability or other property insurance for the property, equipment, inventories or business interruption in relation to our operations. We have purchased personal injury insurance and work-related injury insurance for our Directors and employees. Unless otherwise required by our clients, our Group does not carry product liability insurance for any of our services. Our Directors are of the view that the cover from our insurance maintained during the Track Record Period and up to the Latest Practicable Date was adequate to cover our operations and was generally in line with industry practice.

The insurance expenses paid by us in the two years ended 31 March 2014 and the nine months ended 31 December 2014 amounted to approximately HK$167,000, HK$162,000 and HK$111,000 respectively. We had not made nor been the subject of any material insurance claim during the Track Record Period and up to the Latest Practicable Date.

GENERAL

Our Board consists of eight Directors, comprising three executive Directors, two non-executive Directors and three independent non-executive Directors, with one-third of our Board retiring from their office at each annual general meeting. Retiring Directors are eligible for re-election.

The principal functions and duties conferred on our Board include:

- reviewing, approving and monitoring fundamental financial and business strategies and major corporate actions;
- approving major acquisitions or disposals, corporate or financial restructuring, issuance of our Shares and other equity or debt instruments, payment of dividends and other distribution to our Shareholders;
- assessing the risks facing our Group and reviewing and implementing appropriate measures to manage such risks;
- selecting and evaluating the performance and compensation of key management executives;
- approving nominations to our Board;
- reviewing and endorsing the recommended framework of remuneration of our Board and key management executives by our remuneration committee; and
- assuming overall responsibility for corporate governance.

DIRECTORS

The following table provides information on our Directors:

Name	Age	Date of appointment as Director	Date of joining our Group	Position	Responsibilities in our Group
Mr. Tong Sai Wong (唐世煌)	64	21 August 2014	23 February 1987	Chairman and executive Director	Responsible for managing our business development and devising our business strategies

Name	Age	Date of appointment as Director	Date of joining our Group	Position	Responsibilities in our Group
Mr. Chan Wing Yiu (陳詠耀)	64	21 August 2014	23 February 1987	Executive Director	Responsible for our financial management, as the compliance officer of our Company for assisting our Board to ensure our Company's compliance with the GEM Listing Rules and other relevant laws and regulations, and as one of our authorised representatives under Rule 5.24 of the GEM Listing Rules
Mr. Chan Wing Lun (陳永倫)	40	21 August 2014	1 May 1997	Executive Director	Responsible for managing our business development and overseeing our general business operations
Dr. Wong King Keung (黃景強)	69	21 August 2014	23 February 1987	Non-executive Director	Responsible for providing strategic advice to our Group
Mr. Lin Wing Ching (連永錚)	59	21 August 2014	1 January 1988	Non-executive Director	Responsible for developing the overall business direction and management strategies of our Group
Dr. Chan Man Hung (陳萬雄)	65	11 May 2015	11 May 2015	Independent non-executive Director	Supervising and providing independent judgment to our Board, our audit committee, our nomination committee and our remuneration committee
Dr. Lai Wing Chueng (黎永昌)	65	11 May 2015	11 May 2015	Independent non-executive Director	Supervising and providing independent judgment to our Board, our audit committee, our nomination committee and our remuneration committee
Mr. Lum Pak Sum (林柏森)	54	11 May 2015	11 May 2015	Independent non-executive Director	Supervising and providing independent judgment to our Board, our audit committee, our nomination committee and our remuneration committee

Executive Directors

Mr. Tong Sai Wong (唐世煌), aged 64, is one of our founders and Controlling Shareholders, and was appointed as our Director on 21 August 2014 and designated as our Chairman and executive Director on 11 May 2015. Currently, he is in charge of managing the development of our audiovisual business devising our business strategies.

Mr. Tong founded our Group together with Dr. Wong and Mr. WY Chan in February 1987. Prior to founding our Group, in the mid-1970s, Mr. Tong worked in 3M Hong Kong Limited (3M香港有限公司), previously known as 3M Far East Limited (3M遠東有限公司). He was awarded the Sales Representative of the Month in December 1974 and Salesman of the Year in 1975 in the Target 40 Program in July 1975, where he was engaged in the promotion of visual products in the government and educational markets. Mr. Tong then joined Filmo of Hutchison Group in 1976 as Manager of Audio Visual Division. In 1979, he set up Edutec International Ltd with Mr. WY Chan and others and served as executive director to develop audiovisual business. Mr. Tong has over 40 years of experience in the audiovisual industry.

Mr. Tong is also involved in the public service sector. Currently, Mr. Tong is one of the Governors and a member of the Executive Committee of Charles K. Kao Foundation for Alzheimer's Disease Limited, a tax-exempted charity incorporated in April 2010. He was appointed as a permanent honorary president of Hong Kong Pui Ching Alumni Association in 2008.

Mr. Tong graduated from Pui Ching Middle School in 1969. He passed the Chinese University of Hong Kong Matriculation Examination in July 1969 and was qualified for the admission. However, due to personal reason, Mr. Tong did not pursue tertiary education and decided to develop his own career.

Mr. Chan Wing Yiu (陳詠耀), aged 64, is one of our founders and Controlling Shareholders, and was appointed as our Director on 21 August 2014 and designated as our executive Director on 11 May 2015. He is also the compliance officer of our Company and one of our authorised representatives under Rule 5.24 of the GEM Listing Rules. He founded our Group together with Dr. Wong and Mr. Tong in February 1987. Mr. WY Chan is responsible for the management of our financial management. Mr. WY Chan has approximately 38 years of experience in the audiovisual industry.

Prior to setting up our Group, Mr. WY Chan had already gained expertise in the audiovisual field and management experience. In March 1976, Mr. Chan served as a chief accountant in Filmo (HK) Limited (菲林模(香港)有限公司). In August 1977, Mr. WY Chan was promoted to the position of finance controller and he was responsible under the chief executive for all financial matters before he left the company in January 1978. In 1979, he set up Edutec International Ltd with Mr. Tong and others and served as executive director to develop audio visual business.

Mr. WY Chan served in Shenzhen GoodYear Enterprise Company Limited (深圳嘉年實業股份有限公司) (previously known as Shenzhen GoodYear Printing & Packaging Company Limited (深圳嘉年印刷包裝有限公司)) as a deputy general manager and a director from May 1993 to October 2000 and from July 1998 to April 2007 respectively. The company was mainly engaged in the production of printed materials.

Mr. Chan Wing Lun (陳永倫), aged 40, is one of our Controlling Shareholders. Mr. WL Chan was appointed as our Director on 21 August 2014 and designated as our executive Director on 11 May 2015. He is principally responsible for marketing, promoting business and approving purchase orders to our suppliers. He also provides internal trainings to our sales staff in relation to, in particular, the characteristics of our services and general marketing skills and techniques.

Mr. WL Chan joined our Group in May 1997 as a sales executive in Eduserve International and was then promoted to a manager in April 2000. In April 2001, Mr. WL Chan was appointed as a director of i-Control (Hong Kong). Mr. WL Chan is responsible for managing the development of our audiovisual business and overseeing our general business operations. In 2001, Dr. Wong, Mr. WY Chan and Mr. Tong Sai Wong invited Mr. WL Chan to become a shareholder of i-Control (Hong Kong). Mr. WL Chan has over 17 years of experience in professional audiovisual system consultation and project management services. In particular, he specialises in digital signage solution and integration.

Mr. WL Chan obtained his bachelor of science in business administration (computer information system) in August 1995 from Hawaii Pacific University.

Non-executive Directors

Dr. Wong King Keung (黃景強), aged 69, is one of our founders and Controlling Shareholders, and was appointed as our Director on 21 August 2014 and designated as our non-executive Director on 11 May 2015. He founded our Group together with Mr. Tong and Mr. WY Chan in February 1987, and has extensive experience and knowledge of management. He is currently responsible for providing strategic advice to our Group.

Dr. Wong took up the vice chairman position of Shenzhen GoodYear Enterprise Company Limited (深圳嘉年實業股份有限公司) (previously known as Shenzhen GoodYear Printing & Packaging Company Limited (深圳嘉年印刷包裝有限公司)) from May 1993 to April 2007. Shenzhen GoodYear Enterprise Company Limited was mainly engaged in the production of printed materials.

Dr. Wong has gained extensive management experience from his involvement in the public service sector. He was appointed as the Hong Kong Affairs Adviser in April 1993. Dr. Wong was a board member of the Airport Authority from December 1995 to May 2005, as well as a member of the Airport Authority's audit committee from 2002 to 2005 and the chairperson of the Airport Authority's works committee from 2001 to 2005. He was also involved in the Town Planning Board, where he served as a member from April 1998 to March 2006, and held the vice chairman position of the Metro Planning Committee from April 2004 to March 2006 and the vice chairman position of the Town Planning Board from April 2006 to March 2008. In addition, Dr. Wong played an active role in the management of the Chinese Permanent Cemeteries by serving as a member of the finance committee and development committee of the board of management of the Chinese Permanent Cemeteries from February 2008 to January 2011, the chairperson of the works committee commencing from April 2010 and member of the board of management of the Chinese Permanent Cemeteries from February 2008 to January 2014.

Dr. Wong has also contributed to the tertiary education field. He was one of the founding members of the University of East Asia, Macau (the predecessor of the University of Macau), which was established in March 1981. Currently, Dr. Wong holds the following positions:

Institutions	Positions	Period of service
The Hong Kong Institute for Promotion of Chinese Culture	Vice Chairman of the Council	Present
The National Committee of the Chinese People's Political Consultative Conference	Committee Member	1998 – Present
HKU School of Professional and Continuing Education	Board Member	2008 – Present
Centennial College, a member of the University of Hong Kong Group	Member of the Board of Governors and Council member	February 2012 – Present
University Assembly, The University of Macau	Member	August 2009 – Present
The University of Hong Kong	Council Member	March 2013 – Present

Aside from work, Dr. Wong was appointed as the Justice of the Peace in June 2000, and was awarded the Bronze Bauhinia Star in July 2001 by the Hong Kong Government in recognition of his distinguished and devoted public service to Hong Kong.

Dr. Wong was admitted as a member and subsequently a fellow at the Hong Kong Institution of Engineers in April 1975 and December 1997, respectively. He obtained his bachelor of science in civil engineering in November 1968 and master of science in engineering in November 1970, both from the University of Hong Kong. He further obtained his doctorate degree in philosophy from the Queen's University in Canada in October 1972. Dr. Wong was also conferred an honorary doctoral degree by the University of Macau in 2010.

Winding-up order against Mei Cheong Ieong Hong (H.K.) Limited ("MCIH") where Dr. Wong was one of its eight directors and a minority shareholder interested in 6.75% of MCIH's then issued share capital

Background of MCIH

MCIH was incorporated in Hong Kong on 20 August 1985. Dr. Wong was appointed as a director of MCIH on 27 September 1988. MCIH then set up a mainland joint venture company together with a joint venture partner to build and operate a hotel in Guangzhou, the PRC.

According to the records at the Companies Registry dated 20 August 1999, Dr. Wong owned 6.75% of the shareholding interests in MCIH. The remaining shareholding interests were owned by Independent Third Parties, one of whom was a director of MCIH ("**Mr. W**"), who owned 33.25% of shareholding interests in MCIH.

Mr. W was the managing director of MCIH and one of the executive directors appointed to the board of the joint venture company and acted as its general manager overseeing the hotel operation and management.

Causes of Winding-up of MCIH

A syndicated loan was entered into between MCIH, as the borrower, and certain lenders on 27 August 1988 ("**Loan**").

On 19 May 1997, certain lenders and an assignee of one of the lenders of the Loan ("**Petitioners**") demanded payment of approximately HK$60 million comprising the principal and interest of the Loan, due to MCIH's default in meeting repayment instalments. Subsequently, on 18 June 1997, the lenders of the Loan declared an event of default under the Loan and invoked an acceleration clause whereby all instalment repayments of principal, all outstanding interest and default interest, totalling approximately HK$142 million, became immediately payable. On 2 March 1999, the Petitioners served a statutory demand on MCIH for approximately HK$159 million comprising outstanding principal and interest.

On 28 April 1999, a winding-up petition was presented to the Court of First Instance of Hong Kong by the Petitioners against MCIH, for its failure to make repayment of the Loan. A compulsory winding-up order was granted by the court on 8 November 1999. MCIH was dissolved on 6 November 2006.

Why MCIH failed to repay the Loan

To the best knowledge of Dr. Wong, the then joint venture partner of MCIH, a mainland enterprise, had for some considerable time been diverting the hotel's operating income away from the account from which MCIH was intending to discharge the Loan ("**Misappropriation**").

Dr. Wong's then involvement in MCIH

Dr. Wong confirmed that he was a friend of Mr. W's late father and subsequently came to know Mr. W directly in or about the late 1970s and early 1980s. In the mid-1980s, Mr. W approached Dr. Wong inviting him to invest in the hotel project in Guangzhou, the PRC, because Mr. W considered Dr. Wong's project management skills and civil engineering background to be useful at the construction stage of the hotel project. Since Dr. Wong considered the hotel project had good business potential and that financing for the project had already been arranged, Dr. Wong agreed to invest in MCIH and became a shareholder.

As confirmed by Dr. Wong, he was appointed as a director of MCIH after the conclusion of the negotiation of the Loan, and he did not know the joint venture partner and had no relationship with it before he invested in MCIH. To the best of Dr. Wong's knowledge, he was appointed as a director of the joint venture company shortly after becoming a director of MCIH, and he held such position until the mid-1990s.

Due to Dr. Wong's civil engineering background, he was the director of MCIH in charge of project management by overseeing the overall construction of the hotel at the initial stage of the hotel project. As confirmed by Dr. Wong, to his knowledge and belief, the construction was completed and the hotel came into operation in early 1990s. After that, Dr. Wong considered his role of project management fulfilled, and thereafter, and at all material times when the Misappropriation happened, he took a rather non-executive and supervisory role and did not take part in the day-to-day operation of MCIH, the hotel and the joint venture company, although he attended board meetings of MCIH and the joint venture company from time to time whenever he could.

Dr. Wong confirmed that, while he was not formally designated as a non-executive director of MCIH and/or the joint venture company, it was the understanding among the shareholders of MCIH, that his directorships in MCIH and the joint venture company were for the purpose of protecting his investments as a minority shareholder of MCIH, rather than enabling him to actively participate in the business management and daily operations of those companies. Dr. Wong further confirmed that he was never the designated contact person with the joint venture partner of MCIH.

Finding out about the Misappropriation and follow-up actions by Dr. Wong

Since Dr. Wong did not participate in the business management and operations of both MCIH and the joint venture company, he did not discover the Misappropriation himself. To the best of Dr. Wong's knowledge, he was informed by Mr. W about the Misappropriation shortly after the Misappropriation could be revealed from the financial information of the joint venture company. Dr. Wong confirmed that, shortly after being informed about the Misappropriation, he, as a director of MCIH and the joint venture company, suggested to the board of MCIH to seek a sale of MCIH's interests in the hotel. Dr. Wong further confirmed that he also sought separate discussions with, and gave his advice to, Mr. W, being the contact person of the joint venture partner and the person responsible for daily management of the hotel, on the possible rectification measures to be taken.

As confirmed by Dr. Wong, MCIH had considered the option of suing its joint venture partner in the PRC. However, according to Dr. Wong's understanding, and also as stated in paragraph 3 of the judgment by the then Hon. Mr. Justice Ribeiro in Court dated 8 November 1999, the joint venture partner was apparently then operated by or with the involvement of officers of the People's Liberation Army of the PRC. In view of the background of its joint venture partner, MCIH considered that it would not be commercially and practically feasible to commence any legal proceedings against its joint venture partner. MCIH also took strategic steps to dissolve the joint venture company in the PRC as an attempt to pressurise the joint venture partner into releasing the funds wrongfully obtained but unfortunately to no avail.

As confirmed by Dr. Wong, there were no outstanding charges in relation to the Loan and/or the relevant winding-up proceedings of MCIH against him at any time and up to the Latest Practicable Date.

Non-compliances of the then listing rules by two listed companies in Hong Kong during the period when Dr. Wong was a director of these companies ("Non-compliances")

Dr. Wong was an independent non-executive director of Yueshou Environment Holdings Limited (previously known as China Rich Holdings Limited) (Stock Code: 1191)

("**Yueshou**") between 1999 and 2007. Yueshou delayed the publication and filing of its annual and interim results for the year/period ended 31 July 2003 and 31 January 2004, respectively, and therefore breached the then listing agreement and listing rules. According to the announcements of Yueshou dated 27 November 2003, 20 January 2004 and 7 June 2004, respectively, the audited financial results of GreaterChina Technology Group Limited ("**GCT**"), a GEM listed company (stock code: 8032) which has been renamed as Viva China Holdings Limited, then being an approximately 31.76% associated company of Yueshou, for the year ended 31 July 2003 (the "**Audited 2003 GCT Results**") had not been available as at the dates of the respective announcements. As the then management of Yueshou considered that the Audited 2003 GCT Results would have to be reflected in the financial results of Yueshou, it was decided that the release of the said annual and interim results of Yueshou had to be delayed until such time after the release of the Audited 2003 GCT Results. The Stock Exchange imposed a public censure on each of Yueshou and its then executive directors. Nevertheless, none of the then independent non-executive directors of Yueshou, including Dr. Wong, were publicly censured or disciplined by the Stock Exchange for the delay in the publication of Yueshou's annual and interim results.

Dr. Wong was a non-executive director and chairman of the board of Upbest Group Limited (Stock Code: 335) ("**Upbest**") between 2005 and 2008. In Upbest's announcement dated 2 May 2008, it was disclosed that Upbest failed to comply with the then listing rules in relation to its provision of financial assistance to another listed company, whose ultimate beneficial owner was related to three of the then executive directors of Upbest between 2000 and 2007, which constituted connected transactions. The Stock Exchange took no disciplinary action against Dr. Wong.

Dr. Wong's rectification measures to avoid occurrence of any incidents similar to the Misappropriation and Non-compliances in our Group

Dr. Wong has agreed to carry out the following rectification measures to avoid occurrence of any incidents similar to the Misappropriation and Non-compliances in our Group:

- Dr. Wong will take up further corporate governance and directors duties training courses, totalling not less than 20 hours during the first year following the Listing. Such courses will include topics on financial reporting management, connected transactions and financial assistance, which would increase Dr. Wong's understanding and awareness of the subjects and help him in identifying and dealing with such issues so that incidents similar to the Misappropriation and Non-compliances in our Group could be avoided;

- if, in carrying out his duties, Dr. Wong discovers any unusual financial assistance or connected transactions, or considers that our Company is susceptible to any such arrangements, Dr. Wong will report such issues to the other Directors and corporate governance department (particulars of which are stated in paragraphs below), seek advice from our Company's external legal advisers, and/or raise the issue at our Company's board meetings, to make sure that the same will be properly and promptly addressed and/or resolved by the management;

- if Dr. Wong discovers any breaches or potential breaches of laws and the GEM Listing Rules, Dr. Wong will inform such issues to the other Directors and corporate governance department (particulars of which are stated in paragraphs below), and/or raise the same during our Company's board meetings, to make sure the same will be properly and promptly addressed and/or resolved by the management;

- Dr. Wong will fully comply with all the requirements set out in guidelines issued by our Company to ensure that our Company will have a comprehensive internal control system upon and following the Listing. Such guidelines include those that are related to the issues arising from the Misappropriation and Non-compliances such as <Connected Transaction Policy>, <Procedures for Declaration of Interest>, <Corporate Governance Manual>, <風險管理規定>, <Financial Reporting Management and Financial Reporting Timetable and Procedures> and <財務報告資訊披露的步驟和程序>; and

- Dr. Wong will sign an annual declaration of compliance to acknowledge that he has complied with the corporate governance measures and internal control manual of our Group, and all relevant rules and regulations administered by the SFC and the Stock Exchange applicable to him as a non-executive Director.

Our Company's internal control procedures to ensure due compliance with all laws and regulations going forward and not susceptible to undue influence of any one Director

With the advice of our Company's independent internal control adviser engaged in April 2014 for the Listing (the "**Internal Control Adviser**"), our Company will adopt certain internal control procedures upon Listing, to ensure that our Company will be in due compliance with all laws and regulations going forward and not susceptible to undue influence of any one Director, as follows:

- our Company will establish a corporate governance department comprising Mr. Wong Yiu Leung, the company secretary and a member of the Hong Kong Institute of Certified Public Accountants, Mr. WY Chan, the compliance officer, and Dr. Lai, the independent non-executive Director. The corporate governance department will be headed by Mr. WY Chan. The corporate governance department will have two major functions, namely to conduct regular internal control reviews and to carry out legal compliance reviews on our Group's operations. Depending on the future work load, our Company may expand the corporate governance department by employing one or two more staff with auditing, legal or relevant experience. In order to preserve independence, the corporate governance department will report to the audit committee directly on a quarterly basis, or on an ad hoc basis, if such matters are considered to require the immediate attention of the audit committee;

- in order to assist the corporate governance department, our Company will, upon Listing, engage (i) an independent internal control adviser for a term of two years; (ii) a compliance adviser for a term of three years; and (iii) external legal advisers;

- with the assistance of the independent internal control adviser, external legal advisers, compliance adviser and auditors, the corporate governance department aims to ensure that our Group's operations will continue to be in compliance with all

applicable laws, rules and regulations. The corporate governance department will conduct regular internal control reviews and legal compliance reviews on our Group's operations and recommend remedial plans to the audit committee, which will then advise our Board on the implementation of any remedial plans, if any potential or actual internal control or legal compliance deficiencies are identified as a result of such reviews. Our Board will make final decisions on the implementation of such remedial plans. To ensure that such remedial plans are implemented, the corporate governance department will follow up and monitor the implementation status and report to the audit committee about the progress and results of such remedial plans. Any material internal control or legal compliance failings, weaknesses or deficiencies identified during the review process and relevant follow-up or remedial measures (if applicable) taken by our Group will be disclosed in our Company's annual reports following the Listing;

- in order to avoid occurrence of any incidents similar to the Misappropriation and Non-compliances, the corporate governance department will adopt various specific internal control review measures upon Listing, including (i) requiring board written resolutions to approve any transactions of our Group exceeding HK$10 million; (ii) reviewing bank transactions of our Group by our financial controller and reporting to one of our Directors, Mr. WY Chan, who is responsible for our financial management and corporate governance, on a monthly basis; (iii) preparing monthly management's account by our financial controller for the Board to review within 28 days after the end of each month and if failing to issue such account, informing all Board members on the reason and the predicted date for provision of such account by our financial controller; and (iv) preparing and updating the connected parties list monthly by our company secretary for review and approval by our Board;

- in addition, the corporate governance department will adopt various general internal control review measures, including (i) reviewing the table prepared and updated by the administration department which sets out all the due dates of publication and filing of our Group's annual and interim results after the Listing under the GEM Listing Rules to ensure that all such publications and filings are made in a timely manner; (ii) overseeing and monitoring whether major decisions of our Company have been reviewed, discussed and approved by our Board, and to ensure that such decisions have not been unduly influenced by any one Director during the decision-making process; and (iii) reviewing our Group's internal operations manual and any other internal approval policies and procedures to ensure our Group's on-going compliance, such as timely release of financial information, continuing legal and regulatory compliance, and anti-fraud management;

- the external advisers of our Company will upon the Listing (a) assist our Group in reviewing its internal operations manual and other internal approval policies and procedures from time to time; (b) advise on updates in respect of the Listing Rules and regulatory compliance matters which are relevant to our Company; (c) recommend implementation or remedial plans to enhance our Group's internal operational system and procedures if necessary; and (d) provide corporate governance training to our Directors and senior management at least once a year. Our Group will continue to review its operational procedures with a view to ensure its on-going compliance and consider to recruit more personnel with relevant skills, experience or qualifications for its corporate governance department if necessary;

- our Group's internal control measures, policies and procedures have been codified in its new internal operations manual since August 2014, which have been adopted and implemented by our Group, after taking into account the comments from the Internal Control Adviser. Further, such internal operations manual and handbooks will be reviewed by the corporate governance department upon Listing on an on-going basis; and

- in addition to the above measures, one of the members of the corporate governance department, Mr. Wong Yiu Leung, will take up further corporate governance and directors duties training courses, including in particular, courses covering the subjects on financial reporting management, connected transactions and financial assistance, which would help our Group to avoid occurrence of any incidents similar to the Misappropriation and Non-compliances, totalling not less than 20 hours during the first year following the Listing.

Views of our Company and the Sole Sponsor

Taking into consideration that:

- Dr. Wong was only a minority shareholder of MCIH, and his directorship on the board of MCIH could be regarded as being representative of his 6.75% shareholding interest in MCIH. It is noted that since the largest shareholder held 50% and Mr. W held 33.25% in MCIH, and Mr. W was the then managing director of MCIH, it seems that Mr. W and directors representing the largest shareholder's interest in MCIH might have an overriding influence over the board of MCIH. Nevertheless, as confirmed by Dr. Wong, once he was aware of the financial difficulties faced by MCIH, Dr. Wong suggested various proposals with a view to resolve the issue (particulars stated below). In light of Dr. Wong's 6.75% shareholding and the then board composition of MCIH, it would seem that Dr. Wong's influence on the affairs of MCIH would be limited. Given this situation, Dr. Wong confirmed that he had used in his best endeavours to resolve the Misappropriation (particulars to be stated below). As he had interest in MCIH, being his investment of approximately HK$4.125 million, which was a substantial amount at that time, it would be unreasonable to assume Dr. Wong would not take any action in the Misappropriation as it would run contrary to his own interest in MCIH;

- as confirmed by Dr. Wong, after the completion of construction of the hotel, Dr. Wong, although had taken a rather non-executive and supervisory role as mentioned above, Dr. Wong was never the contact person with the joint venture partner of MCIH, nor was he responsible for the daily operation of MCIH, the hotel and the joint venture company. Accordingly, he could only participate in the business management and operation of MCIH and joint venture company by contributing his views and advice. Mr. W, being one of the controlling shareholders of MCIH was in charge of the daily operations of the hotel. Comparatively, Dr. Wong's influence on the affairs of MCIH, despite being a director, was limited;

- Dr. Wong confirmed that he had used in his best endeavours to resolve the Misappropriation. Upon being informed by Mr. W of the Misappropriation, Dr. Wong as the director of MCIH immediately gave his advice to Mr. W that the best course of action was to negotiate with the PRC domestic joint venture partner of MCIH with a view for MCIH to sell all of its interests in the joint venture company to the joint venture partner of MCIH as Dr. Wong did not really see any prospects of success in pursuing other recourses given the background of the joint venture partner of MCIH. MCIH had also considered appointing an agent for solicitation of potential buyers of MCIH's interests in the hotel and Dr. Wong assisted in such appointment. As confirmed by Dr. Wong, he also himself tried to identify potential buyers of MCIH's interests in the hotel and gave his advice to Mr. W, being the person in MCIH in charge of handling the Misappropriation. When he could not attend some meetings, his fellow director in MCIH ("**Mr. C**"), who acted as his representative to act in his place on such board meetings, kept Dr. Wong well informed of the situation. According to Dr. Wong's recollection, Mr. C was a director of MCIH and the joint venture company, who was also in charge with the operations of the hotel, therefore it was no doubt reasonable in the circumstances for Dr. Wong to ask Mr. C to represent him during the meetings;

- the winding up proceedings of MCIH and Misappropriation were not a result of Dr. Wong's fault. Dr. Wong was only interested in approximately 6.75% interest in MCIH and there was no indication of fraudulent act on the part of Dr. Wong. Further, Dr. Wong, as a director of MCIH and a director of the joint venture company, had taken active steps to resolve the Misappropriation in order to fulfil his director's duties as well as to protect his investment in MCIH though in vain;

- Dr. Wong, as one of the investors of MCIH and invested around HK$4.125 million, which was a substantial amount at that time, was himself very concerned about the Misappropriation. As Dr. Wong understands, as the affected party in the joint venture, MCIH had exhausted all possible channels under the circumstances at that time to resolve the matter in the best interests of MCIH and the investors. Yet, MCIH eventually could not escape the fate of being compulsorily wound up;

- the judgement by the then Hon. Mr. Justice Ribeiro in Court dated 8 November 1999, in ruling the petition and granting the compulsory winding up order against MCIH, did not make any adverse comment on the directors of MCIH. Further, request was made through our Company's legal advisers as to Hong Kong laws with the liquidator of MCIH for any books and records regarding MCIH. Nevertheless, the liquidator of MCIH replied that the books and records of MCIH had already been destroyed pursuant to the Court order dated 30 August 2004. In addition, according to the litigation searches conducted by an independent search agent in relation to proceedings against the directors of MCIH in relation to the Misappropriation, no case of such parties was revealed. Further, as confirmed by Dr. Wong, there were no outstanding charges in relation to the Loan and/or the relevant winding up proceedings of MCIH against him at any time and up to the Latest Practicable Date. Therefore, the Sole Sponsor was not aware of any information which implicated that Dr. Wong had breached his fiduciary duty in the Misappropriation;

- in light of the above, it is our Company's view, as concurred by the Sole Sponsor, that Dr. Wong had done all that he could in the circumstances and therefore had properly fulfilled his fiduciary duties and duties of skill care and diligence as a director of MCIH and the joint venture company. There is nothing, in our Company's view, as concurred by the Sole Sponsor, in this incident that casts doubts on Dr. Wong's suitability to act as a Director. Our Company and other Directors have absolute confidence in Dr. Wong and do not see that his suitability as a Director is called into question as a result of his having been a director of MCIH and the joint venture company or otherwise. Dr. Wong is one of the founders of our Group in 1987. Throughout the years, Dr. Wong has demonstrated his competence and abilities as a director of operating subsidiaries of our Group, which has successfully developed under the lead of Dr. Wong for almost 20 years. Our Company considers that Dr. Wong has the character, experience and integrity commensurate with his position as a Director and director of the subsidiaries of our Group. Please refer to Dr. Wong's biography as disclosed above in this section;

- being the then independent non-executive director of Yueshou, Dr. Wong was not involved in the day-to-day operations of Yueshou. Further, Dr. Wong stated on record that he had carried out his duty as the then independent non-executive director of Yueshou to the best of his ability and had, in particular, raised concern over the relevant non-compliance, during the audit committee and board meetings of Yueshou respectively;

- as Dr. Wong was first appointed as a non-executive director of Upbest in January 2005 (he retired from that position in August 2008), in the view of our Directors, and concurred by the Sole Sponsor, he should not be held responsible for Upbest's failure to comply with the then Listing Rules for the provision of financial assistance from January 2000 to January 2005 because he played no part in such contraventions but, as a result of being appointed as a non-executive director, inherited these breaches through no fault of his own;

- as disclosed in Upbest's announcement dated 2 May 2008, following the discovery of the failure to comply with the then Listing Rules, and at the time when Dr. Wong was acting as the chairman and a non-executive director of Upbest, Upbest had taken immediate remedial measures to prevent similar incidents from happening. Such remedial measures included the delegation to an executive director for reviewing and overseeing any other transactions between Upbest and the other listed company in question. Further, Upbest had also conducted a review on its internal controls and reporting system with regard to transactions with potential implications for connected transactions under the then Listing Rules and reinforced internal training on compliance with the then Listing Rules accordingly. In addition, as disclosed in the aforementioned announcement, Upbest ceased the provision and receipt of the financial assistance immediately after having been alerted of the relevant non-compliance incidents;

- the Stock Exchange took no disciplinary action against Dr. Wong as a result of the Non-compliances and Dr. Wong continued to act as independent non-executive director of Yueshou and non-executive director of Upbest until his resignation on 13 April 2007 and 28 August 2008, respectively,

- the rectification measures to be carried out by Dr. Wong as stated above, as confirmed by our Company, and discussed with and concurred by the Sole Sponsor, are able to avoid occurrence of any incidents similar to the Misappropriation and Non-compliances in our Group upon Listing; and

- our Company's internal control procedures as stated above, as confirmed by our Company, and discussed with and concurred by the Sole Sponsor, are sufficient to ensure due compliance with all laws and regulations going forward and is not susceptible to undue influence of any one Director,

our Company and the Sole Sponsor are of the view that the winding up proceedings of MCIH, the Misappropriation, the Non-compliances and Dr. Wong's handling on this MCIH incident do not affect Dr. Wong's suitability as a Director under GEM Listing Rules 5.01 and 5.02.

Mr. Lin Wing Ching (連永錚), aged 59, was appointed as our Director on 21 August 2014 and designated as our non-executive Director on 11 May 2015. He is responsible for developing the overall business directions and management strategies of our Group. Mr. Lin joined our Group for approximately 26 years. He was appointed as a director and administration manager of Newmark in January 1988. He was responsible for overseeing the finance and administration of integrated system in relation to the audiovisual business of our Group until his secondment arrangement for a term of two years since December 2013, in which he was appointed as general manager by The Hong Kong Institute for Promotion of Chinese Culture. Mr. Lin served as a director of Shenzhen GoodYear Enterprise Company Limited (深圳嘉年實業股份有限公司) from July 1998 to November 2000 and served as the deputy general manager from November 2000 to April 2003. The company was mainly engaged in the production of printed materials.

Mr. Lin obtained his bachelor of business administration in accounting from the Chinese University of Hong Kong in November 1978.

Independent non-executive Directors

Dr. Chan Man Hung (陳萬雄) ("Dr. MH Chan"), aged 65, is our independent non-executive Director. He was appointed as our independent non-executive Director on 11 May 2015. Dr. MH Chan currently holds positions in a number of organisations, namely, a council member of the Confucius Institute of Hong Kong Limited, a member of the committee of overseers of the Lee Woo Sing College of the Chinese University of Hong Kong since August 2011 and a member of the board of governors of the Chu Hai College of Higher Education (Hong Kong) since January 2013. Dr. MH Chan served as the managing director and chief editor from May 1988 to December 2003 of the Commercial Press (H.K.) Limited. Dr. MH Chan was also the vice-chairman and president of the Sino United Publishing (Holdings) Limited from September 2003 to March 2013. Dr. MH Chan has also been serving as a member of the National Committee of the Chinese People's Political Consultative Conference since January 2008. In addition, Dr. MH Chan was appointed as a Hong Kong Affairs Advisor from April 1994 to April 1996 and May 1996 to June 1997. Dr. MH Chan was appointed by the Government as Justice of the Peace in July 2004.

Dr. MH Chan obtained his bachelor of arts in October 1973 and a master of philosophy in October 1975, both from the Chinese University of Hong Kong. Dr. MH Chan completed studies for his doctorate course (majoring in oriental history) at the Hiroshima University in March 1980. Dr. MH Chan obtained his doctor of philosophy from the University of Hong Kong in December 1990. In June 2007, Dr. MH Chan was conferred an award of honorary fellowship by the Hong Kong University of Science and Technology. Dr. MH Chan specialises in the history of modern Chinese culture and thought, and he has written a number of books on this subject since 1990s.

Dr. Lai Wing Chueng (黎永昌) ("Dr. Lai"), aged 65, is our independent non-executive Director. He was appointed as our independent non-executive Director on 11 May 2015. Dr. Lai currently serves as a member of the audit sub-committee of the Hong Kong Housing Authority, a chairman of the PIPS Limited since February 2011, a board member of the Jao Tsung-I Academy since June 2011, independent non-executive directors of China Xintiandi Limited and China Xintiandi Holdings Company Limited, both wholly-owned subsidiaries of the Shui On Land Limited (Stock Code: 272), since March 2013 and December 2013 respectively, and a member of the college council of the Centennial College since November 2012.

Since August 1996, Dr. Lai has been an executive director at the Hong Kong Airport Authority in charge of finance and investment until he retired in May 2010. Dr. Lai was also the first vice chairman of the Hangzhou Xiaoshan International Airport Company Limited from December 2006 to April 2010, the chairman of Hong Kong-Zhuhai Airport Management Co Ltd from April 2006 to April 2010 and the vice chairman of Shanghai Hong Kong Airport Management Co Ltd from October 2009 to May 2010.

Dr. Lai obtained his bachelor of science degree from the State University of New York, Fredonia in August 1975, his master degree of business administration from the University of Toronto, Toronto in December 1976 and a honorary doctor degree of science from the State University of New York at Fredonia in May 2004.

Mr. Lum Pak Sum (林柏森) ("Mr. Lum"), aged 54, is our independent non-executive Director. He was appointed as our independent non-executive Director on 11 May 2015. Mr. Lum has over 20 years' experience in the Hong Kong financial market. Mr. Lum has engaged in the securities and corporate finance business since July 1988 and September 2004 respectively. Mr. Lum's recent work experience includes the following:

Company	Period
REXCAPITAL (Hong Kong) Limited	September 2004 to January 2009
AsiaVest Partners Limited (now known as SPDB International Holdings Limited)	September 2009 to June 2012
RaffAello Capital Limited	5 July 2012 to present
RaffAello Asset Management (HK) Limited	October 2014 to present

Mr. Lum's directorships in other listed companies in the last three years are listed as follows:

Company	Principal business nature (during the tenure)	Position	Period
Jimei International Entertainment Group Limited (formerly known as Karce International Holdings Company Limited and Sinogreen Energy International Group Limited) (Stock Code: 1159)	Trading of conductive silicon rubber keypads	Independent non-executive director	April 2009 to November 2014
Eagle Ride Investment Holdings Limited (formerly known as Radford Capital Investment Limited) (Stock Code: 0901)	lnvestment holding and trading of financial assets	Independent non-executive director	May 2010 to October 2013
Great China Properties Holdings Limited (formerly known as Wayfung Global Group Limited until 4 March 2013 and Beauforte Investors Corporation Limited until 8 November 2009) (Stock Code: 0021)	Property investment and development, investment holding and security investment	Independent non-executive director	August 2007 to present
Bestway International Holdings Limited (Stock Code: 0718)	Investment holding, trading cotton yards and mining business	Independent non-executive director	March 2010 to May 2013
Asia Resources Holdings Limited (Stock Code: 0899)	Manufacture and sales of pharmaceutical products, exploration, exploitation and trading operation of iron ore, and securities investment	Independent non-executive director	November 2010 to January 2015
Orient Securities International Holdings Limited (Stock Code: 8001)	Provision of brokerage service; underwriting and placing service; and financing services including securities and IPO margin financing	Non-executive director	April 2011 to present

Company	Principal business nature (during the tenure)	Position	Period
Beautiful China Holdings Company Limited (Stock Code: 0706)	Provision of automatic teller machines services	Independent non-executive director	January 2014 to present
Pak Tak International Limited (Stock Code: 2668)	Manufacturing of and trading in knit-to-shape garments, and retailing of children's wear	Independent non-executive director	June 2014 to November 2014
Shinhint Acoustic Link Holdings Limited (Stock Code: 2728)	Sales of communication peripheral, portable audio, desktop and speaker drivers	Independent non-executive director	December 2014 to present
Asia Green Agriculture Corporation, a company trading on the Over-the-Counter Bulletin Board in the United States (Symbol: AGAC) (currently privatised)	Production of organic food	Independent director	September 2011 to present

It is noted that trading in the shares of Grand Field Group Holdings Limited (Stock Code: 115) ("**Grand Field**"), which Mr. Lum was an independent non-executive director between July 2004 and May 2008, was suspended from 30 January 2007 to 10 July 2007 in light of an investigation by the Independent Commission Against Corruption against two directors of Grand Field involving certain transactions regarding a gas pipeline business in Chongqing (the "**Transactions**") entered into by Grand Field during 2002 to 2003. Mr. Lum was not a director of Grand Field at the time of the Transactions. According to the announcement of Grand Field dated 21 March 2007, Mr. Lum was appointed as a member of an independent committee established to conduct review of the Transactions. Mr. Lum confirms that there was no investigation against him during his directorship in Grand Field.

Mr. Lum obtained his master degree of business administration from The University of Warwick in July 1994 and his bachelor degree of laws from The University of Wolverhampton in October 2002 by way of distance learning. He has become a fellow of the Hong Kong Society of Accountants (now known as the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") since June 1996 and is currently a non-practicing member of the HKICPA. Mr. Lum was admitted as an associate and a fellow of the Association of Chartered Certified Accountants (previously known as the Chartered Association of Certified Accountants) in September 1988 and September 1993 respectively.

Save as disclosed in this prospectus, each of our Directors confirms with respect to himself that: (a) he has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (b) he does not have any relationship with any other Directors, senior management or Substantial Shareholders or Controlling Shareholders; (c) there is no other information that

should be disclosed for himself pursuant to the requirements under Rule 17.50(2)(a) to (v) of the GEM Listing Rules; and (d) there are no other matters that need to be brought to the attention of our Shareholders.

SENIOR MANAGEMENT

The following table provides information on our senior management:

Name	Age	Date of joining our Group	Position / title in our Group	Responsibilities in our Group
Mr. Wong To Yan (黃道恩)	37	1 March 2010	General manager of i-Control (China) and i-Control (Shanghai)	Responsible for managing the business operations of i-Control (China) and i-Control (Shanghai)
Mr. Wong Kan Fai Michael (黃勤輝)	47	9 November 1987	Financial controller	Responsible for overseeing our Group's finances and cost control
Mr. Sin Hing Yu Brian (冼慶餘)	40	18 January 1999	Senior solution manager of i-Control (Hong Kong)	Responsible for managing the commercial sales team of i-Control (Hong Kong)
Mr. Poon King Hang (潘景衡)	39	5 July 1999	Manager of Eduserve International	Responsible for managing the business operations of Eduserve International

Mr. Wong To Yan (黃道恩) ("Mr. TY Wong"), aged 37, joined our Group in March 2010 and has been the general manager of i-Control (China) and i-Control (Shanghai) since then. Mr. TY Wong is responsible for the business operations of i-Control (China) and i-Control (Shanghai). Mr. TY Wong has over 15 years of sales and business development experience in the information technology and audiovisual industry.

Prior to joining our Group, Mr. TY Wong had already gained extensive experience in the sales of consumer electronics and audiovisual products. He joined NEC Hong Kong Limited as a sales engineer in April 2002 and served as an assistant manager when he left the company in July 2007. He was the sales manager of Logitech Asia Pacific Limited from July 2007 to February 2010. Both of the companies specialize in information and communication technology.

Mr. TY Wong obtained his bachelor of engineering in mechanical engineering (environmental engineering) from the University of Hong Kong in November 2000. He also completed a diploma in China commercial law at the Adult Education Centre of Shenzhen University in July 2002.

Mr. TY Wong is interested in 30% shareholding interest in i-Control (China).

Mr. Wong Kan Fai Michael (黃勤輝) ("Mr. KF Wong"), aged 47, has been serving our Group as financial controller since July 2010. He is responsible for monitoring and supervising our Group's finance department.

Mr. KF Wong embarked on his first career with us in November 1987, when he was employed as an accounts clerk. Throughout the years, Mr. KF Wong progressed along his career ladder and was promoted to the position of financial controller in July 2010.

Mr. KF Wong obtained his bachelor degree of business in November 2004 from Monash University through distance learning. In July 2009, he was admitted as a member of the CPA Australia.

Mr. Sin Hing Yu Brian (冼慶餘) ("Mr. Sin"), aged 40, has been the senior solution manager of i-Control (Hong Kong) since April 2013. He is responsible for managing the commercial sales team. Mr. Sin joined Eduserve International in January 1999 initially as a sales executive, and he has more than 15 years of experience in sales and business development in the audiovisual industry.

Mr. Sin obtained his bachelor of arts in international business administration in July 2005 from the University of Northumbria at Newcastle through distance learning.

Mr. Poon King Hang (潘景衡) ("Mr. Poon"), aged 39, has been the manager of Eduserve International since April 2006. Mr. Poon joined us as a sales engineer in July 1999 and he is responsible for managing the business operations of Eduserve International. Mr. Poon was a Certified Technology Specialist awarded by the International Communications Industries Association, Inc (currently known as the InfoComm International), an ANSI (American National Standards Institute) Accredited Standards Developer, where the certification programme is accredited under the ANSI/-ISO/IEC 17024. Mr. Poon has more than 16 years of experience in sales and project management in the audiovisual industry.

Mr. Poon obtained his bachelor of science in electronics from The Open University of Hong Kong in June 2009.

Mr. Poon is interested in 20% shareholding interest in Eduserve International.

COMPANY SECRETARY

Mr. Wong Yiu Leung (黃耀樑) ("Mr. YL Wong"), aged 34, is our company secretary. He was appointed as our company secretary on 6 October 2014. Mr. YL Wong obtained his bachelor of business administration (Honours) in accountancy from City University of Hong Kong in October 2005 and has been a member of the Hong Kong Institute of Certified Public Accountants since February 2012. He worked for Deloitte Touche Tohmatsu from December 2011 to August 2013. He also worked for SHINEWING (HK) CPA Limited from August 2008 to November 2011. He has eight years of experience in accounting, auditing and tax consultancy field.

AUTHORISED REPRESENTATIVES

Mr. WY Chan and Mr. YL Wong have been appointed as our authorised representatives under Rule 5.24 of the GEM Listing Rules. The authorised representatives will act as the principal communication channel with the Stock Exchange and will make themselves readily available in Hong Kong whenever necessary to deal with inquiries from the Stock Exchange. When the Stock Exchange contacts the authorised representatives, they will be able to contact all members of the Board immediately, ensuring an effective communication channel with the Stock Exchange.

In addition to appointing the authorised representatives, we have also retained the services of a compliance adviser which, in addition to the authorised representatives of our Company, will act as the principal channel of communication with the Stock Exchange from the Listing Date until the date on which we comply with Rule 18.03 of the GEM Listing Rules in respect of our financial results for the first full financial year following Listing.

COMPLIANCE OFFICER

Mr. WY Chan was appointed as the compliance officer of our Company on 6 October 2014. Please refer to the section "Directors, Senior Management and Staff — Directors" in this prospectus for his profile.

COMPLIANCE ADVISER

We have appointed Pan Asia as our compliance adviser pursuant to Rule 6A.19 of the GEM Listing Rules.

We have entered into a compliance adviser's agreement with the compliance adviser, the material terms of which are as follows:

(a) we appoint the compliance adviser for the purpose of Rule 6A.19 of the GEM Listing Rules for a period commencing on the date of listing of our Shares on GEM and ending on the date on which we comply with Rule 18.03 of the GEM Listing Rules in respect of our financial results for the second full financial year commencing after the Listing Date, or until the agreement is terminated, whichever is earlier;

(b) the compliance adviser shall provide us with services, including guidance and advice as to compliance with the requirements under the GEM Listing Rules and applicable laws, rules, codes and guidelines, and to accompany us to any meetings with the Stock Exchange;

(c) we are entitled to terminate the appointment of the compliance adviser by giving not less than one (1) month's written notice to the compliance adviser. The compliance adviser will have the right to resign or terminate its appointment if we materially breach the agreement; and

(d) during the period of appointment, our Company must consult with, and if necessary, seek advice from the compliance adviser on a timely basis in the following circumstances:

(i) before the publication of any regulatory announcement, circular or financial report by our Company;

(ii) where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues and share buy-backs;

(iii) where we propose to use the proceeds of the Placing in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecast, estimate, or other information in this prospectus; and

(iv) where the Stock Exchange makes an inquiry of us under Rule 17.11 of the GEM Listing Rules.

BOARD PRACTICES

In the absence of extraordinary events, it is the practice of our Board to meet at least four times a year. At such meetings, our Directors conduct, among other things, an operational review of our business.

BOARD COMMITTEES

Audit Committee

Our Board has established an audit committee on 11 May 2015, which operates under a terms of reference approved by our Board. It is our Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. Our Board has delegated the responsibility for the initial establishment and the maintenance of a framework of internal controls and ethical standards for our management to our audit committee.

Our audit committee currently comprises three independent non-executive Directors, namely Dr. MH Chan, Dr. Lai and Mr. Lum. Mr. Lum is the chairman of our audit committee.

Nomination Committee

Our Board has established a nomination committee on 11 May 2015, which operates under a terms of reference approved by our Board. Our nomination committee is responsible for making recommendations to our Board regarding candidates to fill vacancies in our Board, as well as the management of our Board succession. Our nomination committee will, taking account of various factors including, but not limited to, age spread of individual Directors and our Group's business development progress, conduct annual reviews in relation to the

composition of our Board. It will also make annual enquiries of the existing Directors as to the status of their individual retirement plans, if any. Should any of our Directors indicate a plan to retire, our nomination committee, with the assistance of our staff responsible for human resources, will start to identify potential candidates, whether within our Group or otherwise, with the appropriate background and expertise to join our Board.

Our nomination committee currently comprises three independent non-executive Directors, namely Dr. MH Chan, Dr. Lai and Mr. Lum. Dr. Lai is the chairman of our nomination committee.

Remuneration Committee

Our Board has established a remuneration committee on 11 May 2015, which operates under a terms of reference approved by our Board. Our remuneration committee is responsible for determining and reviewing compensation arrangements for our key management executives. Our remuneration committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions, the nature and amount of Directors' and senior management's emoluments, and our Company's financial and operational performance, with the overall objective of ensuring maximum shareholder benefit from the retention of a high quality board and executive team.

Our remuneration committee currently comprises three independent non-executive Directors, namely Dr. MH Chan, Dr. Lai and Mr. Lum. Dr. MH Chan is the chairman of our remuneration committee.

REMUNERATION POLICY

Our Directors receive remuneration in the form of salaries, allowances, benefits in kind, discretionary bonuses, retirement scheme contributions and share-based payments made on their behalf. The aggregate remuneration paid to our Directors for the year ended 31 March 2013, the year ended 31 March 2014 and the nine months ended 31 December 2014 was approximately HK$0.9 million, HK$0.7 million and nil, respectively.

The following table provides details of the various components of total remuneration paid to our Directors:

	Salaries, bonuses and other costs *(HK$'000)*	**Provident fund and other defined contributions** *(HK$'000)*	**Total** *(HK$'000)*
For the year ended 31 March 2013	895	15	910
For the year ended 31 March 2014	654	10	664
For the nine months ended 31 December 2014	–	–	–

The following table provides details of the various components of total remuneration paid to the top five highest paid individuals:

	Salaries, bonuses and other costs *(HK$'000)*	**Provident fund and other defined contributions** *(HK$'000)*	**Total** *(HK$'000)*
For the year ended 31 March 2013	3,002	91	3,093
For the year ended 31 March 2014	3,119	91	3,210
For the nine months ended 31 December 2014	2,676	95	2,771

Save as otherwise disclosed in this prospectus, none of our Directors in office during the Track Record Period received any salaries, housing allowances, pension scheme contributions, other allowances and benefits in kind from us.

Save as otherwise disclosed in this prospectus, no remuneration has been paid to our Directors or the five highest paid individuals as an inducement to join or upon joining our Group or as compensation for the loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group during the Track Record Period. No Directors waived any emoluments during the Track Record Period.

The expected annual Directors' fees and other emoluments to be paid by our Group for the financial year ended 31 March 2015 and ending 31 March 2016 will be nil and approximately HK$4.2 million respectively.

The Director's fee for each of our Directors is subject to the Board's review from time to time in its discretion after taking into account the recommendation of our remuneration committee. The remuneration package of each of our Directors is determined by reference to market terms, seniority, experiences, duties and responsibilities of that Director within our Group. Our Directors are entitled to statutory benefits as required by law from time to time such as pension.

Prior to the Listing, the remuneration policy of our Group to reward its employees and executives is based on their performance, qualifications, competence displayed and market comparable. Remuneration package typically comprises salary, contribution to pension schemes and discretionary bonuses relating to the profit of the relevant company. Upon and after the Listing, the remuneration package of the Director and the senior management will, in addition to the above factors, be linked to the return to our Shareholders. Our remuneration committee will review annually the remuneration of all our Directors to ensure that it is attractive enough to attract and retain a competent team of executive members.

DIRECTORS' COMPETING INTERESTS

Save as disclosed in the section headed "Relationship with Controlling Shareholders" in this prospectus, none of our Controlling Shareholders, Directors and their respective close associates are interested in any business which competes or is likely to compete with that of ours.

SHARE CAPITAL

The authorised share capital of our Company immediately before the completion of the Capitalisation Issue and the Placing is HK$380,000, divided into 38,000,000 Shares with a nominal value of HK$0.01 per Share.

The share capital of our Company immediately after the completion of the Capitalisation Issue and the Placing will be as follows:

Number of Shares	Description of Shares and Shareholders	Aggregate nominal value of Shares *(HK$)*	Approximate percentage of issued share capital
1,500,000	Shares in issue as at the date of this prospectus	15,000	0.15%
748,500,000	Shares to be issued pursuant to the Capitalisation Issue	7,485,000	74.85%
250,000,000	Shares to be issued under the Placing	2,500,000	25.00%
1,000,000,000	Total	10,000,000	100.00%

ASSUMPTIONS

The above table assumes that the Placing becomes unconditional and will be completed in accordance with the relevant terms and conditions. However, it takes no account of any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme, and any Shares which may be allotted and issued, or bought back by us pursuant to the Issuing Mandate and the Buy-back Mandate as described below.

RANKING

The Placing Shares will rank *pari passu* in all respects with all Shares now in issue or to be issued as mentioned herein, and will rank in full for all dividends or other distributions declared, made or paid on the Shares after the date of this prospectus.

Save as disclosed in this prospectus, no share or loan capital of our Company or any of our subsidiaries is under any option or is agreed conditionally or unconditionally to be put under any option.

CAPITALISATION ISSUE

Pursuant to the resolutions in writing of all our Shareholders passed on 11 May 2015 as further mentioned in Appendix VI to this prospectus, subject to the share premium account of our Company having sufficient balance, or otherwise being credited as a result of the issue of Placing Shares pursuant to the Placing, our Directors are authorised to allot and issue a total of 748,500,000 Shares credited as fully paid at par to the holders of Shares on the register of members of our Company in proportion to their respective shareholdings by way of capitalisation of the sum of HK$7,485,000 standing to the credit of the share premium account of our Company, and the Shares to be allotted and issued pursuant to the said resolution shall rank *pari passu* in all respects with all other existing issued Shares.

GENERAL MANDATE TO ISSUE NEW SHARES

A general unconditional mandate (the "**Issuing Mandate**") has been granted to our Directors authorising them to exercise our powers to allot, issue and deal with Shares or securities convertible into Shares and to make an offer or agreement or grant an option which would or might require such Shares to be allotted and issued, provided that the aggregate nominal value of the Shares allotted or agreed conditionally or unconditionally to be allotted shall not exceed 20% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the Placing (but excluding any Shares which may be allotted and issued pursuant to the exercise of options which may be granted and under the Share Option Scheme).

This Issuing Mandate does not apply to situations where our Directors allot, issue or deal with the Shares under any rights issue, scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of a dividend on Shares in accordance with the Articles of Association or pursuant to the exercise of any subscription or conversion rights attaching to any warrants or any securities which are convertible into Shares or in issue prior to the date the Issuing Mandate was granted, or pursuant to the exercise of any options to be granted under the Share Option Scheme or pursuant to the Placing or pursuant to a specific authority granted by our Shareholders in general meeting, on behalf of our Company.

This Issuing Mandate will expire:

- at the conclusion of our next annual general meeting; or
- at the expiration of the period within which our next annual general meeting is required by any applicable law or the Articles of Association to be held; or
- the passing of an ordinary resolution by our Shareholders in a general meeting revoking, varying or renewing such Issuing Mandate,

whichever is the earliest.

Particulars of this Issuing Mandate are set out in the section headed "A. Further information about our Company and our subsidiaries — 3. Resolutions in writing of all our Shareholders passed on 11 May 2015" in Appendix VI to this prospectus.

GENERAL MANDATE TO BUY-BACK SHARES

A general unconditional mandate (the "**Buy-back Mandate**") has been granted to our Directors authorising them to exercise all the powers for and on behalf of our Company to buy-back Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the Placing (but excluding any Shares which may be allotted and issued pursuant to the exercise of options which may be granted under the Share Option Scheme).

This Buy-back Mandate only relates to buy-backs made on GEM, or on any other approved stock exchange(s) on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, and which are made in accordance with the GEM Listing Rules. A summary of the relevant GEM Listing Rules is set out in the section headed "A. Further information about our Company and our subsidiaries — 6. Buy-back by our Company of our Shares" in Appendix VI to this prospectus.

This Buy-back Mandate will expire:

- at the conclusion of our next annual general meeting; or
- at the expiration of the period within which our next annual general meeting is required by any applicable law or the Articles of Association to be held; or
- the passing of an ordinary resolution by our Shareholders in a general meeting revoking, varying or renewing such Buy-back Mandate,

whichever is the earliest.

Particulars of this Buy-back Mandate are set out in the section headed "A. Further information about our Company and our subsidiaries — 3. Resolutions in writing of all our Shareholders passed on 11 May 2015" in Appendix VI to this prospectus.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING AND CLASS MEETING ARE REQUIRED

Our Company has only one class of shares, namely ordinary shares, each of which ranks *pari passu* with the other shares.

Pursuant to the Companies Law and the terms of the Memorandum of Association and the Articles of Association, our Company may from time to time by ordinary shareholders' resolutions (i) increase our capital; (ii) consolidate and divide our capital into Shares of larger amount; (iii) divide our Shares into classes; (iv) subdivide our Shares into Shares of smaller amount; and (v) cancel any Shares which have not been taken. In addition, our Company may reduce or redeem our Share capital by Shareholders' special resolution. Please refer to the section headed "Summary of the Constitution of the Company and Cayman Islands Company Law — 2. Articles of Association — 2.5 Alteration of capital" in Appendix V to this prospectus.

Pursuant to the Companies Law and the terms of the Memorandum of Association and the Articles of Association, all or any of the special rights attached to the Share or any class of Shares may be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued Shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of that class. Please refer to the section headed "Summary of the Constitution of the Company and Cayman Islands Company Law — 2. Articles of Association — 2.4 Variation of rights of existing shares or classes of shares" in Appendix V to this prospectus.

SHARE OPTION SCHEME

We have conditionally adopted a Share Option Scheme. Details of the principal terms of our Share Option Scheme are summarised in the section headed "D. Share Option Scheme" in Appendix VI to this prospectus.

So far as our Directors are aware, each of the following persons will, immediately following the completion of the Capitalisation Issue and the Placing (without taking into account the Shares which may be sold upon the exercise of the Offer Size Adjustment Option and any Shares which may be allotted and issued upon the exercise of options which may be granted under the Share Option Scheme), have an interest or short position in our Shares or underlying Shares which would be required to be disclosed to our Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group:

(A) Interests in our Company

		Immediately following the completion of the Capitalisation Issue and the Placing	
Name	**Capacity/ Nature of interest**	**Number of Shares**	**Approximate percentage of issued Shares in our Company**
Newmark Group	Beneficial owner	510,000,000	51.00%
Dr. Wong	Beneficial owner	92,640,000	9.26%
	Interests of controlled corporation *(Note 1)*	510,000,000	51.00%
Ms. Lau Sau Yee	Interests of spouse *(Note 2)*	602,640,000	60.26%

Notes:

(1) These Shares were, and (as the case may be) will be, held by Newmark Group, which is owned as to 38.6% by Dr. Wong. Pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO, Dr. Wong is deemed to have an interest in all Shares in which Newmark Group has, or deemed to have, an interest.

(2) Ms. Lau Sau Yee is the wife of Dr. Wong. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, Ms. Lau is deemed to have an interest in all Shares in which Dr. Wong has, or deemed to have, an interest.

(B) Interest in other members of our Group

Name of shareholder(s)	Name of subsidiary of our Company	Capacity/Nature of interest	Immediately following the completion of the Capitalisation Issue and the Placing Number of Shares	Immediately following the completion of the Capitalisation Issue and the Placing Approximate percentage of issued shares in the subsidiary of our Company
Wong To Yan	i-Control (China)	Beneficial owner	540,000	30%
Poon King Hang	Eduserve International	Beneficial owner	600,000	20%

Except as disclosed in this prospectus, our Directors are not aware of any person who will, immediately following the completion of the Capitalisation Issue and the Placing (without taking into account the Shares which may be sold upon the exercise of the Offer Size Adjustment Option and any Shares which may be allotted and issued upon the exercise of options which may be granted under the Share Option Scheme), have an interest or short position in Shares or underlying Shares which would be required to be disclosed to our Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group.

CONTROLLING SHAREHOLDERS

Immediately following the completion of the Capitalisation Issue and the Placing (without taking into account the Shares which may be sold upon the exercise of the Offer Size Adjustment Option and any Shares which may be allotted and issued upon the exercise of options which may be granted under the Share Option Scheme), (a) Newmark Group will be directly interested in approximately 51% of the enlarged issued share capital of our Company; (b) Dr. Wong will be directly interested in approximately 9.26% of the enlarged issued share capital of our Company; (c) each of Mr. Tong, Mr. WY Chan and Mr. WL Chan will be directly interested in approximately 4.75% of the enlarged issued share capital of our Company; and (d) Dr. Wong, Mr. Tong, Mr. WY Chan and Mr. WL Chan will directly hold approximately 38.6%, 19.8%, 19.8% and 19.8%, respectively, of the entire issued share capital of Newmark Group. Therefore, each of Newmark Group, Dr. Wong, Mr. Tong, Mr. WY Chan and Mr. WL Chan will be regarded as a Controlling Shareholder of our Company.

MANAGEMENT INDEPENDENCE

Our Board comprises three executive Directors, namely, Mr. Tong, Mr. WY Chan and Mr. WL Chan, two non-executive Directors, namely, Dr. Wong and Mr. Lin and three independent non-executive Directors, namely, Dr. Chan Man Hung, Dr. Lai Wing Chueng and Mr. Lum Pak Sum. Each of Dr. Wong, Mr. Tong, Mr. WY Chan and Mr. WL Chan is also a Controlling Shareholder of our Company.

To manage potential conflicts of interests between our Directors and us, according to our Articles of Association, our Directors shall not vote in any Board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates has a material interest and shall not be counted in the quorum present at the particular Board meeting.

Although our Controlling Shareholders will retain a controlling interest in our Company after the Listing, our Company has full rights to make all decisions on, and to carry out, our own business operations independently. Our Group holds all relevant licences necessary to carry on business and has sufficient capital, equipment and employees to operate the business independently from our Controlling Shareholders.

Our Directors do not expect that there will be any transactions between our Group on one side and our Controlling Shareholders and/or their respective close associates on the other side upon or shortly after the Listing.

Having considered the above factors, our Directors are satisfied that the management team of our Company is able to perform its role in our Company independently, and our Directors are of the view that our Company is capable of managing its business independently from our Controlling Shareholders and their respective close associates.

OPERATIONAL INDEPENDENCE

We also have independent access to our clients, who are independent from our Controlling Shareholders (where applicable, other than in his capacity as an executive Director or an employee of the Group) and their respective close associates. We do not rely on our Controlling Shareholders (where applicable, other than in his capacity as an executive Director or an employee of the Group) and their respective close associates for accessing to clients.

Our Directors also confirm that our Group has carried out all its essential administrative operations, such as cash and accounting management, invoicing and billing and other financial and management control systems independently from our Controlling Shareholders (where applicable, other than in his capacity as an executive Director or an employee of the Group) and their respective close associates. We have established our own accounting, financial and treasury departments independent from our Controlling Shareholders (where applicable, other than in his capacity as an executive Director or an employee of the Group) and their respective close associates.

FINANCIAL INDEPENDENCE

Our Directors have confirmed that our Company will be financially independent from our Controlling Shareholders upon the Listing. All outstanding loans and non-trade payables owed to and from, and/or outstanding financial guarantees or indemnities provided by our Controlling Shareholders and their respective close associates, if any, have been settled before the Listing.

Our Directors believe that our Group will be able to obtain further financing such as bank loans, if necessary, upon market terms and conditions without relying further on financial assistance from our Controlling Shareholders and their respective close associates after the Listing.

CORPORATE GOVERNANCE

Our Board consists of three independent non-executive Directors to ensure that our Board is able to effectively exercise independent judgment in its decision-making process and provide independent advice to our Shareholders. Our Group will ensure that our independent non-executive Directors are of sufficient calibre, knowledge and experience, have no prior connections or relationships with our Group or our connected persons and will carry weight in our Group's decision-making process.

NON-COMPETITION UNDERTAKING

None of our Controlling Shareholders and their respective close associates has any interest in a business which competes or is likely to compete either directly or indirectly with the business of our Group.

Our Controlling Shareholders (the "**Covenantors**") have entered into a deed of non-competition (the "**Deed of Non-Competition**") in favour of our Company (for ourselves and on behalf of our subsidiaries) pursuant to which the Covenantors have undertaken to our

Company (for ourselves and for the benefit of our subsidiaries) that with effect from the commencement of dealings in the Shares on the Stock Exchange, they would not, would procure that none of the persons and companies in their control shall, and would use their best endeavours to procure that none of their close associates or associated companies not controlled by them shall, except through their interests in the Company, whether as principal or agent and whether undertaken directly or indirectly, either on their own account or in conjunction with or on behalf of any person, corporate, partnership, joint venture or other contractual arrangement and whether for profit or otherwise, among other things, carry on, participate, acquire or hold any right or interest or otherwise be interested, involved or engaged in or connected with, directly or indirectly, any business which is in any respect in competition with or similar to or is likely to be in competition with the principal business of our Group described in this prospectus or any business in which any member of our Group is engaged or is otherwise involved in as our principal business from time to time (the "**Restricted Business**"); or provide support in any form to persons or entities other than our Group to engage in business that constitute or may constitute direct or indirect competition with the Restricted Business.

Our Controlling Shareholders have further undertaken to our Company (for ourselves and for the benefit of our subsidiaries) that, with effect from the Listing Date, in the event that any of them and/or any of their respective close associates (except any members of our Group) is offered or becomes aware of any future business opportunity that may, directly or indirectly, compete with the Restricted Business (the "**Competing Business Opportunity**") directly or indirectly to engage or become interested in a Restricted Business, they:

(a) shall promptly notify our Company in writing and refer such Competing Business Opportunity to our Company for consideration and provide such information as reasonably required by our Company in order to come to an informed assessment of such Competing Business Opportunity, and shall, upon request by our Company, assist our Group to obtain such Competing Business Opportunity in the terms no less favourable than those offered to any of the Controlling Shareholders; and

(b) shall not and procure their respective close associates (other than members of our Group) shall not, invest or participate in any project or Competing Business Opportunity unless such project or Competing Business Opportunity has been rejected by our Company and such decision of our Company shall be approved by our independent non-executive Directors, and in respect of such projects and Competing Business Opportunity invested or participated in, the principal terms on which our Controlling Shareholders or their respective close associates invest or participate are no more favourable than those made available to our Company.

Our Controlling Shareholders have further undertaken to our Company (for ourselves and for the benefit of our subsidiaries) that, with effect from the Listing Date, they shall not and shall procure that none of their respective close associate (except for any members of our Group) shall directly or indirectly:

(a) at any time induce or attempt to induce any director, manager or employee or consultant of any member of our Group to terminate his or her employment or consultancy (as applicable) with our Group, whether or not such act of that person would constitute a breach of that person's contract of employment or consultancy (as applicable); or

(b) at any time employ any person who has been a director, manager, employee of or consultant to any member of our Group who is or may be likely to be in possession of any confidential information or trade secrets relating to the Restricted Business; or

(c) alone or jointly with any other person through or as manager, advisor, consultant, employee or agent for or shareholder in any person, firm or company, in competition with any member of our Group, canvass, solicit or accept orders from or do business with any person with whom any member of our Group has done business or solicit or persuade any person who has dealt with our Group or is in the process of negotiating with our Group in relation to the Restricted Business to cease to deal with our Group or to reduce the amount of business which the person would normally do with our Group or seek to improve their terms of trade with any member of our Group.

The above undertakings do not apply where our Controlling Shareholders and/or their respective close associates have interests in the shares or any securities of a company that engages in the Restricted Business whose shares are listed on a recognised stock exchange provided that (a) the total number of shares held by our Controlling Shareholders and/or their respective close associates in aggregate shall not exceed 5% of the issued shares of that class of the company in question; (b) our Controlling Shareholders and their respective close associates are not entitled to appoint a majority of the directors of that company; and (c) at any time there should exist at least another shareholder of that company whose shareholdings in that company is more than the total number of shares held by our Controlling Shareholders and their respective close associates in aggregate.

Furthermore, our Controlling Shareholders have undertaken that they will use their best endeavours and will procure their close associates (except for members of our Group) to use their best endeavours to procure that their respective employees and any company under their control, whether individually or jointly, directly or indirectly (except for those within our Group), to observe the restrictions and undertakings contained in the Deed of Non-Competition.

The Covenantors represented and warranted that, as of the date of the Deed of Non-Competition, apart from the disclosures made in this prospectus, none of the Covenantors, their close associates or any of the persons or companies in their control is currently interested or engaging, directly or indirectly, in (whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) the Restricted Business otherwise through our Group or is otherwise engaged in any business which is in competition or is likely in competition to those of our Group.

Under the Deed of Non-Competition, the Covenantors further undertake to and covenant with our Company that during the period for which the Deed of Non-Competition is in force:

(a) they shall allow, and shall procure that the relevant close associates (excluding us) to allow the independent non-executive Directors to review, at least on an annual basis, the Covenantors that they are in compliance with the Deed of Non-Competition;

(b) they shall provide all information necessary for the annual review by the independent non-executive Directors and the enforcement of the Deed of Non-Competition;

(c) our Company shall disclose decisions on matters reviewed by the independent non-executive Directors relating to the compliance and enforcement of the Deed of Non-Competition either through the annual report, or by way of announcement to the public; and

(d) they shall provide our Company with a confirmation annually for inclusion by our Company in our annual report, in respect of their compliance with the terms of the Deed of Non-Competition.

The undertakings given by the Covenantors under the Deed of Non-Competition shall lapse and the Covenantors shall be released from the restrictions imposed on them upon the occurrence of the earliest of any of the following events or circumstances:

(a) the day on which the Shares cease to be listed on the Stock Exchange;

(b) the day on which the relevant Covenantor and/or his/its close associates cease to hold, taken together, 30% or more of the issued share capital of our Company or otherwise the relevant Covenantor ceases to be a Controlling Shareholder of our Company; or

(c) the day on which the relevant Covenantor beneficially owns or is interested in the entire issued share capital of our Company.

You should read the following discussion and analysis of our Group's financial condition and results of operations together with our combined financial statements as at and for the two years ended 31 March 2014, nine months ended 31 December 2013 (unaudited) and 31 December 2014 and the accompanying notes ("Financial Information") included in the accountants' report set out in Appendix I to this prospectus. The accountants' report has been prepared in accordance with Hong Kong Standards on Auditing issued by the HKICPA, which may differ materially from generally accepted accounting principles used in other jurisdictions. Potential investors should read the whole of the accountants' report set out in Appendix I to this prospectus and not rely merely on the information contained in this section.

The following discussion and analysis contains forward-looking statements that may involve risks and uncertainties. These statements are based on assumptions, expectations and analysis of our Company in view of our previous experience and our perception of historical and future trends in the integrated audiovisual solutions sector in which we operate. Whether or not our Company's expectations are fulfilled in the future depend on factors and developments beyond our Company's control. For additional information regarding these risks and uncertainties, please refer to the section headed "Risk Factors" in this prospectus.

OVERVIEW

We are a Hong Kong-based service provider of video conferencing and multimedia audiovisual solution. Our services provided to our clients during the Track Record Period can be generally divided into two lines, namely the provision of: (i) solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services; and (ii) audiovisual system maintenance services. We set up our business in 1987 and have been in operation for over 28 years. Our key operations generally range from (i) consultation and design; (ii) equipment procurement and installation; to (iii) maintenance. According to the Ipsos Report, we accounted for approximately 9.8% of total industry revenue in Hong Kong in 2014 and ranked third in the industry in Hong Kong by the same benchmark.

Our clients mainly include multi-national enterprises, listed companies, institutions of tertiary education and various contractors. Our largest market is Hong Kong, which accounted for approximately 90.7%, 93.9% and 84.8% of our total revenue for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively. We also had clients from the PRC, Singapore and Macau during the Track Record Period.

Our suppliers include local distributors of video conferencing and multimedia audiovisual equipment in Hong Kong and overseas manufacturers headquartered in the United States, Canada and Finland. As at the Latest Practicable Date, we were the authorised distributor of three of our video conferencing and multimedia audiovisual equipment suppliers. For details of the distributorship arrangement with our suppliers, please refer to the paragraph headed "Business — Our Suppliers — Distributorship" in this prospectus.

BASIS OF PRESENTATION

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on 21 August 2014 under the Companies Law. Pursuant to the Reorganisation as detailed in Appendix VI to the Prospectus, the consultancy and administrative services to related companies of Newmark Company Limited ("Internal Services") have been transferred to the Group on 29 June 2014 and our Company became the holding company of the companies now comprising the Group pursuant to the Reorganisation which was completed on 11 May 2015. The principal activities of our Group are multimedia audio-visual solutions and related system integration services (the "Core Business"). The companies now comprising our Group and Internal Services were under the common control by Dr. Wong King Keung, Mr. Chan Wing Yiu, Mr. Tong Sai Wong and Mr. Chan Wing Lun, collectively referred as controlling shareholders and Mr. Lin Wing Ching as disclosed in the Accountants' Report of our Company sets out in Appendix I to this prospectus, before the Reorganisation and will be under the common control of the controlling shareholders as disclosed in the Accountants' Report of our Company sets out in Appendix I to this prospectus, after the Reorganisation. Our Group's financial information has been prepared using the principles of merger accounting as if the entities now comprising the Group and the Internal Services had been combined at the beginning of the Track Record Period unless the combining entities first came under common control at a later date.

The combined statements of profit or loss, combined statements of changes in equity and combined statements of cash flows of our Group for the Track Record Period include the results, changes in equity and cash flows of the companies now comprising our Group and the Internal Services as if the current group structure had been in existence throughout the Track Record Period, or since the date of incorporation or acquisition, where this is a shorter period. The combined statements of financial position of our Group as at 31 March 2013, 31 March 2014 and 31 December 2014 have been prepared to present the assets and liabilities of the companies now comprising our Group and the Internal Services both as if the current group structure had been in existence at those dates taking into account the respective dates of incorporation or acquisition, or where applicable.

All significant intra-group transactions, balances, income and expenses have been eliminated in full on consolidation.

The financial information has been prepared in accordance with HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our Group has adopted all the HKFRSs which are effective for our financial period beginning on 1 January 2013 in the preparation of the combined financial statements throughout the Track Record Period.

The financial information unless indicated otherwise is presented in HK$, which is the same as the functional currency of our Group.

SIGNIFICANT FACTORS AFFECTING OUR OPERATING RESULTS AND FINANCIAL CONDITION

Our revenue is mainly derived from projects which are not recurring in nature and any decrease in the number of projects would affect our operations and financial results

Our revenue is primarily derived from the provision of video conferencing and multimedia audiovisual solution in Hong Kong, which can be generally divided into two lines,

namely the provision of (i) solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services; and (ii) audiovisual system maintenance services. Save and except that there may be variation orders or supplemented order, placed by our client in the same project, our engagements with our clients are on a project basis and are generally non-recurring in nature. Except for the maintenance service agreements with our clients which generally last for one year, we do not enter into any long-term agreements with our clients. After completion of our services, our clients are not obliged to engage us again in any subsequent projects.

As such, our revenue derived above is not recurring in nature. We cannot guarantee that our existing clients will provide us with new business opportunities, and there can be no assurance that we would be able to maintain our business relationships with existing clients. In the event that we are unable to attract new clients or secure new engagements from existing clients, there may be a decrease in the number of projects or orders. Our operations and financial results would hence be adversely affected.

We determine our fee based on estimated time and costs, yet the actual time and costs incurred may deviate from our estimates due to unexpected circumstances, thereby adversely affecting our operations and financial results

We determine our total fee based on our cost estimates on top of certain mark-up fees. For details of the factors we consider when we make our cost estimates, please refer to the paragraph headed "Business — Business Model and Our Operation — Solution for audiovisual, conferencing, presentation and multimedia control systems including installation services" in this prospectus. The actual time and costs incurred by us, however, may be affected by various factors, including: (i) variations to the layout plans or designs requested by our clients; (ii) delays by our suppliers in delivering video conferencing and multimedia audiovisual equipment; (iii) delays or defects in the installation work provided by our contractors; (iv) departure of our key personnel; (v) disputes with our clients or suppliers; (vi) disputes among other parties involved in the projects; (vii) changes in market conditions; and (viii) other unforeseen problems and circumstances. Significant changes in any of these factors may lead to delays in completion or cost overruns by us, and there is no assurance that the actual time and costs incurred by us would match our initial estimate. Such delays, cost overruns or mismatch of actual time and costs with our estimates may cause our profitability to be lower than what we expected or may expose us to litigation or claims from clients in case of delays.

If a significant mark-up is made upon our estimated costs, then our fee may be less competitive. There can be no assurance that we will always be able to price our tenders or quotations competitively and, if we fail to do so, our clients may not engage our services for the potential project or order, resulting in a decrease in the number of projects or orders. In such event, our operations and financial results would be adversely affected.

On the contrary, if the fee set by us is too low, then when the actual time spent and costs exceed our estimation during the actual implementation of the project or order, our profitability may be materially and adversely affected.

We face significant competition in the video conferencing and multimedia audiovisual solution industry, and any failure to compete effectively would materially and adversely affect our operations and financial results

We operate in a highly competitive industry. Some of our competitors, which include a number of local companies, may have stronger brand names, greater access to capital, longer operating histories, longer and more established relationships with their clients, and greater marketing and other resources than we do. Due to the evolving markets in which we compete, additional competitors with significant market presence and financial resources may enter those markets, and thereby intensify the competition. These competitors may be able to reduce our market share by adopting more aggressive pricing policies than we can or by developing services that gain wider market acceptance than our service does. Existing and potential competitors may also develop relationships with our clients in a manner that could significantly harm our ability to secure contracts.

Our market position depends on our ability to anticipate and respond to various competitive factors, including effective cost control, technical expertise, responsiveness to our clients' preferences and timely completion of relevant contracts to meet our clients' schedules. There can be no assurance that the competition in the video conferencing and multimedia audiovisual solution industry will not intensify in the future and, if we fail to maintain or improve our market position or fail to respond successfully to changes in the competitive landscape, our business, financial condition, results of operations and prospects may be materially and adversely affected.

OUR CRITICAL ACCOUNTING POLICIES

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

For sales of goods without installation services, revenue from the sale of goods as elements of services rendered is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

For sales of goods with installation services, when the Group completes the procurement and installation service, which is evidenced by the customers' signing off on the commissioning form after the user acceptance test, the relevant service income from solution for audiovisual, conferencing, presentation and multimedia control systems are recognised.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to our Group and the amount of income can be measured reliably. Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Service income is recognised when services are provided.

Maintenance income is recognised on a straight-line basis over the maintenance service period which is in-line with the service rendered.

Property and equipment

Property and equipment including buildings held for use in supply of goods or services or for administrative purposes are stated in the combined statements of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property and equipment, less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year/period. Taxable profit differs from 'profit before taxation' as reported in the combined statements of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Our Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Information and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investment in subsidiaries, except where our Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on the tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which our Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Current and deferred tax is recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

COMBINED STATEMENTS OF PROFIT OR LOSS

The following is selected financial information from our combined statements of profit or loss, combined statements of financial position and combined statements of cash flows for the Track Record Period which has been extracted from, and should be read in conjunction with, the Accountants' Report of our Company sets out in Appendix I to this prospectus:

	Year ended 31 March		Nine months ended 31 December	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(unaudited)	
Revenue	108,119	102,474	71,182	87,246
Cost of inventories sold	(68,243)	(63,578)	(44,589)	(50,800)
Staff cost	(14,614)	(14,537)	(11,605)	(12,921)
Depreciation	(2,158)	(2,068)	(1,584)	(1,304)
Other income	1,948	22,431*(Note 1)*	21,206*(Note 1)*	170
Other operating expenses	(12,460)	(4,806)	(3,443)	(14,975)*(Note 2)*
Finance costs	(625)	(437)	(335)	(415)
Profit before taxation	11,967	39,479	30,832	7,001
Income tax expense	(2,059)	(3,499)	(2,090)	(3,407)
Profit and total comprehensive income for the year/period	9,908	35,980	28,742	3,594

Notes:

1: Included a gain on disposal of investment property of approximately HK$20.1 million for the year ended 31 March 2014 and the nine months ended 31 December 2013.

2: Included the listing expenses of approximately HK$10.9 million (which was classified as legal and professional fee) charged to the combined statements of profit or loss for the nine months ended 31 December 2014.

DESCRIPTION OF SELECTED COMPONENTS OF COMBINED STATEMENTS OF PROFIT OR LOSS

Revenue

Our Group's revenue is derived from the provision of (i) solution for audiovisual, conferencing, presentation and multimedia control systems including installation services; and (ii) audiovisual system maintenance services to our customers. Our service volume is generally affected by customers' demand and the average price of our service. The following table sets out the summary of our revenue for the two years ended 31 March 2014 and the nine months ended 31 December 2013 (unaudited) and 31 December 2014.

	Year ended 31 March				Nine months ended 31 December			
	2013		2014		2013		2014	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000* (unaudited)	*%*	*HK$'000*	*%*
Solution for audiovisual, conferencing, presentation and multimedia control systems including installation services	104,038	96.2	95,459	93.2	67,958	95.5	80,478	92.2
Audiovisual system maintenance services	4,081	3.8	7,015	6.8	3,224	4.5	6,768	7.8
Total	108,119	100.0	102,474	100.0	71,182	100.0	87,246	100.0

Our revenue slightly decreased from approximately HK$108.1 million for the year ended 31 March 2013 to approximately HK$102.5 million for the year ended 31 March 2014, mainly due to the decrease in revenue from the solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, from approximately HK$104.0 million for the year ended 31 March 2013 to approximately HK$95.5 million for the year ended 31 March 2014. Included in this service income, our revenue amounting to approximately HK$9.0 million for the year ended 31 March 2013 and approximately HK$8.2 million for the year ended 31 March 2014 respectively, represented service income from projects which required our Group to procure and deliver certain video conferencing and multimedia audiovisual equipment and solely involved our Group's consultation services (i.e. without requiring any design or installation services from our Group). Our revenue increased from approximately HK$71.2 million for the nine months ended 31 December 2013 to approximately HK$87.2 million for the nine months ended 31 December 2014, mainly due to the increase in revenue from the provision of solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services from approximately HK$68.0 million for the nine months ended 31 December 2013 to approximately HK$80.5 million for the nine months ended 31 December 2014. Included in this service income, our revenue amounting to approximately HK$7.3 million and HK$7.4 million for the nine months ended 31 December 2013 and 31 December 2014 respectively, represented service income from projects which required our Group to procure and deliver video conferencing and multimedia audiovisual equipment and solely involved our Group's

consultation services (i.e. without requiring any design or installation services from our Group). Our revenue for solution attributable to the provision of audiovisual, conferencing, presentation and multimedia control systems, including installation services, are mainly driven by the number of projects completed in that particular year and the size and price for each project. Our total number of projects on solution for audiovisual, conferencing, presentation and multimedia control systems including installation services decreased from 2,715 for the year ended 31 March 2013 to 2,360 for the year ended 31 March 2014, and our total number of projects increased from 2,120 for the nine months ended 31 December 2013 to 2,196 for the nine months ended 31 December 2014 which was in line with the change of our revenue for the Track Record Period.

Our revenue from audiovisual system maintenance services increased from approximately HK$4.1 million for the year ended 31 March 2013 to approximately HK$7.0 million for the year ended 31 March 2014. Our revenue from audiovisual system maintenance services increased from approximately HK$3.2 million for the nine months ended 31 December 2013 to approximately HK$6.8 million for the nine months ended 31 December 2014. The increase in revenue was mainly due to the average revenue per project, having increased during the Track Record Period as our Group secured more projects with higher revenue contribution.

Our total revenue derived from the provision of solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, and audiovisual system maintenance services comprised approximately 96.2% and 3.8% of our total turnover for the year ended 31 March 2013, approximately 93.2% and 6.8% for the year ended 31 March 2014, and approximately 92.2% and 7.8% for the nine months ended 31 December 2014 respectively. For details of our business model and our operation, please refer to the paragraph headed "Business — Business Model and Our Operation" in this prospectus.

We mainly provided audiovisual services to our clients in Hong Kong. We also have clients based in the PRC, Singapore and Macau. The following table sets out the breakdown of our revenue by geographical location for the years/periods indicated:

	Year ended 31 March				Nine months ended 31 December			
	2013		2014		2013		2014	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000* (unaudited)	*%*	*HK$'000*	*%*
Hong Kong	98,069	90.7	96,224	93.9	68,147	95.7	73,994	84.8
PRC	9,296	8.6	2,495	2.4	2,304	3.3	1,381	1.6
Singapore	–	0.0	–	0.0	–	0.0	9,373	10.7
Macau	754	0.7	3,755	3.7	731	1.0	2,498	2.9
Total	108,119	100.0	102,474	100.0	71,182	100.0	87,246	100.0

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our revenue contribution from Hong Kong was approximately HK$98.1 million, HK$96.2 million and HK$74.0 million, representing approximately 90.7%, 93.9% and 84.8% of our total revenue respectively. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our revenue contribution from PRC was approximately HK$9.3 million, HK$2.5 million and HK$1.4 million, representing approximately 8.6%, 2.4% and 1.6% of our total revenue respectively. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our revenue contribution from Singapore was nil, nil and approximately HK$9.4 million, representing nil, nil and 10.7% of our total revenue respectively. For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our revenue contribution from Macau was approximately HK$0.8 million, HK$3.8 million and HK$2.5 million, representing approximately 0.7%, 3.7% and 2.9% of our total revenue respectively. Our revenue in the Hong Kong market was relatively stable during the Track Record Period as the audiovisual market in Hong Kong is well developed. For the PRC, Singapore and Macau market, we were at the start-up stage during the Track Record Period where our revenue heavily depended on whether we were awarded any contracts during the particular period.

The following table sets out the breakdown of the number of projects completed by our Group for the years/periods based on geographical location:

Solution for audiovisual, conferencing, presentation and multimedia control systems including installation services

	Year ended 31 March		Nine months ended 31 December	
Location	**2013**	**2014**	**2013**	**2014**
			(unaudited)	
Hong Kong	2,677	2,333	2,098	2,161
The PRC	26	11	10	12
Singapore	–	–	–	1
Macau	12	16	12	22
Total:	2,715	2,360	2,120	2,196

Audiovisual system maintenance services

	Year ended 31 March		Nine months ended 31 December	
Location	**2013**	**2014**	**2013**	**2014**
			(unaudited)	
Hong Kong	530	520	350	418
The PRC	–	–	–	–
Singapore	–	–	–	1
Macau	–	–	–	–
Total:	530	520	350	419

Our total number of projects on solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, decreased by approximately 13.1% from 2,715 for the year ended 31 March 2013 to 2,360 for the year ended 31 March 2014 which was slightly higher than the decrease in our revenue by approximately 8.2% from approximately HK$104.0 million for the year ended 31 March 2013 to approximately HK$95.5 million for the year ended 31 March 2014. This difference was due to the number of our projects with a revenue contribution of higher than HK$0.2 million having increased from 81 for the year ended 31 March 2013 to 94 for the year ended 31 March 2014.

Our total number of projects on solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, increased by approximately 3.6% from 2,120 for the nine months ended 31 December 2013 to 2,196 for the nine months ended 31 December 2014, which was lower than the increase of our revenue which grew by approximately 18.4% from approximately HK$68.0 million for nine months ended 31 December 2013 to approximately HK$80.5 million for the nine months ended 31 December 2014, this difference was due to a project with the revenue of approximately HK$9.2 million was completed during the nine months ended 31 December 2014.

Our total number of projects for the provision of audio visual system maintenance services decreased by approximately 1.9% from 530 for the year ended 31 March 2013 to 520 for the year ended 31 March 2014, while the revenue increased by approximately 71.9% from approximately HK$4.1 million for the year ended 31 March 2013 to approximately HK$7.0 million for the year ended 31 March 2014 due to some maintenance service projects with larger amounts were secured while a number of small projects were expired without renewal from our customers.

Our total number of projects for provision of audio visual system maintenance services increased by approximately 19.7% from 350 for the nine months ended 31 December 2013 to 419 for the nine months ended 31 December 2014 but our revenue increased by approximately 109.9% from approximately HK$3.2 million for the nine months ended 31 December 2013 to approximately HK$6.8 million for the nine months ended 31 December 2014 due to some maintenance service projects with larger amounts having been secured, while a number of small maintenance service projects expired without renewal from our customers.

Our clients can be divided into two types: (i) Public sector and (ii) Private sector. The following table sets out a breakdown of our total revenue by catergorisation of our end-users for the years/periods indicated:

	Year ended 31 March				**Nine months ended 31 December**			
	2013		**2014**		**2013**		**2014**	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000* (unaudited)	*%*	*HK$'000*	*%*
Public sector	34,056	31.5	25,686	25.1	15,127	21.3	22,498	25.8
Private sector	74,063	68.5	76,788	74.9	56,055	78.7	64,748	74.2
Total	108,119	100.0	102,474	100.0	71,182	100.0	87,246	100.0

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our revenue contribution derived from the public sector was approximately HK$34.1 million, HK$25.7 million and HK$22.5 million, representing approximately 31.5%, 25.1% and 25.8% of our total revenue respectively. Our Public sector revenue decreased from approximately HK$34.1 million for the year ended 31 March 2013 to approximately HK$25.7 million for the year ended 31 March 2014; this decrease was due to the number of our projects with a significant revenue contribution of higher than HK$1.0 million having decreased from three for the year ended 31 March 2013 to nil for the year ended 31 March 2014. Public sector refers to government bureaus and departments, primary and secondary schools, and universities.

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our revenue contribution derived from the private sector was approximately HK$74.1 million, HK$76.8 million and HK$64.7 million, representing approximately 68.5%, 74.9% and 74.2% of our total revenue respectively. Our Private sector revenue increased from approximately HK$56.1 million for the nine months ended 31 December 2013 to approximately HK$64.8 million for the nine months ended 31 December 2014 due to a project with the revenue of approximately HK$9.2 million was completed during the nine months ended 31 December 2014. Private sector refers to parties other than the public sector, including but not limited to banks, offices of various businesses, multi-national corporations, retail outlets and small-medium enterprises.

Cost of inventories sold

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our cost of inventories sold was approximately HK$68.2 million, HK$63.6 million and HK$50.8 million, respectively. Our cost of inventories sold consists of the video conferencing and multimedia audiovisual equipment used in providing our solutions for audiovisual, conferencing, presentation and multimedia control systems to our customers. For our audiovisual system maintenance services, our costs mainly involved staff cost, with immaterial inventories used; therefore the cost of inventories sold was mainly related to our solutions for audiovisual, conferencing, presentation and multimedia control systems including installation services.

Gross operating margin and gross operating margin ratio

Gross operating margin is calculated based on our revenue for the year/period minus cost of inventories sold for the year/period. Gross operating margin ratio is calculated based on the gross operating margin for the year/period divided by our revenue for the year/period and multiplied by 100%. The following table sets out the Group's gross operating margin and

gross operating margin ratio from our solution for audiovisual, conferencing presentation and multimedia control systems, including installation services, for the years/periods indicated:

	Year ended 31 March				Nine months ended 31 December			
	2013		2014		2013		2014	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*	*HK$'000*	*%*
					(unaudited)			
Revenue	104,038		95,459		67,958		80,478	
Cost of inventories sold	(68,243)		(63,578)		(44,589)		(50,800)	
Gross operating margin	35,795	34.4	31,881	33.4	23,369	34.4	29,678	36.9

For our solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, our gross operating margin was approximately HK$35.8 million, HK$31.9 million and HK$29.7 million for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively. In determining our gross operating margin for each project, we will generally take into account a number of factors, including (i) scope of our services; (ii) complexity of the design and installation works; (iii) duration of the project; (iv) costs of equipment to be procured and installed; (v) the level of human resources to be involved; (vi) additional services to be provided such as training and on-site maintenance; and (vii) general market conditions. Our overall gross operating margin ratio was approximately 34.4%, 33.4% and 36.9% for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively. Our Group generally recorded a relatively higher gross operating margin ratio for the nine months ended 31 December 2014 as compared to the nine months ended 31 December 2013 because certain projects with higher gross operating margin were secured due to higher complexity of the design and installation works involved in these projects.

For our audiovisual system maintenance services, our major cost was staff cost, with immaterial inventories used. As such, our Directors confirm that our gross operating margin and gross operating margin ratio approximately equal to our revenue for this business line and achieved close to 100% gross operating margin ratio.

Staff cost

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our staff cost was approximately HK$14.6 million, HK$14.5 million and HK$12.9 million respectively. Our staff cost represented approximately 13.5%, 14.2% and 14.8% of our total revenue for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively, which was considered stable during the Track Record Period. Our staff cost includes management, procurement, service and maintenance, sales and marketing and administration employees to run our Group.

Depreciation expense

For the two years ended 31 March 2014 and the nine months ended 31 December 2014, our depreciation expense was approximately HK$2.2 million, HK$2.1 million and HK$1.3 million respectively. Our depreciation expense represented approximately 3.9%, 3.9% and 3.3% projected per annum of our property and equipment for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively, which was considered stable during the Track Record Period. Our property and equipment are depreciated on a straight-line basis and our depreciation expense mainly includes depreciation of our land and buildings over the shorter of term of the lease or 2% per annum.

Other income

Other income primarily consist of (i) rental income; (ii) gain on disposal of an investment property; (iii) management fee received; (iv) bank interest income; (v) exchange gain and (vi) sundry income. The following table sets out the breakdown of our other income and gains for the years/periods indicated:

	Year ended 31 March				Nine months ended 31 December			
	2013		2014		2013		2014	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000* (unaudited)	*%*	*HK$'000*	*%*
Other income								
Rental income	841	43.2	546	2.4	546	2.6	–	0.0
Gain on disposal of investment property	–	0.0	20,129	89.7	20,129	94.9	–	0.0
Management fee received	558	28.6	1,312	5.8	180	0.8	–	0.0
Bank interest income	95	4.9	129	0.6	104	0.5	2	1.2
Exchange gain	57	2.9	2	0.0	23	0.1	160	94.1
Sundry income	397	20.4	313	1.5	224	1.1	8	4.7
	1,948	100.0	22,431	100.0	21,206	100.0	170	100.0

Our other income were approximately HK$1.9 million, HK$22.4 million and HK$0.2 million for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively. The significant increase for the year ended 31 March 2014 as compared to the year ended 31 March 2013 was mainly attributable to a gain on disposal of investment property. For the nine months ended 31 December 2014, our other income decreased significantly as compared to nine months ended 31 December 2013 primarily due to a gain on disposal of investment property amounting to approximately HK$20.1 million for the nine months ended 31 December 2013.

Management fee income represented the income from certain related parties of our Company for the administrative services (such as office administration services and human resources related services) provided by our Group prior to the implementation of the Reorganisation. Such management fee was charged with reference to (i) the staff cost of our Group which was calculated on the basis of the hourly rates of our staff based on their salary; and (ii) administration cost incurred by our Group as estimated by our Group and agreed by such related parties. Such services were no longer provided as from 1 April 2014 as such related parties are not within our Group.

Other operating expenses

Other operating expenses primarily consist of (i) commission expenses; (ii) warehouse and carriage cost; (iii) promotion and exhibition; (iv) rent and rates; and (v) legal and professional fee. The following table sets out the breakdown of our other operating expenses for the years/periods indicated:

	Year ended 31 March				Nine months ended 31 December			
	2013		2014		2013		2014	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000* (unaudited)	*%*	*HK$'000*	*%*
Legal and professional fee	525	4.2	97	2.0	34	1.0	11,062	73.9
Commission expenses	6,909	55.4	777	16.2	188	5.5	–	0.0
Warehouse and carriage cost	771	6.2	689	14.3	538	15.6	519	3.5
Promotion and exhibition	385	3.1	389	8.1	277	8.0	490	3.3
Rent and rates	560	4.5	949	19.8	745	21.6	639	4.2
Building management fee	283	2.3	236	4.9	185	5.4	159	1.1
Entertainment	363	2.9	208	4.3	139	4.0	118	0.8
Trip and traveling expenses	679	5.4	323	6.7	139	4.0	320	2.1
Others	1,985	16.0	1,138	23.7	1,198	34.9	1,668	11.1
Total	12,460	100.0	4,806	100.0	3,443	100.0	14,975	100.0

Our other operating expenses were approximately HK$12.5 million, HK$4.8 million and HK$15.0 million for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively, which accounted for approximately 11.5%, 4.7% and 17.2% of our revenue. The decrease for the year ended 31 March 2014 as compared to the year ended 31 March 2013 was mainly attributable to the decrease in commission expenses which were determined at the discretion of the Directors. For the nine months ended 31 December 2014, our total other operating expenses increased significantly as compared to the nine months ended 31 December 2013 primarily due to the listing expenses incurred for the intended listing of our Group.

During the year ended 31 March 2013, the total commission expenses of approximately HK$6.9 million was mainly composed of commissions of approximately HK$6.7 million paid to certain related companies of our Company. Each of these related companies, which is a private company not within our Group, was beneficially owned by our Directors (other than our independent non-executive Directors) or Mr. Wong To Yan, as described and disclosed in paragraph (c) of Note 35 (Related party transactions) set out in Appendix I to this prospectus.

Such commission represented payments made to such related companies for their services rendered in terms of sales management services provided through the said Directors and Mr. Wong To Yan. Although there is no specific scope of such sales management services, they generally consist of services including but not limited to: (i) maintaining relationships with our Group's customers and suppliers; and (ii) giving advice on marketing plan (the "**Sales Management Services**"). No formal written agreement has been entered into between the relevant members of our Group and such related companies relating to the Sales Management Services.

Since there was no formal written agreement between such related companies and our Group regarding such commission, there was no legal obligation for our Group to pay such commission. The payment of such commission is therefore considered discretionary, and such amounts were agreed by each of the related companies and our Group. It follows that such commission expenses was neither fixed nor pre-determined. Further, the amount of such commission was determined at or towards the financial year end with reference to the projects' results (for example, in terms of revenue or gross profit, as considered appropriate between our Group and the related company concerned) of our Group's relevant subsidiaries, and the payment of such commission was actually made only when our Group's overall cash-flow position permitted.

Such commissions were paid out by the relevant member(s) of our Group in which the Sales Management Services were provided to, namely i-Control (Hong Kong), i-Control (China) and/or Eduserve International, all of which were the sales arm of our Group.

In the opinion of our Directors and as reflected in the Accountants' Report set out in Appendix I, since the commissions charged by and paid to those respective related companies directly, thus they were not classified as directors' remuneration/staff cost.

As the commission expenses would fall within the ambit of connected transactions under GEM Listing Rules upon Listing, to further enhance our Group's corporate governance, it was resolved to cease paying such commissions to related companies owned by the said Directors from 1 April 2013 onwards, and Widen China Limited, a related company owned by Mr. Wong To Yan from 1 April 2014 onwards. For the year ended 31 March 2014, following the cessation of paying such commissions to related companies owned by the said Directors, for the sake of simplicity, there was no alternative payment arrangement to the related companies or the said Directors. It is because since the said Directors were, and have been, at all material times the shareholders of the Group, it was considered that the benefit of the Sales Management Services provided to the Group by them would be reflected in the amount of dividend for the same period. Accordingly, effective from 1 April 2013, the Sales Management Services have been provided by our said Directors in their own capacity instead of through those related companies.

Such change has resulted in a significant reduction of our commission expenses payable to related companies during the year ended 31 March 2014. The payment of commission expenses to related companies was substantially reduced from approximately HK$6.7 million for the year ended 31 March 2013 to approximately HK$0.3 million for the year ended 31 March 2014. Further, it was resolved by the Directors to cease paying such commissions to Widen China Limited, a related company owned by Mr. Wong To Yan, from 1 April 2014 onwards. Accordingly, effective from 1 April 2014, the Sales Management Services have been provided by Mr. Wong To Yan in his own capacity instead of through Widen China Limited. Therefore, the payment of commission expenses was nil for the nine months ended 31 December 2014. Our Directors confirm that there was no change in our Group's sales and marketing strategy during the Track Record Period and that the decrease in the commission expenses during the two years ended 31 March 2014 and the nine months ended 31 December 2014 was not a result of any such change.

As at the Latest Practicable Date, our Directors confirmed that the Sales Management Services continued to be provided by our said Directors in their own capacity as a Director and Mr. Wong To Yan in his own capacity, to the Group. As from Listing, the rewards for providing the Sales Management Services by the said Directors and Mr. Wong To Yan will be recognised as part of the remuneration of the said Directors and Mr. Wong To Yan under their service contracts to be entered with our Group. Such payment and the amount to be paid will be subject to the review and recommendation of our remuneration committee.

Warehouse and carriage cost represents the cost of storage, transportation and delivery of our goods to customers. Warehouse and carriage cost incurred for the two years ended 31 March 2014 and the nine months ended 31 December 2013 and 31 December 2014 were in line with the change of our revenue for the respective year/period.

Rent and rates mainly represents the rental expenses for two of our warehouses located in Hong Kong and two of our offices located in Shanghai and Shenzhen. The increase in rent and rates from the year ended 31 March 2013 to 31 March 2014 was mainly due to the increase in rental rate. The rent and rates expenses were relatively stable for the nine months ended 31 December 2013 and 2014.

Finance costs

Our finance costs mainly represent interest expenses on our bank borrowings and amount due to directors. Our total finance cost amounted to approximately HK$0.6 million, HK$0.4 million and HK$0.4 million for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively, which accounted for approximately 2.1%, 2.2% and 1.1%

projected per annum of total interest-bearing borrowings. The following table sets out the breakdown of our interest-bearing borrowings for the years/periods indicated:

	As at 31 March		As at 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Interest-bearing borrowings			
– Bank borrowings	28,365	20,270	50,757
– Amounts due to directors	1,500	–	–
	29,865	20,270	50,757

	Year ended 31 March		Nine months ended 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Finance costs	625	437	415

Income tax expense

Our income tax expense amounted to approximately HK$2.1 million, HK$3.5 million and HK$3.4 million for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively. The effective tax rate was approximately 17.2%, 8.9% and 48.7% for the two years ended 31 March 2014 and the nine months ended 31 December 2014 respectively. Our income tax expenses consisted of Hong Kong Profits Tax which is calculated at 16.5% of the estimated assessable profit, Enterprise Income Tax in PRC which is calculated at 25% of our profit generated from our PRC operation and Singapore Corporate Tax which is calculated at 17% of our profit generated from our Singapore operation.

For the year ended 31 March 2014, our effective tax rate was significantly lower than the standard rate of Hong Kong Profits Tax due to a HK$20.1 million gain on disposal of an investment property which was not taxable for the year.

For the nine months ended 31 December 2014, our effective tax rate was significantly higher than the standard rate of Hong Kong Profits Tax due to approximately HK$10.9 million listing expense incurred which was not deductible for tax purpose.

Our Directors confirm that our Group has paid all relevant taxes and was not subject to any tax-related disputes, administrative enquiries or investigations during the Track Record Period.

COMPARISON OF RESULTS OF OPERATIONS

Year ended 31 March 2013 compared to year ended 31 March 2014

Revenue

Our revenue slightly decreased by approximately 5.2% from approximately HK$108.1 million for the year ended 31 March 2013 to approximately HK$102.5 million for the year ended 31 March 2014, which was primarily attributable to the decrease in revenue from solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, by approximately 8.2% or HK$8.6 million for the year ended 31 March 2014 as compared to the year ended 31 March 2013 and partly offset by the increase from audiovisual system maintenance services by approximately 71.9% or HK$2.9 million for the year ended 31 March 2014 as compared to the year ended 31 March 2013.

Solution for audiovisual, conferencing, presentation and multimedia control systems including installation services

Revenue generated from the solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, decreased by approximately 8.2% from approximately HK$104.0 million for the year ended 31 March 2013 to approximately HK$95.5 million for the year ended 31 March 2014, which was primarily attributable to the decrease in our revenue from PRC of approximately HK$6.8 million in which these projects were completed during the year ended 31 March 2013. Our PRC revenue decreased from approximately HK$9.3 million for the year ended 31 March 2013 to approximately HK$2.5 million for the year ended 31 March 2014 due to a significant amount of revenue having been contributed from two major projects with total revenue of approximately HK$5.6 million for the year ended 31 March 2013 and we were not awarded projects with a similar size for the year ended 31 March 2014. Our Macau revenue increased from approximately HK$0.8 million for the year ended 31 March 2013 to approximately HK$3.8 million for the year ended 31 March 2014 due to a significant amount of revenue of approximately HK$2.8 million having been contributed from a project relating to a hotel and casino operator for the year ended 31 March 2014. Our business in the PRC and Macau was in the start-up stage whereby our revenue depended on whether we obtained any contracts for the particular period.

Audiovisual system maintenance services

Revenue generated from our audiovisual system maintenance services increased by approximately 71.9% from approximately HK$4.1 million for the year ended 31 March 2013 to approximately HK$7.0 million for the year ended 31 March 2014, which was primarily attributable to the increase of the average revenue per project as our Group secured more projects with higher revenue contribution.

Cost of inventories sold

Our cost of inventories sold decreased by approximately 6.8%, from approximately HK$68.2 million for the year ended 31 March 2013 to approximately HK$63.6 million for the year ended 31 March 2014, which was generally in line with the decrease of our revenue. Our cost of inventories sold decreased slightly more than our revenue due to the increase of our audiovisual system maintenance services revenue which was labour oriented with immaterial use of inventories.

Gross operating margin and gross operating margin ratio

Our gross operating margin decreased by approximately HK$1.0 million or 2.5% and our gross operating margin ratio increased from approximately 36.9% to approximately 38.0% for the year ended 31 March 2014 as compared to the year ended 31 March 2013. Our revenue is derived from our solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, and our audiovisual system maintenance services, and the gross profit and gross profit margin of our Group is primarily affected by the proportion of each business line contributable to our revenue.

Our gross operating margin from our solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, decreased by approximately HK$3.9 million or 10.9% from approximately HK$35.8 million for the year ended 31 March 2013 to approximately HK$31.9 million for the year ended 31 March 2014, primarily due to the reduction in revenue from our PRC customers. Our Group's gross operating margin ratio for this business line remained stable at approximately 34.4% and 33.4% for the year ended 31 March 2013 and 31 March 2014 respectively.

Our gross operating margin for audiovisual system maintenance services increased in line with the increase in our revenue for this business line. As the services provided were labour oriented with immaterial use of our inventories, our gross operating margin ratio for this business line was close to approximately 100%.

Staff cost

Staff cost remained stable at HK$14.6 million and HK$14.5 million respectively for the two years ended 31 March 2014, in respect of which the fluctuation was considered immaterial to our Group.

Depreciation expense

Depreciation expense remained stable at HK$2.2 million and HK$2.1 million respectively for the two years ended 31 March 2014, in respect of which the fluctuation was considered immaterial to our Group.

Other income

Other income increased from approximately HK$1.9 million for the year ended 31 March 2013 to approximately HK$22.4 million for the year ended 31 March 2014, which was primarily attributable to (i) a gain on disposal of investment property of approximately HK$20.1 million for the year ended 31 March 2014; and (ii) the increase of management fee received from approximately HK$0.6 million for the year ended 31 March 2013 to approximately HK$1.3 million for the year ended 31 March 2014 and partly offset by the decrease of rental income from approximately HK$0.8 million for the year ended 31 March 2013 to approximately HK$0.5 million for the year ended 31 March 2014.

Other operating expenses

Other operating expenses decreased from approximately HK$12.5 million for the year ended 31 March 2013 to approximately HK$4.8 million for the year ended 31 March 2014. The decrease was mainly attributable to the decrease of commission expenses as we have significantly reduced our commission expenses payable to related parties associated with our Directors, from approximately HK$6.7 million for the year ended 31 March 2013 to approximately HK$0.3 million for the year ended 31 March 2014.

Finance costs

Finance costs decreased by from approximately HK$0.6 million for the year ended 31 March 2013 to approximately HK$0.4 million for the year ended 31 March 2014, primarily due to the decrease in our bank borrowings and amounts due to directors which bore interest from approximately HK$28.4 million and HK$1.5 million at 31 March 2013 to approximately HK$20.3 million and nil at 31 March 2014 respectively.

Profit before taxation

Profit before taxation increased from approximately HK$12.0 million for the year ended 31 March 2013 to approximately HK$39.5 million for the year ended 31 March 2014 mainly due to HK$20.1 million recorded in gain on disposals of an investment property for the year ended 31 March 2014.

Income tax expense

Income tax expense increased from approximately HK$2.1 million for the year ended 31 March 2013 to approximately HK$3.5 million for the year ended 31 March 2014 mainly due to the increase in profit before taxation and assessable profit for the year ended 31 March 2014.

Profit and total comprehensive income for the year

Profit and total comprehensive income for the year increased from approximately HK$9.9 million for the year ended 31 March 2013 to approximately HK$36.0 million for the year ended 31 March 2014 mainly due to HK$20.1 million recorded in gain on disposal of an investment property for the year ended 31 March 2014.

Nine months ended 31 December 2013 (unaudited) compared to the nine months ended 31 December 2014

Revenue

Our revenue increased by approximately 22.6% from approximately HK$71.2 million for the nine months ended 31 December 2013 to approximately HK$87.2 million for the nine months ended 31 December 2014, which was attributable to the increase in both our solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services and our audiovisual system maintenance services by approximately 18.4% and 109.9% or approximately HK$12.5 million and HK$3.5 million for the nine months ended 31 December 2014 as compared to the nine months ended 31 December 2013.

Solution for audiovisual, conferencing, presentation and multimedia control systems including installation services

Revenue generated from our solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, increased by approximately 18.4% from approximately HK$68.0 million for the nine months ended 31 December 2013 to approximately HK$80.5 million for the nine months ended 31 December 2014, which was primarily attributable to revenue contribution from two new customers and our Macau segment for the nine months ended 31 December 2014. Our Macau related revenue increased from approximately HK$0.7 million for the nine months ended 31 December 2013 to approximately HK$2.5 million for the nine months ended 31 December 2014, which was due to a significant amount of revenue of approximately HK$1.2 million contributed from a project provided to an interior design company for the nine months ended 31 December 2014.

Audiovisual system maintenance services

Revenue generated from our audiovisual system maintenance services increased by approximately 109.9% from approximately HK$3.2 million for the nine months ended 31 December 2013 to approximately HK$6.8 million for the nine months ended 31 December 2014, which was primarily attributable to the increase in total projects and the average revenue per project as our Group secured more projects with higher revenue contribution.

Cost of inventories sold

Our cost of inventories sold increased by approximately 13.9%, from approximately HK$44.6 million for the nine months ended 31 December 2013 to approximately HK$50.8 million for the nine months ended 31 December 2014, which was generally in line with the increase of our revenue. Our cost of inventories sold increased slightly less than our revenue due to the increase in our audiovisual system maintenance services revenue which was labour oriented.

Gross operating margin and gross operating margin ratio

Our gross operating margin increased by approximately HK$9.9 million or 37.1% and our gross operating margin ratio increased from approximately 37.4% to approximately 41.8% for the nine months ended 31 December 2014 as compared to the nine months ended 31 December 2013. Our revenue is derived from our solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, and our audiovisual system maintenance services, and our gross profit and gross profit margin of the Group are primarily affected by the proportion of each business line contributable to our revenue.

Our gross operating margin from our solution for audiovisual, conferencing, presentation and multimedia control systems, including installation services, increased by approximately HK$6.3 million or 27.0% from approximately HK$23.4 million for the nine months ended 31 December 2013 to approximately HK$29.7 million for the nine months ended 31 December 2014, primarily due to increase of revenue. Our Group's gross operating margin ratio for this business line from approximately 34.4% for the nine months ended 31 December 2013 to approximately 36.9% for the nine months ended 31 December 2014, primarily because certain

projects with a higher gross operating margin were secured due to a higher complexity in respect of the design and installation works involved in these projects.

Our gross operating margin from the provision of audiovisual system maintenance services increased in line with our revenue increase for this business line. As the services provided was labour oriented with immaterial use of our inventories, our gross operating margin ratio for this business line was close to approximately 100%.

Staff cost

Staff cost increased from approximately HK$11.6 million for the nine months ended 31 December 2013 to approximately HK$12.9 million for the nine months ended 31 December 2014 due to the increase of sales commissions paid to our staffs in line with the increase of our revenue.

Depreciation expense

Depreciation expense remained stable at HK$1.6 million and HK$1.3 million for the nine months ended 31 December 2013 and 31 December 2014 respectively, the fluctuation of which was considered immaterial to our Group.

Other income

Other income decreased from approximately HK$21.2 million for the nine months ended 31 December 2013 to approximately HK$0.2 million for the nine months ended 31 December 2014, which was primarily attributable to a gain on disposal of investment property of approximately HK$20.1 million for the nine months ended 31 December 2013.

Other operating expenses

Other operating expenses increased from approximately HK$3.4 million for the nine months ended 31 December 2013 to approximately HK$15.0 million for the nine months ended 31 December 2014. The increase was mainly attributable to HK$10.9 million listing expenses incurred for the nine months ended 31 December 2014 for our intended listing.

Finance costs

Finance costs increased by from approximately HK$0.3 million for the nine months ended 31 December 2013 to approximately HK$0.4 million for the nine months ended 31 December 2014, primarily due to the increase in bank borrowings for the nine months ended 31 December 2014 compared to the nine months ended 31 December 2013.

Profit before taxation

Profit before taxation decreased from approximately HK$30.8 million for the nine months ended 31 December 2013 to approximately HK$7.0 million for the nine months ended 31 December 2014, which was mainly due to (i) a gain on disposal of investment property of approximately HK$20.1 million for the nine months ended 31 December 2013 and (ii) approximately HK$10.9 million recorded in listing expenses for our intended listing netted off with our increase in revenue for the nine months ended 31 December 2014.

Income tax expense

Income tax expense increased from approximately HK$2.1 million for the nine months ended 31 December 2013 to approximately HK$3.4 million for the nine months ended 31 December 2014, which was mainly due to an increase of our profit before taxation, excluding (i) our non-taxable gain on disposal of investment property of approximately HK$20.1 million for the nine months ended 31 December 2013 and (ii) our non-deductible listing expense of approximately HK$10.9 million for the nine months ended 31 December 2014.

Profit and total comprehensive income for the period

Profit and total comprehensive income for the period decreased from approximately HK$28.7 million for the nine months ended 31 December 2013 to approximately HK$3.6 million for the nine months ended 31 December 2014, which was mainly due to (i) a gain on disposal of investment property of approximately HK$20.1 million for the nine months ended 31 December 2013 and (ii) approximately HK$10.9 million recorded in listing expenses for our intended listing netted off with our increase in revenue for the nine months ended 31 December 2014.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Overview

During the Track Record Period, our primary use of cash are to pay for purchases of audiovisual equipment and parts to fund our working capital and normal operating expenses. Historically, we have financed our liquidity requirements through a combination of cash flows generated by our operating activities and bank borrowings.

Cash flows

The following table presents selected cash flows data from our combined statements of cash flows for the Track Record Period.

	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Net cash from operating activities	5,925	16,803	8,841	7,627
Net cash (used in) from investing activities	(90)	28,541	28,531	614
Net cash used in financing activities	(2,052)	(44,599)	(30,194)	(3,021)
Net increase in cash and cash equivalents	3,783	745	7,178	5,220
Cash and cash equivalents at the beginning of the year/period	10,517	14,300	14,300	15,045
Cash and cash equivalents at the end of the year/period	14,300	15,045	21,478	20,265

We have historically met our liquidity requirements principally through a combination of cash flows from operations, internal resources and bank borrowings. Our principal use of cash has been, and is expected to continue to be, for operational costs and capital expenditure.

Cash flows from operating activities

Nine months ended 31 December 2014

For the nine months ended 31 December 2014, we recorded net cash from operating activities of approximately HK$7.6 million primarily as a result of the combined effect of (i) the operating profit before taxation of approximately HK$7.0 million; (ii) depreciation of approximately HK$1.3 million; (iii) the increase in inventories and prepayment, deposits and other receivables of approximately HK$1.1 million and HK$1.1 million respectively; and (iv) the decrease in trade receivables, trade and bills payables and other payables and accruals of approximately HK$6.4 million, HK$4.5 million and HK$0.6 million respectively.

Nine months ended 31 December 2013 (unaudited)

For the nine months ended 31 December 2013, we recorded net cash from operating activities of approximately HK$8.8 million primarily as a result of the combined effect of (i) the operating profit before taxation of approximately HK$30.8 million; (ii) a gain on disposal of investment property of approximately HK$20.1 million; (iii) depreciation of approximately HK$1.6 million; and (iv) the increase in inventories, trade receivables, prepayments, deposits and other receivables, trade and bills payables and other payables and accruals of approximately HK$1.9 million, HK$10.7 million, HK$0.7 million, HK$2.2 million and HK$7.6 million respectively.

Year ended 31 March 2014

For the year ended 31 March 2014, we recorded net cash from operating activities of approximately HK$16.8 million primarily as a result of the combined effect of (i) the operating profit before taxation of approximately HK$39.5 million; (ii) a gain on disposal of investment property of approximately HK$20.1 million; (iii) depreciation of approximately HK$2.1 million; (iv) profit tax paid of approximately HK$2.5 million; and (v) the increase in trade receivables, trade and bills payables and other payables and accruals of approximately HK$8.8 million, HK$4.1 million and HK$3.5 million respectively.

Year ended 31 March 2013

For the year ended 31 March 2013, we recorded net cash from operating activities of approximately HK$5.9 million primarily as a result of the combined effect of (i) the operating profit before taxation of approximately HK$12.0 million; (ii) depreciation of approximately HK$2.2 million; (iii) the increase in trade receivables of approximately HK$1.4 million; and (iv) the decease in prepayments, deposits and other receivables, trade and bills payables and other payables and accruals of approximately HK$1.5 million, HK$2.2 million and HK$6.7 million respectively.

Cash flows (used in) from investing activities

Nine months ended 31 December 2014

For the nine months ended 31 December 2014, we recorded net cash from investing activities of approximately HK$0.6 million which was considered immaterial to our Group.

Nine months ended 31 December 2013 (unaudited)

For the nine months ended 31 December 2013, we recorded net cash from investing activities of approximately HK$28.5 million primarily as a result of the proceeds from disposal of investment property of approximately HK$28.4 million.

Year ended 31 March 2014

For the year ended 31 March 2014, we recorded net cash from investing activities of approximately HK$28.5 million primarily as a result of the proceeds from disposal of investment property of approximately HK$28.4 million.

Year ended 31 March 2013

For the year ended 31 March 2013, we recorded net cash used in investing activities of approximately HK$90,000 which was considered immaterial to our Group.

Cash flows used in financing activities

Nine months ended 31 December 2014

For the nine months ended 31 December 2014, we recorded net cash used in financing activities of approximately HK$3.0 million primarily as a result of (i) repayment of bank borrowings of approximately HK$22.7 million; (ii) bank borrowings raised of approximately HK$53.2 million; (iii) repayment to related companies and directors of approximately HK$14.5 million and HK$8.0 million respectively; and (iv) dividend paid of approximately HK$10.6 million.

Nine months ended 31 December 2013 (unaudited)

For the nine months ended 31 December 2013 (unaudited), we recorded net cash used in financing activities of approximately HK$30.2 million primarily as a result of (i) the repayment to directors, shareholders and bank borrowings of approximately HK$1.3 million, HK$3.0 million and HK$7.5 million respectively; (ii) advance from related companies amounted to approximately HK$1.8 million; and (iii) dividend paid of approximately HK$19.9 million.

Year ended 31 March 2014

For the year ended 31 March 2014, we recorded net cash used in financing activities of approximately HK$44.6 million primarily as a result of (i) repayment to related companies, directors, shareholders and bank borrowings of approximately HK$10.8 million, HK$1.6 million, HK$3.3 million and HK$8.1 million respectively; and (ii) dividend paid of approximately HK$20.3 million.

Year ended 31 March 2013

For the year ended 31 March 2013, we recorded net cash used in financing activities of approximately HK$2.1 million primarily as a result of (i) advance from related companies and directors of approximately HK$3.9 million and HK$2.4 million respectively; (ii) repayment of bank borrowings of approximately HK$3.0 million; and (iii) dividend paid of HK$6.0 million.

Financial resources

Prior to the completion of the Placing, our Group's operations and investments were financed principally by cash generated from our business operations. As at 31 December 2014, our Group had cash and cash equivalents of approximately HK$20.3 million. We intend to finance our future operations, capital expenditure and other capital requirements with the cash generated from our business operations, cash and cash equivalents available and the net proceeds from the Placing.

Working capital

As at 31 March 2013, 31 March 2014 and 31 December 2014, we had cash and cash equivalents of approximately HK$14.3 million, HK$15.0 million and HK$20.3 million, respectively. As at 31 March 2013, 31 March 2014, 31 December 2014 and 31 March 2015, we had net current liabilities, which amounted to approximately HK$42.9 million, HK$27.6 million, HK$21.2 million and HK$28.1 million (unaudited), respectively. As at the Latest Practicable Date, with the exception of a HK$6.0 million facility granted by HSBC, which has not yet been drawn down, we had no unutilised banking facilities.

As mentioned in the section entitled "Net current liabilities" in the Financial Information section of this prospectus, our Group's net current liabilities during the Track Record Period were largely due to bank borrowings classified as current liabilities due to "repayable on demand" clauses in the relevant facility agreements. The loans mainly included mortgage loans for our Group's land and buildings, tax loans and revolving loans for business use. If our Group's bank borrowings which were not scheduled to be repaid within a year were excluded from the aforementioned net current liabilities figures, our Group's adjusted net current assets (liabilities) position would be as follows: net current liabilities of approximately HK$17.4 million and HK$9.8 million as at 31 March 2013 and 31 March 2014 respectively and net current assets of HK$19.2 million as at 31 December 2014.

Our Directors are of the opinion that, taking into consideration our internal resources, available banking facilities of HK$6.0 million, our net cash generated from operating activities of HK$7.6 million for the nine months ended 31 December 2014, our Group's total bank and cash balance amounting to approximately HK$14.8 million (unaudited) as at 31 March 2015 and the estimated net proceeds from the Placing, we will have sufficient working capital for our present requirements, for at least the next 12 months from the date of this prospectus.

NET CURRENT LIABILITIES

The following table sets out details of our current assets and current liabilities as at the respective financial position dates below:

	As at 31 March		As at 31 December	As at 31 March
	2013	2014	2014	2015
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (unaudited)
Current Assets				
Inventories	5,079	5,251	6,367	5,567
Trade receivables	20,061	28,837	22,446	20,844
Prepayments, deposits and other receivables	2,598	3,781	4,862	5,367
Amount due from a shareholder	–	519	–	–
Amounts due from related companies	116	131	–	–
Bank balances and cash	14,300	15,045	20,265	14,831
Total current assets	42,154	53,564	53,940	46,609
Current Liabilities				
Trade and bills payables	7,834	11,979	7,452	6,360
Other payables and accruals	9,505	23,643	11,063	12,083
Amounts due to directors	9,511	7,953	–	–
Amount due to a shareholder	2,827	–	–	–
Amounts due to related companies	25,389	14,548	–	–
Bank borrowings	28,365	20,270	50,757	54,868
Tax payables	1,642	2,754	5,910	1,370
Total current liabilities	85,073	81,147	75,182	74,681
Net current liabilities	(42,919)	(27,583)	(21,242)	(28,072)

Our current assets primarily comprise inventories, trade receivables, prepayments, deposits and other receivables and bank balances and cash, while our Group's current liabilities primarily comprise trade and bill payables, other payables and accruals, amounts due to directors and related companies, bank borrowings and tax payables. Our Group had been in net current liabilities position during the Track Record Period and up to the latest practicable date for ascertaining the financial information of our Group.

Our Group recorded net current liabilities of approximately HK$42.9 million, HK$27.6 million, HK$21.2 million and HK$28.1 million (unaudited) as at 31 March 2013, 31 March 2014, 31 December 2014 and 31 March 2015, respectively. The decrease of our net current liabilities as at 31 March 2014 as compared to 31 March 2013 was mainly due to the increase in our trade receivables of approximately HK$8.8 million which were mainly caused by several sizable projects which were completed near to the financial year ended 31 March 2014 and were not due for settlement as at 31 March 2014 and decrease in our outstanding bank borrowings of approximately HK$8.1 million upon disposal of our investment property for the year ended 31 March 2014. Our net current liabilities further decreased as at 31 December 2014 as compared to 31 March 2014 mainly due to the decrease in trade and bills payables of approximately HK$4.5 million, other payables and accruals of approximately HK$12.6 million which were mainly caused by (i) decrease in dividend payable from approximately HK$10.6 million as at 31 March 2014 to nil as at 31 December 2014 (we declared dividends of approximately HK$30.9 million for the year ended 31 March 2014 and paid approximately HK$20.3 million and HK$10.6 million for the year ended 31 March 2014 and the nine months ended 31 December 2014 respectively) and (ii) the decrease of customer deposits (for trade) from approximately HK$6.3 million as at 31 March 2014 to approximately HK$1.8 million as at 31 December 2014, amounts due to directors of approximately HK$8.0 million, amounts due to related companies of approximately HK$14.5 million and partly offset by the increase of bank borrowings of approximately HK$30.5 million. Our net current liabilities increased as at 31 March 2015 as compared to 31 December 2014 mainly due to the decrease in trade receivables of approximately HK$1.6 million and cash and bank balances of approximately HK$5.4 million, the increase in bank borrowings of approximately HK$4.1 million and partly offset by the decrease in tax payables of approximately HK$4.5 million.

Bank borrowings with a repayment on demand clause were all included in the current liabilities as at each of the financial position dates. At 31 March 2013 and 31 March 2014 and 31 December 2014, the aggregate undiscounted principal amounts of these bank borrowings amounted to approximately HK$28,365,000, HK$20,270,000 and HK$50,757,000, respectively. Taking into account the Group's financial position, our Directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. Our Directors of the Company believe that such bank loans will be repaid more than one year after the reporting date in accordance with the scheduled repayment dates set out in the loan agreements.

Inventories

The following table sets out details of our inventories by nature as at the respective financial position dates below:

	As at 31 March		As at 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Interactive system	1,011	340	500
Central control and switcher system	380	329	448
Projector and display system	2,813	3,385	3,460
Video conference system	214	188	686
Professional sound system	110	193	464
Multimedia learning system	59	75	60
Interpretation system and others	492	741	749
	5,079	5,251	6,367

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Our inventories increased slightly from approximately HK$5.1 million as at 31 March 2013 to approximately HK$5.3 million as at 31 March 2014 and further increased to approximately HK$6.4 million as at 31 December 2014 which was consistent with our increase in projected revenue for the nine months ended 31 December 2014.

The following table sets out the inventory turnover days during the Track Record Period:

	Year ended 31 March		Nine months ended 31 December
	2013	2014	2014
	day(s)	*day(s)*	*day(s)*
Inventory turnover days *(note)*	29	29	31

Note: Inventory turnover days is calculated based on average balance of inventory divided by cost of inventories sold of the year/period for the relevant year/period, multiplied by 360 days for the year ended 31 March 2013 and 31 March 2014 and 270 days for the nine months ended 31 December 2014. The average balance of inventory is the inventory at the beginning of the period plus the inventory at the end of the period with the sum divided by two.

Our number of inventory turnover days for the two years ended 31 March 2014 and the nine months ended 31 December 2014 were approximately 29, 29 and 31 days and were stable throughout the Track Record Period.

The following table sets out the ageing analysis of inventory after impairment as at 31 December 2014 below:

	0–30 days	31–60 days	61–90 days	91–120 days	121–365 days	Over 1 year	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Interactive system	199	10	170	10	50	61	500
Central control and switcher system	284	18	1	6	101	38	448
Projector and display system	1,734	741	101	177	476	231	3,460
Video conference system	539	13	31	1	93	9	686
Professional sound system	318	24	37	15	61	9	464
Multimedia learning system	1	32	–	–	27	–	60
Interpretation system and others	496	32	27	4	124	66	749
	3,571	870	367	213	932	414	6,367

The management of our Group reviews an ageing analysis at the end of the reporting period and makes allowance for obsolete and slow-moving items identified that are no longer suitable for sale or use. Our Group makes allowance for inventories based on the assessment of the net realizable value. The management estimates the net realizable value for inventories based on primarily on the latest invoice prices and current market conditions. As at 31 March 2013, 31 March 2014 and 31 December 2014, there were provision for obsolete inventories of approximately HK$0.7 million, HK$0.5 million and HK$0.5 million. As at the Latest Practicable Date, approximately 72.9% of our inventory as at 31 December 2014 have been sold.

Trade receivables

Our trade receivables increased from approximately HK$20.1 million as at 31 March 2013 to approximately HK$28.8 million as at 31 March 2014. The increase was mainly due to several sizable projects were completed near to the financial year ended 31 March 2014 and they were not due for settlement as at 31 March 2014, in line with the increase of within 30 days and 31–60 days category in our ageing analysis as at 31 March 2014 as compared to 31 March 2013. Our trade receivables decreased from approximately HK$28.8 million as at 31 March 2014 to approximately HK$22.4 million as at 31 December 2014 because the trade receivables for several sizable projects as at 31 March 2014 were settled as at 31 December 2014.

The following table sets out the ageing analysis of our trade receivables, based on invoice date as at the respective financial position dates below:

	As at 31 March		As at 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Within 30 days	12,007	15,685	8,517
31-60 days	1,885	6,980	2,787
61-120 days	2,294	4,502	6,325
121-365 days	3,116	854	4,138
Over 365 days	759	816	679
	20,061	28,837	22,446

We generally allow an average credit period of 30 days to our trade customers. Our Group performs ongoing credit evaluations of our customers and adjusts credit limits based on payment history and the customer's current credit-worthiness, as determined by the review of their current credit information. Our Group continuously monitors collections and payments from our customers and maintains a provision for estimated credit losses based upon its historical experience and any specific customer collection issues that it has identified. Credit losses have historically been within our Group's expectations and we will continue to monitor the collections from customers and maintain an appropriate level of estimated credit losses.

As at 31 March 2013, 31 March 2014 and 31 December 2014, no provisions had been made in respect of trade receivables.

As at 31 March 2013, 31 March 2014 and 31 December 2014, our ageing analysis of trade receivables that were past due but not impaired are as follows:

	1–30 days	31–60 days	61–120 days	121–365 days	Over 365 days	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
As at 31 March 2013	1,884	424	1,786	2,809	759	7,662
As at 31 March 2014	6,968	3,548	691	573	801	12,581
As at 31 December 2014	2,778	4,066	2,254	3,396	431	12,925

Our trade receivables balances include, amongst others, retention money receivables. Upon requests by some of our clients, at the order or cost quotation stage, the customers may have the right to withhold approximately 5% of our total agreed contract sum. It is generally agreed that such sum would be released to us after the expiry of our standard one-year maintenance service period. Other than this, our Directors confirm to the best of their knowledge and belief, that there are no conditions or circumstances whereby customers will request retention monies.

The following table sets out our ageing analysis of all retention money receivables as at the respective financial position dates below:

	As at 31 March		As at 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Neither past due nor impaired	446	593	762
Past due 1-30 days	–	–	224
Past due 31-60 days	–	–	–
Past due 61-120 days	–	–	–
Past due 121-365 days	–	–	6
Total	446	593	992

For the year ended 31 March 2013 and 31 March 2014 and for the nine months ended 31 December 2014, we had 10, 14 and 8 customers, with revenue contribution of approximately HK$8.1 million, HK$9.3 million and HK$9.2 million (representing approximately 7.5%, 9.0% and 10.6% of total revenue), respectively, who requested retention of monies.

The following table sets out our trade receivables turnover days during the Track Record Period:

	Year ended 31 March		Nine months ended 31 December
	2013	2014	2014
	day(s)	*day(s)*	*day(s)*
Trade receivables turnover days *(note)*	64	86	79

Note: Trade receivables turnover days is calculated based on the average balance of trade receivables, net of provision on impairment, divided by revenue for the year/period, multiplied by 360 days for the year ended 31 March 2013 and 31 March 2014 and 270 days for the nine months ended 31 December 2014. The average balance of trade receivables is the balance at the beginning of the period plus the balance at the end of the period with the sum divided by two.

Our number of trade receivables turnover days was approximately 64, 86 and 79 for the two years ended 31 March 2014 and for the nine months ended 31 December 2014, respectively. Our trade receivables turnover days were higher than our average credit period of 30 days to our customers.

Our trade receivables turnover days was increased from the year ended 31 March 2013 to the year ended 31 March 2014 mainly due to an increase in the number and amount of projects near the end of the financial years, thus increasing the ending balances of trade receivables over the years.

Our trade receivables turnover days was decreased from the year ended 31 March 2014 to the nine months ended 31 December 2014 was mainly due to several sizable projects in respect of which their trade balances outstanding as at 31 March 2014 had been settled during the nine months ended 31 December 2014.

Out of trade receivables balances of approximately HK$22.4 million as at 31 December 2014, the balances of approximately HK$18.1 million were settled as at the Latest Practicable Date. For those unsettled balances of approximately HK$4.3 million, they mainly included (i) the retention money receivables of approximately HK$0.7 million which had not yet been due; (ii) the balances of approximately HK$1.2 million which had not yet been due as at the Latest Practicable Date since the credit periods longer than 30 days were granted; and (iii) the balances of approximately HK$1.7 million which were overdue and mainly due from a renowned international corporate and certain government authorities with ongoing business relationship, accordingly, our Directors considered that the risk of default payment is low.

Prepayment, deposits and other receivables

The following is a breakdown of prepayment, deposits and other receivables as at the respective financial position dates below:

	As at 31 March		As at 31 December
	2013	**2014**	**2014**
	HK$'000	*HK$'000*	*HK$'000*
Prepayment	1,517	2,545	4,103
Deposits	240	260	154
Other receivables	841	976	605
	2,598	3,781	4,862

Our prepayment, deposits and other receivables mainly represents (i) prepayment to suppliers for purchases orders; (ii) prepayment for IPO expenses; and (iii) rental deposits, building management fee deposits and utility deposits for office premises.

The balance of prepayment, deposits and other receivables increased from approximately HK$2.6 million as at 31 March 2013 to approximately HK$3.8 million as at 31 March 2014 and further increased to approximately HK$4.9 million, mainly due to an increase in prepayment to facilitate our projects for the forthcoming period.

Trade and bills payables

The following table sets out our trade and bills payables as at the respective financial position dates below:

	As at 31 March		As at 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Trade payables	6,998	11,979	7,452
Bills payables	836	–	–
	7,834	11,979	7,452

Our trade payables primarily consisted of the purchases of audiovisual equipment and parts, and are recognised upon receipt of goods. Our Group usually receives credit periods on the purchase of goods of 30 days. Our bills payables mainly relate to our use of bills facility provided by our banks to finance the purchases from our suppliers.

Our balance of trade and bills payables increased from approximately HK$7.8 million as at 31 March 2013 to approximately HK$12.0 million as at 31 March 2014, mainly due to the increase of purchases near to the year end of 31 March 2014 as compared to 31 March 2013.

Our balance of trade and bills payables decreased from approximately HK$12.0 million as at 31 March 2014 to approximately HK$7.5 million as at 31 December 2014 due to the increase of purchases near to the year end of 31 March 2014 as compared to the nine months ended 31 December 2014.

The following table sets out a summary of our ageing analysis of trade payables balance based on the invoice date as at the respective financial position dates below:

	As at 31 March		As at 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Within 60 days	3,858	9,083	4,142
61 to 90 days	614	942	480
Over 90 days	2,526	1,954	2,830
	6,998	11,979	7,452

The following table sets out our trade and bills payables turnover days during the Track Record Period:

	Year ended 31 March		Nine months ended 31 December
	2013	**2014**	**2014**
	day(s)	*day(s)*	*day(s)*
Trade and bills payables turnover days *(note)*	47	56	52

Note: Trade and bills payables turnover days is calculated based on the average balance of trade payables divided by cost of inventories sold for the year/period, multiplied by 360 days for the year ended 31 March 2013 and 31 March 2014 and 270 days for the nine months ended 31 December 2014. The average balance of trade payables is the balance at the beginning of the period plus the balance at the end of the period with the sum divided by two.

Our trade and bills payables turnover days increased from approximately 47 days for the year ended 31 March 2013 to approximately 56 days for the year ended 31 March 2014 due to our cost of inventories sold having decreased from approximately HK$68.2 million for the year ended 31 March 2013 to approximately HK$63.6 million for the year ended 31 March 2014 together with our average trade and bills payables increased from approximately HK$9.0 million as at 31 March 2013 to approximately HK$9.9 million as at 31 March 2014 due to our increased purchase near the year ended 31 March 2014.

Our trade and bills payables turnover days decreased from approximately 56 days for the year ended 31 March 2014 to approximately 52 days for the nine months ended 31 December 2014 due to our average trade and bills payables having decreased from approximately HK$9.9 million as at 31 March 2014 to approximately HK$9.7 million as at 31 December 2014.

Our trade and bills payables turnover days were higher than the average credit period of 30 days. It was mainly due to some particular purchases close to each financial year end in which these suppliers granted us a longer credit period.

At the Latest Practicable Date, approximately 81.4% of our trade payables as at 31 December 2014 has been settled.

OTHER PAYABLES AND ACCRUALS

The following table sets out a summary of our other payables and accruals balance as at the respective financial position dates below.

	As at 31 March		As at 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Accrued salary	725	375	1,058
Commission payable	1,557	1,597	1,920
Customer deposits (for trade)	4,517	6,257	1,805
Receipts in advance	1,270	3,085	4,071
Dividend payable	–	10,600	–
Accrued expenses and other payables	1,436	1,729	2,209
	9,505	23,643	11,063

Our other payables and accruals are mainly consisted of accrued salary, commission payable, customer deposits (for trade), receipts in advance, dividend payable and accrued expenses and other payables.

Our other payables and accruals increased by approximately 148.7% or HK$14.1 million, from approximately HK$9.5 million as at 31 March 2013 to approximately HK$23.6 million as at 31 March 2014, primarily because (i) the increase of dividend payable from nil as at 31 March 2013 to approximately HK$10.6 million as at 31 March 2014 due to the Group declared dividend of approximately HK$30.9 million during the year ended 31 March 2014 and (ii) the increase of customer deposits (for trade) from approximately HK$4.5 million as at 31 March 2013 to approximately HK$6.3 million as at 31 March 2014 due to the increase in the number of material projects or new customers which require to pay deposits as at 31 March 2014 as compared to 31 March 2013.

Our other payables and accruals decreased by approximately 53.2% or approximately HK$12.6 million, from approximately HK$23.6 million as at 31 March 2014 to approximately HK$11.1 million as at 31 December 2014, primarily because (i) decrease in dividend payable from approximately HK$10.6 million as at 31 March 2014 to nil as at 31 December 2014 (we declared dividends of approximately HK$30.9 million for the year ended 31 March 2014 and paid approximately HK$20.3 million and HK$10.6 million for the year ended 31 March 2014 and the nine months ended 31 December 2014 respectively) and (ii) the decrease of customer deposits (for trade) from approximately HK$6.3 million as at 31 March 2014 to approximately HK$1.8 million as at 31 December 2014.

Our customer deposits (for trade) which represented prepayments from customers amounted to approximately HK$4.5 million, HK$6.3 million and HK$1.8 million as at 31 March 2013, 31 March 2014 and 31 December 2014, respectively. For the year ended 31 March 2013 and 31 March 2014 and the nine months ended 31 December 2014, we had 176, 118 and 91 customers with an aggregate revenue contribution of approximately HK$36.4

million, HK$31.6 million and HK$21.0 million (representing approximately 33.7%, 30.8% and 24.1% of total revenue), respectively, who were required to make prepayments to us. In determining whether to require our clients to settle such prepayments, we generally take into account a number of factors, including (i) our relationship with our clients; (ii) the relevant contract sum; and (iii) our clients' background. During the Track Record Period, our customers who made prepayments to us mainly comprised new customers, except for government and educational institutions and some old customers with significant project value.

COMMITMENTS

Capital Commitments

As at 31 December 2014 and as at the Latest Practicable Date, we did not have material capital commitments.

Operating Lease Commitments

Our Group as lessee

Our Group leases certain of its warehouses and offices under operating lease arrangements. Lease for properties are negotiated for terms ranging from one to three years and rentals are fixed. The following table sets out our total future minimum lease payments under non-cancellable operating leases as at the respective financial position dates below:

	As at 31 March		As at 31 December
	2013	**2014**	**2014**
	HK$'000	*HK$'000*	*HK$'000*
Within one year	240	614	540
In the second to fifth year inclusive	430	278	–
	670	892	540

Our Group as lessor

We leased out to an independent third party our investment property, which was an office unit in Hong Kong, for the purpose of earning rental income during the Track Record Period. We disposed of such investment property in November 2013. Rental income earned from leasing out our investment property for the year ended 31 March 2013, 31 March 2014 and the nine months ended 31 December 2014 amounted to approximately HK$0.8 million, HK$0.5 million and nil, respectively.

The following table indicated sets out the amount we had contracted with tenants for the following future minimum lease payments as at the respective financial position dates below:

	As at 31 March		As at 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Within one year	867	–	–
In the second to fifth year inclusive	70	–	–
	937	–	–

INDEBTEDNESS

The following table sets out the indebtedness of our Group as at the respective financial position dates below.

	As at 31 March		As at 31 December	As at 31 March
	2013	2014	2014	2015
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (unaudited)
Indebtedness				
Current portion:				
– Bank borrowings	28,365	20,270	50,757	54,868
– Amounts due to Directors	9,511	7,953	–	–
– Amount due to a shareholder	2,827	–	–	–
– Amounts due to related companies	25,389	14,548	–	–
	66,092	42,771	50,757	54,868

Bank borrowings

As at 31 March 2013 and 31 March 2014 and 31 December 2014, bank borrowings of approximately HK$25.5 million, HK$17.8 million and HK$40.4 million are not scheduled to be repaid within one year were classified as current liabilities as the related loan agreements contain a clause that provides the lenders with an unconditional right to demand repayment at any time at its own discretion. None of the portion of these interest-bearing borrowings due for repayment after one year, which contains a repayment on demand clause and that is classified as current liabilities, is expected to be settled within one year.

As at 31 March 2013, 31 March 2014 and 31 March 2015, we did not have any unutilised banking facilities.

As at 31 December 2014 and the Latest Practicable Date, we have unutilised banking facilities amounted to approximately HK$5.5 million and HK$6.0 million respectively. Such banking facilities were secured by legal charge over a property of a company which certain directors of our Group have beneficial interest. The guarantees provided by certain directors of our Group will be released and replaced by guarantees from our Company upon Listing.

As at the respective financial position dates, total current and non-current bank borrowings were scheduled for repayment as follows:

	As at 31 March		As at 31 December	As at 31 March
	2013	2014	2014	2015
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (unaudited)
Secured mortgage loan	28,365	20,270	43,385	42,649
Unsecured tax loan	–	–	872	219
Unsecured revolving loan	–	–	6,500	12,000
	28,365	20,270	50,757	54,868
Bank borrowings repayable:				
On demand or within one year	2,839	2,461	10,313	15,161
More than one year but not exceeding two years	2,858	2,471	2,941	2,941
More than two years but not exceeding five years	8,667	7,475	8,823	8,823
After five years	14,001	7,863	28,680	27,943
	28,365	20,270	50,757	54,868

Note: The amounts due are based on the scheduled repayment dates in the banking facilities and ignore the effect of any repayment on demand clause.

As at 31 March 2013, 31 March 2014, 31 December 2014 and 31 March 2015, all bank borrowings were guaranteed by certain directors of our Company. The guarantees provided by those directors will be released and replaced by guarantees from our Company upon Listing.

As at 31 March 2013, bank borrowings of approximately HK$5,643,000 were secured by an investment property of the Group with carrying amount of approximately HK$8,437,000.

As at 31 March 2013, 31 March 2014, 31 December 2014 and 31 March 2015, bank borrowings of approximately HK$22,722,000, HK$20,270,000, HK$43,385,000 and HK$42,649,000 (unaudited) were secured by buildings of the Group with carrying amounts of HK$53,623,000, HK$52,466,000, HK$51,598,000 and HK$51,309,000 (unaudited) respectively.

The bank borrowings carry interest at rates per annum ranging as follows:

	As at 31 March 2013	2014	As at 31 December 2014	As at 31 March 2015 (unaudited)
Fixed-rate borrowings	–	–	4.25%	4.25%
Variable-rate borrowings	0.21% – 1.61%	0.21% – 1.61%	2.22% – 2.72%	2.22% – 2.72%

In September 2014, through rearranging its mortgage loans, our Group has raised additional fund of approximately HK$31 million. These loans carried variable interest rates ranging from 2.22% to 2.72%.

Our Directors confirm that our Group was in compliance with the restrictive covenants contained in the terms of certain loans entered into between us and certain banks or other financial institutions throughout the Track Record Period and up to the Latest Practicable Date.

Amounts due to directors/a shareholder/related companies

Included in the amounts due to directors are amounts of approximately HK$1.5 million as at 31 March 2013, which were unsecured and carried interest at 3.25% per annum. Included in the amounts due to related companies are amounts of approximately HK$24.1 million and HK$14.5 million as at 31 March 2013 and 2014 due to Newmark which is the former holding company of our Group before the Reorganisation. Except the amounts due to directors of approximately HK$1.5 million as at 31 March 2013, other amounts are unsecured, non-interest bearing and repayable on demand.

Contingent liabilities and capital commitments

Save as disclosed above, as at the Latest Practicable Date for the purpose of this statement of indebtedness, our Group had no material contingent liabilities and capital commitments.

LISTING EXPENSES

We expect that our total listing expense, which is non-recurring in nature, will amount to approximately HK$23.2 million. Out of the total HK$23.2 million listing expenses, we have paid approximately HK$12.2 million (including approximately HK$10.9 million recognised as expense in the combined statements of profit and loss during the nine months ended 31 December 2014). For the remaining amount of approximately HK$11.0 million, we expect to further recognise approximately HK$1.2 million and HK$3.6 million in the combined statements of profit or loss for the year ended 31 March 2015 and ending 31 March 2016, respectively.

Accordingly, the financial results of our Group for the year ended 31 March 2015 and ending 31 March 2016 are expected to be affected by the estimated expenses in relation to the Listing. Such listing expenses comprise a current estimate for reference purposes only and the final amount to be charged to the combined statements of profit or loss account of our Group

for the year ended 31 March 2015 and ending 31 March 2016 and the amount to be deducted from our Group's capital is subject to change.

OFF BALANCE SHEET TRANSACTIONS

Save as disclosed as section headed Contingent liabilities and Capital commitments above, we have not entered into any material off-balance sheet transactions or arrangements as at 31 December 2014.

SUMMARY OF KEY FINANCIAL RATIOS

The following table sets out certain key financial ratios in respect of our Group as at the end of each of the financial year indicated:

	Year ended 31 March		Nine months ended 31 December
	2013	**2014**	**2014**
Net profit margin *(note a)*	9.2%	35.1%	4.1%
– excluding a gain on disposal of investment property *(note i)*	9.2%	15.5%	4.1%
Return on assets *(note b)*	9.3%	33.5%	4.5%
– excluding a gain on disposal of investment property *(note i)*	9.3%	14.7%	4.5%
Return on equity *(note c)*	47.1%	137.9%	15.4%
– excluding a gain on disposal of investment property *(note i)*	47.1%	60.8%	15.4%
Current ratio *(note d)*	0.5	0.7	0.7
Quick ratio *(note e)*	0.4	0.6	0.6
Gearing ratio *(note f)*	314.3%	163.9%	163.4%
Net Debt to equity ratio *(note g)*	66.9%	20.0%	98.2%
Interest coverage *(note h)*	20.1	91.3	17.9
– excluding a gain on disposal of investment property *(note i)*	20.1	45.3	17.9

Notes:

a. Net profit margin is calculated based on the net profit for the year/period divided by total revenue for the year / period and multiplied by 100%.

b. Return on assets is calculated based on the net profit for the year divided by the total assets at the end of the year and multiplied by 100%. For the nine months ended ratio, it is calculated based on annualised net profit for the period divided by the total assets at the end of the period and multiplied by 100%.

c. Return on equity is calculated based on the net profit for the year divided by total equity at the end of the year and multiplied by 100%. For the nine months ended ratio, it is calculated based on annualised net profit for the period divided by total equity at the end of the period and multiplied by 100%.

d. Current ratio is calculated based on the total current assets at the end of the year/period divided by the total current liabilities at the end of the year/period.

e. Quick ratio is calculated by dividing the total current assets (net of inventories) by the total current liabilities.

f. Gearing ratio is calculated based on total debt at the end of the year/period divided by total equity at the end of the year/period and multiplied by 100%. Debts are defined to include all liabilities incurred not in the ordinary course of business excluding trade and bills payables, other payables and accruals and tax payables.

g. Net debt to equity ratio is calculated by dividing net debt by equity and multiplied by 100%. Net debt is defined to include all bank borrowings net of cash and cash equivalents.

h. Interest coverage is calculated by dividing profit before taxation and finance cost by finance cost.

i. The amount refers to approximately HK$20.1 million other income of a gain on disposal of investment property for the year ended 31 March 2014.

Net profit margin

Net profit margin increased from approximately 9.2% for the year ended 31 March 2013 to approximately 35.1% for the year ended 31 March 2014. The increase was primarily attributable to i) a gain on disposal of property of approximately HK$20.1 million for the year ended 31 March 2014 and ii) a decrease of approximately HK$6.1 million in commission expenses as we have significantly reduced our commission expenses payable to related parties associated with our Directors during the year ended 31 March 2014.

Excluding a gain on disposal of investment property, our net profit margin increased from 9.2% for the year ended 31 March 2013 to approximately 15.5% for the year ended 31 March 2014. The increase was primarily attributable to a decrease of above mentioned approximately HK$6.1 million in commission expenses as we have significantly reduced our commission expenses payable to related parties associated with our Directors during the year ended 31 March 2014.

Net profit margin decreased from approximately 35.1% for the year ended 31 March 2014 to approximately 4.1% for the nine months ended 31 December 2014. The decrease was primarily attributable to i) a gain on disposal of investment property of approximately HK$20.1 million for the year ended 31 March 2014 as compared to nil for the nine months ended 31 December 2014 and ii) listing expenses of approximately HK$10.9 million incurred for the nine months ended 31 December 2014.

Excluding a gain on disposal of investment property, our net profit margin decreased from 15.5% for the year ended 31 March 2014 to approximately 4.1% for the nine months ended 31 December 2014. The decrease was primarily attributable to listing expenses of approximately HK$10.9 million incurred for the nine months ended 31 December 2014.

Return on assets

Return on assets increased from approximately 9.3% for the year ended 31 March 2013 to approximately 33.5% for the year ended 31 March 2014. Similar to net profit margin, the increase was primarily attributable to i) a gain on disposal of investment property of approximately HK$20.1 million for the year ended 31 March 2014 and ii) a decrease of approximately HK$6.1 million in commission expenses as we have significantly reduced our commission expenses payable to related parties associated with our Directors during the year ended 31 March 2014.

Excluding a gain on disposal of investment property, return on assets increased from approximately 9.3% for the year ended 31 March 2013 to approximately 14.7% for the year ended 31 March 2014. Similar to net profit margin, the increase was primarily attributable to a decrease of above mentioned approximately HK$6.1 million in commission expenses as we have significantly reduced our commission expenses payable to related parties associated with our Directors during the year ended 31 March 2014.

Return on assets for the nine months ended 31 December 2014 was approximately 4.5% representing a decrease as compared to the return on assets for the year ended 31 March 2014 of approximately 33.5%. Similar to net profit margin, the decrease was mainly attributable to i) a gain on disposal of investment property of approximately HK$20.1 million for the year ended 31 March 2014 as compared to nil for the nine months ended 31 December 2014 and ii) listing expenses of approximately HK$10.9 million incurred for the nine months ended 31 December 2014.

Excluding a gain on disposal of investment property, return on assets for the nine months ended 31 December 2014 was approximately 4.5% representing a decrease as compared to the return on assets for the year ended 31 March 2014 of approximately 14.7%. Similar to our net profit margin, the decrease was mainly attributable to listing expenses of approximately HK$10.9 million incurred for the nine months ended 31 December 2014.

Return on equity

Return on equity increased from approximately 47.1% for the year ended 31 March 2013 to approximately 137.9% for the year ended 31 March 2014. The increase was mainly due to i) dividend of approximately HK$6.0 million was declared for the year ended 31 March 2013 while approximately HK$30.9 million was declared for the year ended 31 March 2014 and ii) a gain on disposal of investment property of approximately HK$20.1 million for the year ended 31 March 2014 as compared to nil for the year ended 31 March 2013.

Excluding a gain on disposal of investment property, return on equity increased from approximately 47.1% for the year ended 31 March 2013 to approximately 60.8% for the year ended 31 March 2014. The increase was mainly due to a dividend of approximately HK$6.0 million having been declared for the year ended 31 March 2013 while approximately HK$30.9 million was declared for the year ended 31 March 2014.

Return on equity for the nine months ended 31 December 2014 was approximately 15.4%, representing a decrease as compared to the return on equity for the year ended 31 March 2014 of approximately 137.9%, or 60.8% if a gain on disposal of investment property are excluded. The decrease was mainly due to i) dividend of approximately HK$30.9 million being declared for the year ended 31 March 2014 while no dividend was declared for the nine months ended 31 December 2014 and ii) listing expenses of approximately HK$10.9 million incurred for the nine months ended 31 December 2014 resulting in decreasing profit.

Current ratio and quick ratio

Our current ratio was approximately 0.5, 0.7 and 0.7 as at 31 March 2013, 31 March 2014 and 31 December 2014, respectively. Our quick ratio was approximately 0.4, 0.6 and 0.6 as at 31 March 2013, 31 March 2014 and 31 December 2014, respectively. The increase in both the current ratio and quick ratio as at 31 March 2014 as compared to 31 March 2013 reflected the improvement of our financial position mainly due to release of the mortgage loan upon disposal of our investment property during the year ended 31 March 2014. Both current ratio and quick ratio remained stable as at 31 March 2014 and 31 December 2014.

Gearing ratio and net debt to equity ratio

Our gearing ratio was approximately 314.3%, 163.9% and 163.4% as at 31 March 2013, 31 March 2014 and 31 December 2014, respectively. Our net debt to equity ratio was approximately 66.9%, 20.0% and 98.2% as at 31 March 2013, 31 March 2014 and 31 December 2014, respectively. The decrease in both the gearing ratio and net debt to equity ratio as at 31 March 2014 as compared to 31 March 2013 was mainly due to release of the mortgage loan upon disposal of our investment property during the year ended 31 March 2014. The gearing ratio had slightly decreased while the net debt to equity ratio had increased as at 31 December 2014 compared to 31 March 2014 was mainly due to (i) additional bank borrowings of approximately HK$31 million had been raised through rearranging our mortgage loans in September 2014; and (ii) repayment of amounts due to directors and related companies in September 2014.

Interest coverage

Interest coverage was approximately 20.1 and 91.3 (or 45.3 if a gain on disposal of investment property have been excluded) for the two years ended 31 March 2014 respectively. The increase was mainly because, our profit before taxation increased significantly by approximately 229.9% (or 61.7% if a gain on disposal of investment property have been excluded) for the year ended 31 March 2014, and our finance cost decreased by approximately 30.1% for the year ended 31 March 2014.

Interest coverage was approximately 91.3 (or 45.3 if a gain on disposal of investment property have been excluded) and 17.9 for the year ended 31 March 2014 and for the nine months ended 31 December 2014 respectively. The decrease in interest coverage was mainly because our projected profit before taxation decreased significantly by approximately 76.4% (or 51.8% if a gain on disposal of investment property have been excluded) for the profit before taxation for the nine months ended 31 December 2014, while our projected finance cost increased by approximately 26.6% for the nine months ended 31 December 2014.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Our major financial instruments include trade receivables, deposits and other receivables, amounts due from related companies and a shareholder, bank balances and cash, trade and bills payables, other payables and accruals, amounts due to a shareholder, directors and related companies and bank borrowings. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Our Directors manage and monitor these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Our Group carries out certain of our transactions in USD and SGD and certain of our monetary assets and liabilities are denominated in USD and SGD. As HKD is pegged to USD, our Directors do not expect any significant movements in the USD/HKD exchange rate and considers our Group is mainly exposed to currency risk in the SGD/HKD exchange rate.

The carrying amounts of our Group's foreign currency denominated monetary assets at the end of the reporting period are as follows:

	Assets			Liabilities		
	At 31 March		At 31 December	At 31 March		At 31 December
	2013	2014	2014	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
USD	59	319	469	1,205	21	–
SGD	–	–	5,379	–	–	–

Our Group currently does not have a foreign currency hedging policy. However, our Directors continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Sensitivity analysis

The following table details our Group's sensitivity to a 5% for all periods increase or decrease in the functional currencies of the relevant group entities against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of each reporting period for a 5% change in foreign currency rates. A positive number below indicates a decrease in post-tax profit where the respective functional currencies strengthen 5% against the relevant currency. For a 5% weakening of the respective functional currencies against the relevant foreign currency, there would be an equal and opposite impact on the profit and other equity and the balances below would be negative. The analysis is performed on this basis for the Track Record Period.

As the HKD is pegged to USD, our Directors do not expect any significant movements in the USD/HKD exchange rate and considers the Group is only exposed to currency risk in the SGD/HKD exchange rate.

	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Impact on the profit for the year/period				
SGD	–	–	–	225

Interest rate risk

Our Group is exposed to cash flow interest rate risk in relation to variable bank balances for the Track Record Period and variable rate bank borrowings carrying interest at prevailing market rates. However, the exposure in bank balances is minimal to our Group during the Track Record Period as the bank balances are all short-term in nature. It is our Group's policy to keep our borrowings at floating rate of interest so as to minimize the fair value interest rate risk.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of each reporting period. The analysis is prepared assuming the amount of liability outstanding at the end of each reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used for the Track Record Period when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower for the Track Record Period and all other variables were held constant, our Group's post-tax profit for each of the two years ended 31 March 2013 and 2014 and the nine months ended 31 December 2014 would decrease / increase by approximately HK$118,000, HK$85,000 and HK$159,000 respectively. This is mainly attributable to the Group's exposure to cash flow interest rate risk on its variable rate bank borrowings.

In the opinion of our Directors, the sensitivity analysis is unrepresentative of the interest rate risk as the year end exposure does not reflect the exposure during the Track Record Period.

Credit risk

At the end of each reporting period, our Group's maximum exposure to credit risk which will cause a financial loss to us due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognized financial assets as stated in the combined statements of financial position of the Accountants' Report contained in Appendix I of this prospectus.

In order to minimize the credit risk, our Directors have delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, we review the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, our Directors consider that our Group's credit risk is significantly reduced.

The credit quality of the counterparties in respect of amounts due from related companies is assessed by taking into account their financial position, credit history and other factors. Our Directors are of the opinion that the risk of default by these counterparties is low.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Our Group has concentration of credit risk as 22%, 19% and 15% of the total trade receivables at 31 March 2013 and 2014 and 31 December 2014 was due from our largest customer respectively.

Our Group has concentration of credit risk as 50%, 49% and 43% of the total trade receivables at 31 March 2013 and 2014 and 31 December 2014 was due from our five largest customers respectively.

Our Group's concentration of credit risk by geographical locations is mainly in the PRC (including Hong Kong), which accounted for over 95% of the total trade receivables as at 31 March 2013, 2014 and 31 December 2014.

Liquidity risk

In the management of the liquidity risk, our Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance our Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following table details our Group's remaining contractual maturity for our non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which our Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of each reporting period.

	As at 31 March 2013		
	On demand or within 1 year	**Total undiscounted cash flows**	**Carrying amount**
	HK$'000	*HK$'000*	*HK$'000*
Trade and bills payables	7,834	7,834	7,834
Other payables and accruals	3,718	3,718	3,718
Amounts due to directors	9,511	9,511	9,511
Amount due to a shareholder	2,827	2,827	2,827
Amounts due to related companies	25,389	25,389	25,389
Bank borrowings	28,560	28,560	28,365
	77,839	77,839	77,644

	As at 31 March 2014		
	On demand or within 1 year	**Total undiscounted cash flows**	**Carrying amount**
	HK$'000	*HK$'000*	*HK$'000*
Trade and bills payables	11,979	11,979	11,979
Other payables and accruals	14,301	14,301	14,301
Amounts due to directors	7,953	7,953	7,953
Amounts due to related companies	14,548	14,548	14,548
Bank borrowings	20,379	20,379	20,270
	69,160	69,160	69,051

	As at 31 December 2014		
	On demand or within 1 year	**Total undiscounted cash flows**	**Carrying amount**
	HK$'000	*HK$'000*	*HK$'000*
Trade and bills payables	7,452	7,452	7,452
Other payables and accruals	5,187	5,187	5,187
Bank borrowings	51,934	51,934	50,757
	64,573	64,573	63,396

Bank borrowings with a repayment on demand clause are included in the "on demand or within 1 year" time band in the above maturity analysis. At 31 March 2013, 31 March 2014 and 31 December 2014, the aggregate undiscounted principal amounts of these bank loans amounted to approximately HK$28.4 million, HK$20.3 million and HK$50.8 million respectively. Taking into account our Group's financial position, our Directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. Our Directors believe that such bank loans will be repaid more than one year after the reporting date in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amount to approximately HK$29.6 million, HK$26.6 million and HK$56.0 million respectively.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to changes if changes in variable interest rates differ to those estimates of interest rates determined at the end of each reporting period.

Fair Value

Our Directors consider that the carrying amounts of current financial assets and current financial liabilities recorded at amortised cost using the effective interest rate method in the Financial Information approximately their fair values due to their immediate or short-term maturities.

Our Directors consider that the carrying amounts of other non-current financial liabilities are recorded at amortised cost using the effective interest rate method in the Financial Information approximately their fair values.

DIVIDENDS AND DIVIDEND POLICY

We declared dividends of approximately HK$9.0 million to our Shareholders on 5 February 2015 and paid approximately HK$9.0 million to our Shareholders on 27 February 2015. We declared and paid dividends of approximately HK$6.0 million for the year ended 31 March 2013. We declared dividends of approximately HK$30.9 million for the year ended 31 March 2014 and paid approximately HK$20.3 million and HK$10.6 million for the year ended 31 March 2014 and nine months ended 31 December 2014. We did not declare dividends for the nine months ended 31 December 2014.

Our historical declarations of dividends may not reflect our future dividend payout ratio.

After completion of the Placing, Shareholders will be entitled to receive dividends declared by our Company. Dividend payments are discretionary and will be subject to the recommendation of our Board and approval of our Shareholders in general meetings or, in the case of interim dividends, subject to the approval of our Board in accordance with the Articles. The amount of any dividends to be declared by our Company in any given year in the future will depend on, among others, our Group's results of operations, available cashflows and financial conditions, operating and capital requirements, the amount of distributable profits based on the HKFRSs, the Articles, applicable laws and regulations and any other factors that our Directors deem relevant. The payment of dividends may also be limited by legal restrictions and agreements that our Group may enter into in the future.

DISTRIBUTABLE RESERVE

As at 31 March 2013, 31 March 2014 and 31 December 2014, our Company did not have any reserve available for distribution to the Shareholders.

PROFIT ESTIMATE FOR THE YEAR ENDED 31 MARCH 2015

On the bases as set out in Appendix III to this prospectus and in the absence of unforeseen circumstances, our key profit estimate data for the year ended 31 March 2015 are set out below:

Estimated combined profit attributable to the owners of our Company for the year ended 31 March 2015	not less than HK$4.0 million
Unaudited estimated earnings per Share on a pro forma basis for the year ended 31 March 2015 (*Note 1*)	not less than HK$0.004

Note:

(1) The unaudited estimated earnings per Share on a pro forma basis is calculated by dividing the estimated combined profit attributable to the owners of our Company for the year ended 31 March 2015 by 1,000,000,000 Shares as if such Shares had been issued throughout the Track Record Period. The number of Shares used in this calculation includes the Shares in issue as at the date of this prospectus and the Shares to be issued pursuant to the Placing, but takes no account of any Shares which may be allotted and issued pursuant to the exercise of any options that may be granted under the Share Option Scheme.

We expect our net profit margin (without taking into account of our listing expenses) for the three months ended 31 March 2015 will be decreased as compared to the nine months ended 31 December 2014 as we expect a decrease in our average monthly revenue for the three months ended 31 March 2015 as compared to the nine months ended 31 December 2014 mainly due to a project in Singapore having been completed and revenue relating thereto amounting to approximately HK$9.2 million having been recognized for the nine months ended 31 December 2014, while our staff cost and depreciation rate remain stable.

PROPERTY INTERESTS AND VALUATION OF PROPERTIES

The properties of the Group were revalued at HK$118.4 million as of 31 March 2015 by Peak Vision Appraisals Limited. Details of the valuation are summarised in Appendix IV to this prospectus.

A statement of the reconciliation of the audited net book value of the property interests (land and buildings) of the Group as of 31 December 2014 and the valuation of such property interests as of 31 March 2015 as required under Rule 8.30 of the GEM Listing Rules is set out below:

	HK$'000
Net book value of land and buildings of the Group as of 31 December 2014 (audited)	51,598
Movement for the period from 1 January 2015 to 31 March 2015	
Less: Depreciation for the period (unaudited)	(289)
Net book value as of 31 March 2015 (unaudited)	51,309
Valuation surplus as of 31 March 2015 (unaudited)	67,091
Valuation as of 31 March 2015	118,400

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The following statement of unaudited pro forma adjusted combined net tangible assets of the Group (the "Unaudited Pro Forma NTA") prepared in accordance with Rule 7.31 of the GEM Listing Rules is for illustrative purposes only, and is set out below to illustrate the effect of the Placing on the combined net tangible assets of the Group attributable to the owners of the Company as at 31 December 2014 as if the Placing had taken place on 31 December 2014.

This Unaudited Pro Forma NTA has been prepared for illustrative purposes only and, because of its hypothetical nature, may not give a true picture of the combined net tangible assets of the Group as at 31 December 2014 or at any future dates following the Placing. It is prepared based on the combined net tangible assets attributable to owners of the Company as at 31 December 2014 as set out in the Accountants' Report of the Group, the text of which is set out in Appendix I to this prospectus, and adjusted as described below.

	Audited combined net tangible assets attributable to owners of the Company as at 31 December 2014 *HK$'000* *(Note 1)*	Estimated net proceeds from the Placing *HK$'000* *(Note 2)*	Unaudited pro forma adjusted combined net tangible assets attributable to owners of the Company immediately after the completion of the Placing *HK$'000*	Unaudited pro forma adjusted combined net tangible assets per Share as at 31 December 2014 *HK$* *(Notes 3 and 4)*
Based on the Placing Price of HK$0.30 per Share	28,785	62,974	91,759	0.09
Based on the Placing Price of HK$0.39 per Share	28,785	84,743	113,528	0.11

Notes:

1. The audited combined net tangible assets of the Group attributable to owners of the Company as at 31 December 2014 has been derived from the audited combined net assets of the Group attributable to the owners of the Company of approximately HK$28,785,000 as at 31 December 2014 extracted from the Accountants' Report set out in Appendix I to this prospectus.

2. The estimated net proceeds from the Placing are based on 250,000,000 new Shares at the Placing Price of HK$0.30 or HK$0.39 per Placing Share, after deducting the underwriting fees and commissions and estimated expenses payable by the Company in relation to the Placing. The estimated net proceeds do not take into account any Shares which may be issued upon the exercise of any options granted under the Share Option Scheme.

3. The unaudited pro forma adjusted combined net tangible assets per Share is arrived at after adjustment for the estimated net proceeds from the Placing payable to the Company as described in note 2 and on the basis that a total of 1,000,000,000 Shares were in issue as at 31 December 2014 (including Shares in issue as at the date of this prospectus and those Shares are expected to be issued pursuant to the Placing and the Capitalisation Issue but not taking into account any Shares which may be issued upon the exercise of any options granted under the Share Option Scheme).

4. The land and building of the Group is valued by Peak Vision Appraisals Limited. According to the valuation report, the land and building of the Group as of 31 March 2015 amounted to approximately HK$118,400,000. Comparing this amount with the carrying value of the land and building of the Group as of 31 March 2015 of approximately HK$51,309,000, there is a surplus of approximately HK$67,091,000. Had the land and building been stated at the revaluation amount, additional annual depreciation of approximately HK$1,540,000 would be incurred. The surplus on revaluation will not be incorporated in the Group's combined financial information in subsequent years as the Group has elected to state the land and building at cost basis.

5. No adjustment has been made to the unaudited pro forma adjusted combined net tangible assets of the Group to reflect any trading result or other transactions of the Group entered into subsequent to 31 December 2014.

DISCLOSURE REQUIRED UNDER THE GEM LISTING RULES

Our Directors have confirmed that, as at the Latest Practicable Date, there were no circumstances which would have given to a disclosure requirement under Rules 17.15 to 17.21 of the GEM Listing Rules.

NO MATERIAL ADVERSE CHANGE

Our Directors expect that the financial results of our Group for the year ended 31 March 2015 were affected by the estimated expenses in relation for the listing.

Our Directors have confirmed that they have performed sufficient due diligence to ensure that as at the Latest Practicable Date and up to the date of this prospectus save as disclosed above, there has been no material adverse change in the financial and trading position or prospects of our Group since 31 December 2014 and that there is no event since the Latest Practicable Date that would affect the information shown in the Accountant's Report sets out in Appendix I to this prospectus. Our Directors consider that all information necessary for the investing public to make an informed judgement as to the business activities and financial position of our Group has been included in this prospectus.

OUR BUSINESS OBJECTIVES

Our principle objectives are (i) to maintain and strengthen our position as one of the leading video conferencing and multimedia audiovisual solution providers in Hong Kong; and (ii) to expand our market share in the video conferencing and multimedia audiovisual solution industry in the PRC and Singapore.

OUR BUSINESS STRATEGIES

Please refer to the section headed "Business — Business Strategies" in this prospectus for our business strategies.

IMPLEMENTATION PLANS

We will endeavour to achieve the milestone events set out below during the period from the Latest Practicable Date to 30 June 2017. Their respective scheduled completion times are based on certain bases and assumptions as set out in the paragraph headed "Bases and Assumptions" in this section. These bases and assumptions are inherently subject to many uncertainties and unpredictable factors, in particular the risk factors set out in the section headed "Risk Factors" of this prospectus. There can be no assurance that our plans will materialise in accordance with the expected time frame or that our objective will be accomplished at all. Based on our business objectives, we intend to carry out the following implementation plans:

1. For the period from the Latest Practicable Date to 30 September 2015

To recruit approximately five senior and experienced sales staff to expand our video conferencing and multimedia audiovisual solution business in Hong Kong	• To carry out recruitment campaign • To develop new clientele and procure new projects • To evaluate the performance of our sales staff and the size of the sales and marketing department
To acquire a warehouse in Hong Kong	• To carry out preparatory work, including but not limited to, site visits, and negotiation with landlords and estate agent
To set up new regional offices with showrooms and recruit approximately 15 new staff in Beijing, Shanghai and Singapore	• To carry out preparatory work, including but not limited to, site visits, negotiation with landlords and recruitment campaign

To carry out marketing and promotion activities on both traditional and new media platforms to improve public awareness of our Group and further strengthen our position in Hong Kong, the PRC and Singapore	• To carry out marketing and promotion in Hong Kong, the PRC and Singapore • To evaluate the effectiveness of our marketing and promotion

2. For the six months ending 31 March 2016

To maintain the expanded sales team in Hong Kong	• To develop new clientele and procure new projects • To evaluate the performance our sales staff and the size of the sales and marketing department
To acquire a warehouse in Hong Kong	• To acquire the warehouse • To carry out refurbishment
To set up and operate the new regional offices with showrooms and recruit approximately 10 new staff in Shanghai and Singapore	
To carry out marketing and promotion activities on both traditional and new media platforms to improve public awareness of our Group and further strengthen our position in Hong Kong, the PRC and Singapore	• To carry out marketing and promotion in Hong Kong, the PRC and Singapore • To evaluate the effectiveness of our marketing and promotion

3. For the six months ending 30 September 2016

To maintain the expanded sales team in Hong Kong	• To develop new clientele and procure new projects • To evaluate the performance our sales staff and the size of the sales and marketing department
To operate the new warehouse in Hong Kong	• To carry out refurbishment • To prepare migration from the existing warehouses to new warehouse

	To operate the new regional offices with showrooms in Singapore and Shanghai	
	To carry out marketing and promotion activities on both traditional and new media platforms to improve public awareness of our Group and further strengthen our position in Hong Kong, the PRC and Singapore	• To carry out marketing and promotion in Hong Kong, the PRC and Singapore • To evaluate the effectiveness of our marketing and promotion
4.	For the six months ending 31 March 2017	
	To maintain the expanded sales team in Hong Kong	• To develop new clientele and procure new projects • To evaluate the performance our sales staff and the size of the sales and marketing department
	To operate the new warehouse in Hong Kong	
	To operate the new regional offices with showrooms in Singapore and Shanghai, and set up and operate the new regional office with showroom and recruit approximately 5 new staff in Beijing	
	To carry out marketing and promotion activities on both traditional and new media platforms to improve public awareness of our Group and further strengthen our position in Hong Kong, the PRC and Singapore	• To carry out marketing and promotion in Hong Kong, the PRC and Singapore • To evaluate the effectiveness of our marketing and promotion
5.	For the three months ending 30 June 2017	
	To maintain the expanded sales team in Hong Kong	• To develop new clientele and procure new projects • To evaluate the performance our sales staff and the size of the sales and marketing department

To operate the new warehouse in Hong Kong	
To operate the three new regional offices with showrooms in Beijing, Shanghai and Singapore	
To carry out marketing and promotion activities on both traditional and new media platforms to improve public awareness of our Group and further strengthen our position in Hong Kong, the PRC and Singapore	• To carry out marketing and promotion in Hong Kong, the PRC and Singapore • To evaluate the effectiveness of our marketing and promotion

BASES AND ASSUMPTIONS

The business objectives set forth by our Directors are based on the following bases and assumptions:

— there will be no significant economic changes in respect of inflation, interest rate, tax rate and currency exchange rate in Hong Kong, Singapore and the PRC that will adversely affect our business;

— we will have sufficient financial resources to meet our planned capital expenditure and business development requirements during the period to which the business objectives relate;

— there will be no material changes in the existing laws (whether in Hong Kong, Singapore, the PRC or any part of the world), policies or industry or regulatory treatment relating to provision of integrated audiovisual solutions in Hong Kong, Singapore, the PRC, or in the political, economic or market conditions in which we operate;

— there will be no changes in the funding requirement for each of the near term business objectives described in this prospectus from the amount as estimated by our Directors;

— there will be no material changes in the bases or rates of taxation applicable to our Group;

— there will be no disasters, natural, political or otherwise, which would materially disrupt the business or operations of our Group or cause substantial loss, damage or destruction to our properties or facilities;

— there will be no changes in the effectiveness of the licenses and permits obtained by our Group; and

— we will not be materially affected by the risk factors as set forth in the section headed "Risk Factors" in this prospectus.

REASONS OF THE PLACING AND PROPOSED USE OF NET PROCEEDS

Our Directors believe that the Listing will enhance our Group's profile and recognition as well as enable us to implement our business plan as set out in this section. Furthermore, the Listing and the Placing will provide us with access to the capital market for future corporate finance exercises to assist in our future business development and further strengthen and enhance our competitiveness.

The total amount of listing expenses and the underwriting fees (assuming that the Offer Size Adjustment Option is not exercised) in connection with the Placing will be solely borne by our Group. On the basis that the Placing Price is HK$0.345 (being the mid-point of the indicative range of the Place Price), our Directors estimate that the net proceeds to be received by us from the Placing (after deducting underwriting fees, brokerage, the Stock Exchange trading fee and SFC transaction levy for the Placing Shares and estimated listing expenses in connection with the Placing) will be approximately HK$63.1 million. Our Directors presently intend that the net proceeds payable to us from the Placing will be applied for the period from the Latest Practicable Date to 30 June 2017 as follows:

	From the Latest Practicable Date to 30 September 2015	**For the six months ending**			**For the three months ending 30 June 2017**	**Total**	**% of net proceeds**
		31 March 2016	**30 September 2016**	**31 March 2017**			
	HK$ million	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*	
To recruit approximately five senior and experienced sales staff to expand our video conferencing and multimedia audiovisual solution business in Hong Kong	1.4	2.9	2.9	2.9	1.4	11.5	18.2
To acquire a warehouse in Hong Kong	–	29.5	–	–	–	29.5	46.8
To set up new regional offices with showrooms and recruit approximately 15 new staff in Beijing, Shanghai and Singapore	1.7	3.2	4.0	3.2	1.6	13.7	21.7
To carry out marketing and promotion activities on both traditional and new media platforms to improve public awareness of our Group and further strengthen our position in Hong Kong, the PRC and Singapore	0.3	0.6	0.6	0.6	0.3	2.4	3.8
Total:	3.4	36.2	7.5	6.7	3.3	57.1	90.5

Our Directors plan to use the remaining net proceeds of approximately HK$6.0 million (approximately 9.5% of the net proceeds) for working capital and other general corporate purposes.

If the Placing Price is determined at the high-end of the indicative range of the Placing Price, the net proceeds from the placing to be received by us would be increased to approximately HK$73.9 million. We currently intend to apply such additional net proceeds to the proposed acquisition of a warehouse in Hong Kong. If the Placing Price is determined at the low-end of the indicative range of the Placing Price, the net proceeds from the Placing to be received by us would be decreased to approximately HK$52.1 million. We currently intend to reduce the net proceeds to the above proposed usage items, save and except for the proposed acquisition of a warehouse in Hong Kong, on a pro-rata basis.

Based on commercial negotiation between our Group and the Selling Shareholders, the total amount of listing expenses in connection with the Placing will be solely borne by our Group if the Offer Size Adjustment Option is not exercised. If the Offer Size Adjustment Option is exercised, the listing expenses in connection with the Placing and underwriting fees for the Placing Shares and any Shares which may be sold pursuant to the exercise of the Offer Size Adjustment Option, will be borne by our Group and the Selling Shareholders, respectively on a pro-rata basis.

If the Offer Size Adjustment Option is exercised in full, assuming a Placing Price of HK$0.345 per Share, being the mid-point of the indicative Placing Price range of HK$0.30 to HK$0.39 per Share, we estimate the net proceeds to the Selling Shareholders will be approximately HK$11.6 million (to be received upon Listing), after deducting the underwriting fees, brokerage, the Stock Exchange trading fee and SFC transaction levy for the Shares sold pursuant to the exercise of the Offer Size Adjustment Option, and the relevant portion of listing expenses in connection with the Placing. Our Company will not receive any proceeds from the Shares sold pursuant to the exercise of the Offer Size Adjustment Option in the Placing.

As at the Latest Practicable Date, we did not have any acquisition target.

To the extent that the net proceeds from the Placing are not immediately required for the above purposes, it is the present intention of our Directors that they will be placed as short-term deposits with licensed banks in Hong Kong.

Our Directors consider that the net proceeds from the Placing together with our internal resources will be sufficient to finance the implementation of our business plans as set forth in the paragraphs under "Future Plans and Use of Proceeds — Implementation Plans" in this prospectus. **Investors should be aware that any part of our business plans may not proceed according to the time frame as described above due to various factors. Under such circumstances, our Directors will evaluate carefully the situation and will hold the funds as short-term deposits until the relevant business plan(s) materialise.**

UNDERWRITERS

Quam Securities Company Limited

Pan Asia Corporate Finance Limited

UNDERWRITING ARRANGEMENTS, COMMISSIONS AND EXPENSES

Underwriting Agreement

Pursuant to the Underwriting Agreement, the Underwriters will arrange for the placing of the Placing Shares with selected individual, professional and institutional investors in Hong Kong at the Placing Price, and our Company shall allot and issue the Placing Shares, on and subject to the terms and conditions set out in the Underwriting Agreement and this prospectus.

Subject to, among other conditions, the Stock Exchange granting the listing of, and permission to deal in all the Shares in issue and any Shares to be issued as mentioned in this prospectus pursuant to the Capitalisation Issue and the Placing (including any options which may be granted under the Share Option Scheme) and to certain other conditions set out in the Underwriting Agreement being fulfilled, the Underwriters have agreed to subscribe for or procure subscribers for the Placing Shares on the terms and conditions of the Underwriting Agreement and this prospectus.

In connection with the Placing, the Selling Shareholders have granted to Pan Asia the Offer Size Adjustment Option, exercisable by Pan Asia in its discretion, to require the Selling Shareholders, namely Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin, to sell such number of Shares in proportion to their shareholdings respectively up to an additional 37,500,000 Shares, representing 15% of the aggregate of the total number of Placing Shares initially available under the Placing, for the purpose of covering any excess demand in the Placing. Further information on the Offer Size Adjustment Option is set forth in the section headed "Structure and Conditions of the Placing" in this prospectus.

Grounds for termination

If at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date:

(a) there has come to the notice of the Sole Sponsor and/or the Joint Lead Managers:

(i) any statement contained in, among others, the post hearing information pack of our Company, this prospectus, the formal notice, the placing letters, any submissions, documents or information provided to the Sole Sponsor or the Joint Lead Managers, any announcements or documents issued by our Company (for itself and on behalf of the Selling Shareholders) in connection with the Placing (including any supplement or amendment thereto) (the "**Relevant Documents**"), considered by the Sole Sponsor or the Joint Lead Managers in its/their sole opinion was, when it was issued, or has become, or been discovered to be untrue, incorrect, inaccurate or misleading or any expressions of opinion, intention or expectation contained in any of such documents are not, in the sole opinion of the Sole Sponsor or the Joint Lead Managers, in all material respects fair and honest and based on reasonable assumptions, when taken as a whole;

(ii) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute an omission therefrom considered by the Sole Sponsor or the Joint Lead Managers in its/their sole opinion to be material in the context of the Placing;

(iii) any breach of any of the obligations imposed upon any party to the Underwriting Agreement considered by the Sole Sponsor or the Joint Lead Managers in its/their sole opinion to be material in the context of the Placing (other than upon any of the Sole Sponsor, the Joint Lead Managers and the Underwriters) (as the case may be);

(iv) either (1) there has been a breach of any of the warranties or provisions set out in the Underwriting Agreement by any of the warrantors of the Underwriting Agreement or (2) any matter or event showing or rendering any of the warranties set out in the Underwriting Agreement, as applicable, in the sole opinion of the Sole Sponsor or the Joint Lead Managers, to be untrue, incorrect, inaccurate or misleading when given or repeated;

(v) any event, act or omission which gives or is likely to give rise to any liability of a material nature of any of the warrantors of the Underwriting Agreement pursuant to the indemnity provisions under the Underwriting Agreement or the Placing to be performed or implemented as envisaged;

(vi) any event, series of events, matter or circumstance occurs or arises on or after the date of this prospectus and prior to 8:00 a.m. (Hong Kong time) on the Listing Date, would have rendered any warranties set out in the Underwriting Agreement, in the sole opinion of the Sole Sponsor or the Joint Lead Managers, to be untrue, incorrect, inaccurate or misleading;

(vii) approval by the Stock Exchange of the listing of, and permission to deal in, the Shares is refused or not granted before the Listing Date, other than subject to customary conditions, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld;

(viii) our Company (for itself and on behalf of the Selling Shareholders) withdraws any of the Relevant Documents (and/or any other documents used in connection with the contemplated issue and sale of the Placing Shares) without the prior consent of the Sole Sponsor and the Joint Lead Managers; or

(ix) any person (other than the Sole Sponsor, the Joint Lead Managers or any of the Underwriters) has withdrawn or sought to withdraw its consent to the issue of any of the Relevant Documents with the inclusion of its reports, letters, summaries of valuations and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

(b) there shall develop, occur, happen, exist or come into effect:

(i) any event, or series of events in the nature of force majeure, including, without limitation, acts of government or orders of any courts, labour disputes, strikes, calamity, crisis, lock-outs (whether or not covered by insurance), fire, explosion, flooding, civil commotion, acts of war, acts of God, acts of terrorism (whether or not responsibility has been claimed), declaration of a national or international emergency, riots, public disorder, economic sanctions, outbreaks of diseases or epidemics (including but not limited to swine influenza (H1N1 flu), severe acute respiratory syndrome and avian influenza A (H5N1) and other related or mutated forms), accidents, interruption or delay in transportation, any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared) or other state of emergency or calamity or crisis in Hong Kong, the PRC, Macau, Singapore, the BVI or the Cayman Islands or any other jurisdictions relevant to any member of our Group (together, the "**Relevant Jurisdictions**");

(ii) any change or development involving a prospective change or development, or any event or series of events, matters or circumstances likely to result in or represent any change or development involving a prospective change or development, in the local, national, regional, international financial, economic, political, military, industrial, fiscal, regulatory, currency, credit, market or exchange control conditions or any monetary or trading settlement system or matters and/or disaster (including without limitation a change in the system under which the value of the Hong Kong currency is linked to that of the currency of the United States, or a material fluctuation in the exchange rate of the Hong Kong dollar or the Renminbi against any foreign currency, or any interruption in securities settlement or clearance service or procedures) in or affecting any of the Relevant Jurisdictions;

(iii) any change in the general fund raising environment in Hong Kong or elsewhere;

(iv) any new law or regulation or any change or development involving a prospective change in existing laws or regulations or any change or development involving a prospective change in the interpretation or application thereof by any court or other competent authority in or affecting any of the Relevant Jurisdictions;

(v) the imposition of economic sanctions or changes in existing economic sanctions, in whatever form, directly or indirectly, by the United States or by the European Union (or any member thereof) on any of the Relevant Jurisdictions;

(vi) any change or development involving a prospective change in any Taxation or exchange control (or the implementation of any exchange control, currency exchange rates or foreign investment laws or regulations) in or affecting any of the Relevant Jurisdictions;

(vii) any change or development involving a prospective change, or a materialisation of, any of the risks set out in the section headed "Risk Factors" in this prospectus;

(viii) any litigation or claim of material importance being threatened or instigated against any member of our Group or any Director;

(ix) any Director being charged with an indictable offence or prohibited by operation of law or regulation or otherwise disqualified from taking part in the management of a company;

(x) the Chairman or chief executive officer of our Company vacating his office;

(xi) the commencement by any governmental, regulatory or political body or organisation of any action against any Director or any member of our Group or an announcement by any governmental, regulatory or political body or organisation that it intends to take any such action;

(xii) any contravention by any member of our Group or any Director of the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Cayman Companies Law, the GEM Listing Rules, the SFO or any applicable laws;

(xiii) a prohibition on our Company or the Selling Shareholders for whatever reason from allotting or issuing the Placing Shares (excluding the Shares to be sold by the Selling Shareholders pursuant to the exercise of the Offer Size Adjustment Option) or selling the Shares to be sold by the Selling Shareholders pursuant to the exercise of the Offer Size Adjustment Option pursuant to the terms of the Placing;

(xiv) non-compliance of the Relevant Documents (and/or any other documents used in connection with the issue and sale of the Placing Shares) or any aspect of the Placing with the GEM Listing Rules or any other applicable laws and regulations;

(xv) other than with the written approval of the Sole Sponsor and the Joint Lead Managers (for themselves and on behalf of the Underwriters), the issue or requirement to issue by our Company (for itself and on behalf of the Selling Shareholders) of a supplement or amendment to any of the Relevant Documents (and/or any other documents used in connection with the issue or sale of the Placing Shares) pursuant to the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the GEM Listing Rules;

(xvi) a valid demand by any creditor for repayment or payment of any indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity;

(xvii) any loss or damage sustained by any member of our Group (howsoever caused and whether or not the subject of any insurance or claim against any person);

(xviii) any change or prospective change in the earnings, results of operations, business, business prospects, financial or trading position, conditions or prospects (financial or otherwise) of our Company or any member of our Group (including any litigation or claim of material importance being threatened or instigated against our Company or any member of our Group);

(xix) a petition or an order is presented for the winding-up or liquidation of any member of our Group or any member of our Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group or any analogous matter thereto occurs in respect of any member of our Group;

(xx) a disruption in or any general moratorium on commercial banking activities or foreign exchange trading or securities settlement, or payment or clearance services or procedures in or affecting any of the Relevant Jurisdictions;

(xxi) any change or development in the conditions of local, national or international equity securities or other financial markets; or

(xxii) the imposition of any moratorium, suspension or restriction on trading in shares or securities generally on or by the Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Tokyo Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange or minimum or maximum prices for trading having been fixed, or maximum ranges for prices having been required, by any of the said exchanges or by such system or by order of any Government Authority; or

(c) such other events or circumstances,

which in each case or in aggregate in the absolute opinion of the Sole Sponsor or the Joint Lead Managers (for themselves and on behalf of the Underwriters):

(A) is or will be or maybe or likely to be adverse to or may prejudicially affect the general affairs, management, business, financial, trading or other condition or prospects of our Group (as a whole) or any member of our Group or to any present or prospective shareholder in his, her or its capacity as such;

(B) has or will have or might have or is likely to have an adverse effect on the success or marketability or pricing of the Placing or the level of applications in the Placing or the level of interest under the Placing;

(C) makes or may make it inadvisable, inexpedient or impracticable to proceed with or to market the Placing or the delivery of the Placing Shares on the terms and in the manner contemplated by any of the Relevant Documents; or

(D) has or would have the effect of making any part of the Underwriting Agreement (including underwriting) incapable of implementation or performance in accordance with its terms and in the manner contemplated by any of the Relevant Documents and the Underwriting Agreement or which prevents the processing of applications and/or payments pursuant to the Placing or pursuant to the underwriting thereof,

then the Sole Sponsor or the Joint Lead Managers (for themselves and on behalf of the Underwriters) may in its/their sole discretion, upon giving notice in writing to our Company (for itself and on behalf of the Selling Shareholders), terminate the Underwriting Agreement with immediate effect.

Commission and Expenses

The Underwriters will receive an underwriting commission of 3.25% of the aggregate Placing Price of all Placing Shares (including the Shares to be sold by the Selling Shareholders pursuant to the exercise of the Offer Size Adjustment Option), which are to be borne by our Company and the Selling Shareholders respectively on a pro-rata basis, out of which the Underwriters will pay any sub-underwriting commission. The total commission and expenses relating to the Placing and Listing (including the GEM Listing fees, legal and other professional fees, and printing fees), are estimated to amount to approximately HK$23.2 million and are to be solely borne by our Company if the Offer Size Adjustment Option is not exercised. If the Offer Size Adjustment Option is exercised, the listing expenses in connection with the Placing and underwriting fees for the Placing Shares and any Shares which may be sold pursuant to the exercise of the Offer Size Adjustment Option, will be borne by our Group and the Selling Shareholders, respectively on a pro-rata basis.

Underwriters' interest in our Company

Save as provided for under the Underwriting Agreement, none of the Underwriters has any shareholding interests in any member of our Group nor has any right (whether legally enforceable or not) to subscribe for or purchase or nominate persons to subscribe for or purchase any Shares.

Undertakings

Our Company hereby undertakes to and covenants with each of the Sole Sponsor, the Sole Coordinator, the Joint Lead Managers and the Underwriters that our Company shall not (and shall procure each other member of our Group not to), and each of our executive Directors and Controlling Shareholders hereby jointly and severally undertakes to and covenants with the Sole Sponsor, the Sole Coordinator, the Joint Lead Managers and the Underwriters that it/he shall procure our Company and each other member of our Group not to, without the prior written consent of the Sole Sponsor and the Joint Lead Managers (for themselves and on behalf of the Underwriters) and unless in compliance with the requirements of the GEM Listing Rules (including but not limited to Rule 17.29 of the GEM Listing Rules), except for the issue of Shares under the Capitalisation Issue, the Placing (including the Offer Size Adjustment Option) and upon exercise of any options which may be granted under the Share Option Scheme, and the grant of any option under the Share Option Scheme:

(a) at any time during the period of six months commencing on the Listing Date (the "**First Six-month Period**"), (i) offer, allot, issue, agree to allot or issue, sell, lend, assign, contract to allot, issue or sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any options, rights or

warrants to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, or repurchase any of the share capital or other securities of our Company or any interest therein (including but not limited to any securities convertible into or exercisable or exchangeable for or that represent the right to receive any such share capital or securities or any interest therein), or (ii) enter into any swap, derivative, repurchase, lending, pledge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of subscription or ownership of the share capital or other securities of our Company or any interest therein (including but not limited to any securities convertible into or exercisable or exchangeable for or that represent the right to receive any such share capital or securities or any interest therein), in cash or otherwise, or (iii) publicly disclose that our Company will or may enter into any of the foregoing transactions (whether or not such transaction will be completed in the aforesaid period); and

(b) at any time during the period of six months commencing on the date on which the First Six-month Period expires (the "**Second Six-month Period**"), issue or grant (conditionally or unconditionally) any options or right to subscribe for or otherwise convert into or exchange for Shares or securities of our Company so as to result in any of our Controlling Shareholders ceasing to be a controlling shareholder (as defined in the GEM Listing Rules) of our Company,

and in the event the Company enters into any transaction specified in sub-clause (a) above during the Second Six-month Period (whether or not such transaction will be completed in the aforesaid period), it shall take all reasonable steps to ensure that any such transaction, agreement, or as the case may be, announcement will not create a disorderly or false market in the securities of our Company.

Each of our Controlling Shareholders hereby jointly and severally undertakes to and covenants with each of our Company, the Sole Sponsor, the Sole Coordinator, the Joint Lead Managers and the Underwriters that, without the prior written consent (which shall not be unreasonably withheld or delayed) of the Sole Sponsor and the Joint Lead Managers (for themselves and on behalf of the Underwriters) and unless in compliance with the requirements of the GEM Listing Rules, it/he shall not, and shall procure that none of its/his associates or companies controlled by it/him or any nominee or trustee holding on trust for it/him not to:

(a) at any time during the period commencing on the date by reference to which disclosure of the shareholding of our Controlling Shareholders is made in this prospectus and ending on the date on which the First Six-month Period expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the securities of our Company in respect of which it/he is shown by this prospectus to be the beneficial owner (whether direct or indirect) (the "**Lock-up Securities**"); and

(b) at any time during the Second Six-month Period, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of any of the Lock-up Securities if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, any of our Controlling Shareholders would cease to be a controlling shareholder (as defined in the GEM Listing Rules) of our Company,

and in the event that it/he enters into any transaction specified in sub-clause (a) during the Second Six-month Period (whether or not such transaction will be completed in the aforesaid period), it/he will take all reasonable steps to ensure that any such transaction, agreement or as the case may be, announcement will not create a disorderly or false market in the securities of our Company.

Each of our Controlling Shareholders undertakes to and covenants with each of our Company, the Sole Sponsor, the Sole Coordinator, the Joint Lead Managers and the Underwriters that:

(a) in the event that it/he pledges or charges any of its/his direct or indirect interest in the Shares or other securities of our Company under Rule 13.18(1) of the GEM Listing Rules or pursuant to any right or waiver granted by the Stock Exchange pursuant to Rule 13.18(4) of the GEM Listing Rules at any time during the period commencing on the date by reference to which disclosure of the shareholding of our Controlling Shareholders is made in this prospectus and ending on the date on which the Second Six-month Period expires, it/he must inform our Company, the Sole Sponsor, the Sole Coordinator and the Joint Lead Managers (for themselves and on behalf of the Underwriters) immediately thereafter, disclosing the details specified in Rule 17.43(1) to (4) of the GEM Listing Rules; and

(b) having pledged or charged any of its/his interests in the Shares or other securities of our Company in sub-clause (a) above, it/he must inform our Company, the Sole Sponsor, the Sole Coordinator and the Joint Lead Managers (for themselves and on behalf of the Underwriters) immediately in the event that it/he becomes aware that the pledgee or chargee has disposed of or intends to dispose of such interest and of the number of the Shares or other securities of our Company affected.

Our Company will also inform the Stock Exchange as soon as our Company has been informed of the above matters (if any) by any of our Controlling Shareholders and disclose such matters by way of announcement in accordance with the GEM Listing Rules as soon as possible after being so informed by any of our Controlling Shareholders.

Indemnity

Our Company, amongst other parties, have agreed to indemnify each of the Sole Sponsor, the Sole Coordinator, the Joint Lead Managers and each of the Underwriters from certain losses which they may suffer, including losses arising from their performance of their obligations under the Underwriting Agreement and any breach by our Company or our Controlling Shareholders or our executive Directors of the Underwriting Agreement.

PRICE PAYABLE ON SUBSCRIPTION

The Placing Price plus a 1% brokerage fee, a 0.0027% SFC transaction levy and a 0.005% Stock Exchange trading fee make up the total price payable in cash on subscription.

CONDITIONS OF THE PLACING

The Placing will be conditional upon, among others:

(i) the Stock Exchange granting the listing of, and permission to deal in, the Shares in issue and the Shares to be issued as mentioned herein on GEM; and

(ii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including the waiver of any condition(s) by the Sole Sponsor and/or the Joint Lead Managers (for itself and on behalf of the Underwriters) and the Underwriting Agreement not being terminated in accordance with the terms of that agreement or otherwise),

in each case, on or before the dates and times specified in the Underwriting Agreement (unless and to the extent such conditions are validly waived on or before such dates and times) or if not as stipulated by 8:00 a.m. on the Listing Date or such other dates as the Sole Sponsor and/or the Joint Lead Managers (for itself and on behalf of the Underwriters) may agree but in any event not later than the 30th day after the date of this prospectus.

If such conditions are not fulfilled or waived by the Sole Sponsor and/or the Joint Lead Managers (for itself and on behalf of the Underwriters) on or before the dates and times specified in the Underwriting Agreement, the Placing will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Placing will be published by our Company on the website of the Stock Exchange and our Company's website at www.i-control.com.hk on the next business day following such lapse.

THE PLACING

The Placing comprises 250,000,000 Shares conditionally offered for subscription by our Company and such number of Shares which may be sold by the Selling Shareholders upon the exercise of the Offer Size Adjustment Option. Our Company is offering 250,000,000 new Shares for subscription by way of private placements to selected professional, institutional and/or other investors. Professional and institutional investors generally include brokers, dealers, companies, high net worth individuals and companies (including fund managers) whose ordinary business involves dealings in shares and other securities and corporate entities which regularly invest in shares and other securities. The Placing Shares will represent approximately 25% of our Company's enlarged issued share capital immediately after completion of the Placing and the Capitalisation Issue (without taking into account the Shares which may be sold upon the exercise of the Offer Size Adjustment Option and any Shares which may be allotted and issued upon the exercise of options which may be granted under the Share Option Scheme).

The Placing is fully underwritten by the Underwriters, subject to the terms and conditions of the Underwriting Agreement, and also subject to the Placing Price being fixed by the Price Determination Agreement. Investors subscribing for the Placing Shares are required to pay the Placing Price plus 1.0% brokerage, a 0.005% Stock Exchange trading fee and a 0.0027% SFC transaction levy for each board lot of 10,000 Shares.

BASIS OF ALLOCATION

Allocation of the Placing Shares to selected individual, professional and institutional investors will be based on a number of factors, including the level and timing of demand and whether or not it is expected that the relevant investors are likely to purchase further Shares or hold or sell their Shares after the Listing. Such allocation is intended to result in a distribution of the Placing Shares which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and the Shareholders as a whole. In particular, the Placing Shares will be allocated pursuant to Rule 11.23(8) of the GEM Listing Rules, that not more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders. There will not be any preferential treatment in the allocation of the Placing Shares to any persons.

Save with the prior written consent of the Stock Exchange, no allocations will be permitted to nominee companies unless the name of the ultimate beneficiary is disclosed. Details of the Placing will be announced in accordance with Rules 10.12(4), 16.08 and 16.16 of the GEM Listing Rules.

OFFER SIZE ADJUSTMENT OPTION

In connection with the Placing, the Selling Shareholders have granted the Offer Size Adjustment Option to Pan Asia (for itself and on behalf of the Underwriters). Under the Offer Size Adjustment Option, which will be exercisable at any time before 6:00 p.m. on the business day immediately before the date of allotment results announcement with respect to the level of indication of interest in the Placing, Pan Asia (for itself and on behalf of the Underwriters) shall have the right to require the Selling Shareholders, namely Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin, to sell such number of Shares in proportion to their shareholdings respectively up to an additional 37,500,000 Shares, representing 15% of the aggregate of the total number of Placing Shares initially available under the Placing. Any such Shares may be sold to cover any excess demand in the Placing and in the event that the Offer Size Adjustment Option is exercised, the Joint Lead Managers (for themselves and on behalf of the Underwriters) in their sole and absolute discretion may decide to whom and the proportions in which the Shares will be transferred. As no new Shares will be issued by our Company upon the exercise of the Offer Size Adjustment Option (as all Placing Shares being offered under the Offer Size Adjustment Option will be existing Shares), the exercise of the Offer Size Adjustment Option will not have any dilution effect on the issued share capital of our Company and no impact on proceeds to be raised by our Company. Also, there will be no change in control of our Company if the Offer Size Adjustment Option is exercised in full. If Pan Asia (for itself and on behalf of the Underwriters) decides to exercise the Offer Size Adjustment Option, it will be exercised to cover excess demand in the Placing. The Placing Shares (including any excess demand) will be allocated by the Joint Lead Managers (for themselves and on behalf of the Underwriters) prior to the commencement of trading of the Shares on GEM.

For the avoidance of doubt, the purpose of the Offer Size Adjustment Option is to provide flexibility for the Joint Lead Managers (for itself and on behalf of the Underwriters) to meet any excess demand in the Placing. The Offer Size Adjustment Option will not be associated with any price stabilisation activities of the Shares in the secondary market after the listing of the Shares on GEM and will not be subject to the Securities and Futures (Price Stabilising) Rules of the SFO. No purchase of the Shares in the secondary market will be effected to cover any excess demand in the Placing which will only be satisfied by the exercise of the Offer Size Adjustment Option in full or in part.

Our Company will disclose in its allotment results announcement whether and to what extent the Offer Size Adjustment Option has been exercised, and will confirm in the announcement that, if the Offer Size Adjustment Option is not exercised by that time, then the Offer Size Adjustment Option will have lapsed and cannot be exercised on any future date.

PLACING PRICE

The Placing Price (plus brokerage of 1%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%) make up the total price payable on subscription and purchase of our Placing Shares. Assuming a Placing Price of HK$0.345 per Placing Share, being the mid-point of the indicative Placing Price range of HK$0.30 to HK$0.39 per Placing Share, the net proceeds from the Placing are estimated to be approximately HK$63.1 million, after deduction of the underwriting commission and other expenses relating to the Placing and the Listing payable by our Company.

If the Offer Size Adjustment Option is exercised in full, assuming a Placing Price of HK$0.345 per Share, being the mid-point of the indicative Placing Price range of HK$0.30 to HK$0.39 per Share, we estimate the net proceeds to the Selling Shareholders will be approximately HK$11.6 million (to be received upon Listing), after deducting the underwriting fees, brokerage, the Stock Exchange trading fee and SFC transaction levy for the Shares sold pursuant to the exercise of the Offer Size Adjustment Option, and the relevant portion of listing expenses in connection with the Placing. Our Company will not receive any proceeds from the Shares sold pursuant to the exercise of the Offer Size Adjustment Option in the Placing.

The level of indication of interest in the Placing will be announced on the website of the Stock Exchange at www.hkexnews.hk and our Company's website at www.i-control.com.hk on Tuesday, 26 May 2015.

The Placing Price is expected to be fixed by the Price Determination Agreement on the Price Determination Date, which is expected to be on or around Tuesday, 19 May 2015. If the Joint Lead Managers (for itself and on behalf of the Underwriters) and our Company are unable to reach an agreement on the Placing Price by Wednesday, 20 May 2015, the Placing will not become unconditional and will not proceed. The Joint Lead Managers (for itself and on behalf of the Underwriters) may, with the consent of our Company, reduce the Placing Price range below that stated in this prospectus at any time prior to the Price Determination Date. In such a case, our Company will, as soon as practicable following the decision to make such reduction, cause to be published on the Stock Exchange's website at www.hkgem.com and our Company's website at www.i-control.com.hk an announcement of such reduction on or before the Price Determination Date.

The Placing Price will not be more than HK$0.39 per Placing Share and is expected to be not less than HK$0.30 per Placing Share unless otherwise announced. Subscribers, when subscribing for the Shares, shall pay the Placing Price plus 1% brokerage, 0.005% Stock Exchange trading fee and 0.0027% SFC transaction levy. Assuming the Placing Price of HK$0.39 or HK$0.30 per Share (being the highest and lowest points of indicative Placing Price range, respectively), investors shall pay HK$3,939.30 or HK$3,030.23 for every board lot of 10,000 Shares, respectively. The Placing Price will fall within the indicative Placing Price range as stated in this prospectus unless otherwise announced.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus on GEM and the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date, or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. Investors should seek the advice of their stockbroker or other professional adviser for details of those settlement arrangements as such arrangements will affect their rights and interests.

All necessary arrangements have been made for the Shares to be admitted into CCASS.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

LISTING ON ANY OTHER STOCK EXCHANGE

Our Directors are not considering any listing of the shares on any other stock exchange. We have not submitted any application nor obtained any approval for the listing of the Shares on any other overseas stock exchange.

DEALINGS AND SETTLEMENT

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Wednesday, 27 May 2015. Shares will be traded in board lots of 10,000 Shares each and are freely transferable.

Our Company will not issue any temporary document of title. The GEM stock code for the Shares is 8355.

The following is the text of a report, prepared for the purpose of incorporation in this prospectus, received from the reporting accountants of the Company, SHINEWING (HK) CPA Limited, certified Public Accountants, Hong Kong.

信永中和 ShineWing

SHINEWING (HK) CPA Limited
43/F., The Lee Gardens
33 Hysan Avenue
Causeway Bay, Hong Kong

14 May 2015

The Directors
i-Control Holdings Limited
Pan Asia Corporate Finance Limited

Dear Sirs,

INTRODUCTION

We set out below our report on the financial information (the "Financial Information") i-Control Holdings Limited regarding (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") for each of the two years ended 31 March 2013 and 2014 and nine months ended 31 December 2014 (the "Track Record Period") for inclusion in the prospectus of the Company dated 14 May 2015 (the "Prospectus") in connection with the initial listing of the shares of the Company on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company was incorporated in the Cayman Islands on 21 August 2014 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Pursuant to a group reorganisation as detailed in the section headed "Group reorganisation" in Appendix VI to the Prospectus (the "Reorganisation"), which was completed on 11 May 2015, the Company became the holding company of the companies now comprising the Group, details of which are set out below. The Company has not carried on any business since the date of its incorporation save for the Reorganisation.

At the end of each reporting period or the date of this report, the Company had direct and indirect interests in the following subsidiaries, all of which are private companies, particulars of which are set out below:

Name of subsidiaries	Place and date of incorporation / establishment	Issued and fully paid share capital/ registered capital	Percentage of equity interest attributable to the Company		Principal activities
			Direct	Indirect	
i-Control (ITAV) Limited ("i-Control ITAV")	British Virgin Islands ("BVI") 17 June 2014	Ordinary Shares United State Dollar ("US$") 4	100%	–	Investment holding
i-Control Consultancy Limited ("i-Control Consultancy")	BVI 17 June 2014	Ordinary Shares US$1	–	100%	Corporate consultancy and support
i-Control Limited ("i-Control HK")	Hong Kong 25 October 1999	Ordinary Shares Hong Kong Dollar ("HK$") 2,500,000	–	100%	Professional audio visual system integrator
I-CONTROL (ITAV) PTE. LTD. ("i-Control Singapore")	Singapore 4 September 2014	Ordinary Shares Singapore Dollar ("SGD") 1,000	–	100%	Professional audio visual system integrator
Eduserve International Limited ("Eduserve International")	Hong Kong 8 April 1987	Ordinary Shares HK$3,000,000	–	31 March 2012: 100% 31 March 2013: 90% 31 March 2014: 80%	Professional audio visual system integrator
i-Control (China) Limited ("i-Control China")	Hong Kong 30 November 2009	Registered capital HK$1,800,000	–	70%	Professional audio visual system integrator
i-Control (Shanghai) Information Technology Co. Ltd 愛港超(上海)信息科技有限公司 *(Note ii)* ("i-Control Shanghai")	The People's Republic of China (the "PRC") *(Note i)* 30 March 2010	Registered Capital Renminbi ("RMB") 1,000,000	–	70%	Professional audio visual system integrator
View Mark Limited ("View Mark")	Hong Kong 6 September 2010	Ordinary Shares HK$10,000	–	100%	Property holding
Billion Peace Limited ("Billion Peace")	Hong Kong 4 March 2011	Ordinary Shares HK$10,000	–	100%	Property holding
Modern China Business Consultants Limited ("Modern China")	Hong Kong 10 December 1991	Ordinary Shares HK$4,500,000	–	100%	Property holding

Notes:

(i) The entity is wholly foreign owned enterprise established in the PRC.

(ii) The English translation of the company name is for reference only. The official name of the company is in Chinese.

Except for i-Control Shanghai, which adopted 31 December as the financial year end date and i-Control Singapore, which adopted 30 June as the financial year end date, all companies now comprising the Group have adopted 31 March as their financial year end date.

No audited financial statements have been prepared for the Company, i-Control ITAV, i-Control Consultancy since its date of incorporation as there is no statutory audit requirements under the relevant rules and regulations in its jurisdictions of incorporation. No audited statutory financial statements have been prepared for i-Control Singapore since its date of incorporation as i-Control Singapore is not required to prepare audited statutory financial statement before it has completed its first financial year. For the purpose of this report, we have, however, reviewed the relevant transactions of the Company, i-Control ITAV, i-Control Consultancy and i-Control Singapore since their respective dates of incorporation to 31 December 2014 and carried out such procedures as we considered necessary for inclusion of the financial information relating to these companies in the Financial Information.

The audited statutory financial statements of i-Control Shanghai for each of the two years ended 31 December 2013 were prepared in accordance with the relevant accounting principles and financial regulations applicable to enterprises established in the PRC.

The statutory financial statements of the subsidiaries incorporated in Hong Kong for each of the two years ended 31 March 2014 were prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The statutory auditors of the above subsidiaries during the Track Record Period are as follows:

Name of subsidiary	**Periods covered**	**Certified Public Accountants**
i-Control HK	Year ended 31 March 2013	Wong Chan Lau C.P.A. Company Limited
	Year ended 31 March 2014	SHINEWING (HK) CPA Limited
Eduserve International	Year ended 31 March 2013	Wong Chan Lau C.P.A. Company Limited
	Year ended 31 March 2014	SHINEWING (HK) CPA Limited
i-Control China	Year ended 31 March 2013	Wong Chan Lau C.P.A. Company Limited
	Year ended 31 March 2014	SHINEWING (HK) CPA Limited

Name of subsidiary	Periods covered	Certified Public Accountants
i-Control Shanghai	Year ended 31 December 2012, 2013 and 2014	上海海峽會計師事務所有限公司 Shanghai Strait Certified Public Accountants Co., LTD*#
View Mark	Year ended 31 March 2013	Wong Chan Lau C.P.A. Company Limited
	Year ended 31 March 2014	SHINEWING (HK) CPA Limited
Billion Peace	Year ended 31 March 2013	Wong Chan Lau C.P.A. Company Limited
	Year ended 31 March 2014	SHINEWING (HK) CPA Limited
Modern China	Year ended 31 March 2013	Wong Chan Lau C.P.A. Company Limited
	Year ended 31 March 2014	SHINEWING (HK) CPA Limited

* Certified Public Accountants registered in the PRC and the English name is for identification purpose only.

\# Certified Public Accountants registered in the PRC.

BASIS FOR PREPARATION

For the purpose of this report, the directors of the Company have prepared the combined financial statements of the Group, for the Track Record Period, which were prepared in accordance with HKFRSs issued by the HKICPA (the ''Underlying Financial Statements''). We have undertaken an independent audit on the Underlying Financial Statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA for the Track Record Period.

The Financial Information has been prepared by the directors of the Company based on the Underlying Financial Statements on the basis set out in Note 1 of Section A below, with no adjustments thereto, and in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the ''Listing Rules'').

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

The directors of the Company are responsible for the preparation of the Financial Information that gives a true and fair view in accordance with HKFRSs issued by the HKICPA and the applicable disclosure provisions of Listing Rules, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Financial Information that is free from material misstatement, whether due to fraud or error.

Our responsibility is to form an independent opinion on the Financial Information based on our procedures and to report our opinion thereon to you. We have examined the audited Underlying Financial Statements and carried out additional procedures as necessary in accordance with the Auditing Guideline 3.340 "Prospectus and the Reporting Accountant" as recommended by the HKICPA.

OPINION

In our opinion, for the purpose of this report, and on the basis of preparation set out in Note 1 of Section A below, the Financial Information gives a true and fair view of the Group's combined results and combined cash flows for the Track Record Period, and of the state of affairs of the Company as at 31 December 2014 and of the Group as at 31 March 2013 and 2014 and 31 December 2014.

CORRESPONDING FINANCIAL INFORMATION

For the purpose of this report, we have also reviewed the unaudited financial information of the Group comprising the combined statements of profit or loss and other comprehensive income, the combined statements of changes in equity and the combined statements of cash flows for the nine months ended 31 December 2013 together with notes thereto (the "December 2013 Financial Information"), for which the directors of the Company are responsible, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. Our responsibility is to express a conclusion on the December 2013 Financial Information based on our review.

A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the December 2013 Financial Information.

Based on our review, nothing has come to our attention that causes us to believe that the December 2013 Financial Information is not prepared, in all material respects, in accordance with the accounting policies consistent with those used in the preparation of the Financial Information which conform with HKFRSs.

A. FINANCIAL INFORMATION

COMBINED STATEMENTS OF PROFIT OR LOSS

	Notes	Year ended 31 March		Nine months ended 31 December	
		2013	2014	2013	2014
		HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Revenue	*7*	108,119	102,474	71,182	87,246
Cost of inventories sold		(68,243)	(63,578)	(44,589)	(50,800)
Staff cost		(14,614)	(14,537)	(11,605)	(12,921)
Depreciation		(2,158)	(2,068)	(1,584)	(1,304)
Other income	*7*	1,948	22,431	21,206	170
Other operating expenses		(12,460)	(4,806)	(3,443)	(14,975)
Finance costs	*9*	(625)	(437)	(335)	(415)
Profit before taxation		11,967	39,479	30,832	7,001
Income tax expense	*10*	(2,059)	(3,499)	(2,090)	(3,407)
Profit and total comprehensive income for the year/period	*11*	9,908	35,980	28,742	3,594
Total comprehensive income attributable to:					
Owners of the Company		9,324	35,683	28,496	2,859
Non-controlling interests		584	297	246	735
		9,908	35,980	28,742	3,594
Earnings per share (HK$)					
Basic and diluted	*12*	N/A	N/A	N/A	N/A

COMBINED STATEMENTS OF FINANCIAL POSITION

	Notes	The Group At 31 March 2013 HK'000	The Group At 31 March 2014 HK'000	The Group At 31 December 2014 HK'000	The Company At 31 December 2014 HK'000
Non-current assets					
Property and equipment	*15*	55,567	53,638	52,371	–
Investment property	*16*	8,437	–	–	–
Deferred tax assets	*27*	139	302	265	–
		64,143	53,940	52,636	–
Current assets					
Inventories	*17*	5,079	5,251	6,367	–
Trade receivables	*18*	20,061	28,837	22,446	–
Prepayments, deposits and other receivables	*19*	2,598	3,781	4,862	–
Amount due from a shareholder	*20*	–	519	–	–
Amounts due from related companies	*21*	116	131	–	–
Bank balances and cash	*22*	14,300	15,045	20,265	8
		42,154	53,564	53,940	8
Current liabilities					
Trade and bills payables	*23*	7,834	11,979	7,452	–
Other payables and accruals	*24*	9,505	23,643	11,063	–
Amounts due to directors	*25*	9,511	7,953	–	–
Amount due to a shareholder	*25*	2,827	–	–	–
Amounts due to related companies	*25*	25,389	14,548	–	–
Bank borrowings	*26*	28,365	20,270	50,757	–
Tax payables		1,642	2,754	5,910	–
		85,073	81,147	75,182	–

	Notes	The Group At 31 March 2013 HK'000	The Group At 31 March 2014 HK'000	The Group At 31 December 2014 HK'000	The Company At 31 December 2014 HK'000
Net current (liabilities) assets		(42,919)	(27,583)	(21,242)	8
Total assets less current liabilities		21,224	26,357	31,394	8
Non-current liability					
Deferred tax liabilities	*27*	194	269	334	–
Net assets		21,030	26,088	31,060	8
Capital and reserves					
Share capital	*28*	8,813	8,513	8	8
Reserves	*29*	9,868	15,101	28,777	–
Equity attributable to owners of the Company		18,681	23,614	28,785	8
Non-controlling interests		2,349	2,474	2,275	–
Total Equity		21,030	26,088	31,060	8

COMBINED STATEMENTS OF CHANGES IN EQUITY

	Attributable to the owners of the Company						
	Share capital *HK$'000*	Merge Reserve *HK$'000*	Translation reserve *HK$'000*	Retained profit *HK$'000*	Subtotal *HK$'000*	Non-controlling interests *HK$'000*	Total *HK$'000*
As at 1 April 2012	9,113	–	42	6,502	15,657	1,465	17,122
Profit and total comprehensive income for the year	–	–	–	9,324	9,324	584	9,908
Dividend	–	–	–	(6,000)	(6,000)	–	(6,000)
Disposal of partial interest in a subsidiary *(Note 34)*	(300)	–	–	–	(300)	300	–
As at 31 March 2013 and 1 April 2013	8,813	–	42	9,826	18,681	2,349	21,030
Profit and total comprehensive income for the year	–	–	–	35,683	35,683	297	35,980
Dividend	–	–	–	(30,450)	(30,450)	(472)	(30,922)
Disposal of partial interest in a subsidiary *(Note 34)*	(300)	–	–	–	(300)	300	–
As at 31 March 2014 and 1 April 2014	8,513	–	42	15,059	23,614	2,474	26,088
Profit and total comprehensive income for the period	–	–	–	2,859	2,859	735	3,594
Issue of shares	8	–	–	–	8	–	8
Reorganisation	(8,513)	10,817	–	–	2,304	(934)	1,370
As at 31 December 2014	8	10,817	42	17,918	28,785	2,275	31,060
As at 1 April 2013 (audited)	8,813	–	42	9,826	18,681	2,349	21,030
Profit and total comprehensive income for the period	–	–	–	28,496	28,496	246	28,742
Dividend	–	–	–	(19,850)	(19,850)	(50)	(19,900)
Disposal of partial interest in a subsidiary *(Note 34)*	(300)	–	–	–	(300)	300	–
As at 31 December 2013 (unaudited)	8,513	–	42	18,472	27,027	2,845	29,872

COMBINED STATEMENTS OF CASH FLOWS

	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
			(unaudited)	
OPERATING ACTIVITIES				
Profit before taxation	11,967	39,479	30,832	7,001
Adjustments for:				
Interest income	(95)	(129)	(104)	(2)
Depreciation	2,158	2,068	1,584	1,304
Gain on disposal of investment property	–	(20,129)	(20,129)	–
Loss on disposal of property and equipment	–	–	–	1
Finance costs	625	437	335	415
Impairment loss (reversal of impairment loss) on inventories	206	(159)	–	–
Operating cash flows before movements in working capital	14,861	21,567	12,518	8,719
Decrease (increase) in inventories	745	(13)	(1,949)	(1,116)
(Increase) decrease in trade receivables	(1,431)	(8,776)	(10,662)	6,391
Decrease (increase) in prepayments, deposits and other receivables	1,465	(1,183)	(717)	(1,081)
(Decrease) increase in trade and bills payables	(2,239)	4,145	2,172	(4,527)
(Decrease) increase in other payables and accruals	(6,706)	3,538	7,568	(610)
Cash generated from operations	6,695	19,278	8,930	7,776
Hong Kong profits tax paid	(874)	(2,469)	(89)	(149)
PRC tax refund (paid)	104	(6)	–	–
NET CASH FROM OPERATING ACTIVITIES	5,925	16,803	8,841	7,627

	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
INVESTING ACTIVITIES				
Acquisitions of property and equipments	(122)	–	–	(38)
(Advance to) repayment from related companies	(63)	(15)	–	131
Repayment from a shareholder	–	–	–	519
Interest received	95	129	104	2
Proceed from disposal of investment property	–	28,427	28,427	–
NET CASH (USED IN) FROM INVESTING ACTIVITIES	(90)	28,541	28,531	614
FINANCING ACTIVITIES				
Advance from (repayment to) related companies	3,863	(10,841)	1,782	(14,548)
Advance from (repayment to) directors	2,396	(1,558)	(1,258)	(7,953)
Advance from (repayment to) shareholders	1,350	(3,346)	(3,002)	–
Repayment of bank borrowings	(3,036)	(8,095)	(7,481)	(22,733)
Bank borrowings raised	–	–	–	53,220
Issue of shares	–	–	–	8
Interest paid	(625)	(437)	(335)	(415)
Dividend paid	(6,000)	(20,322)	(19,900)	(10,600)
NET CASH USED IN FINANCING ACTIVITIES	(2,052)	(44,599)	(30,194)	(3,021)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,783	745	7,178	5,220
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR/PERIOD	10,517	14,300	14,300	15,045
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD, represented by Bank balances and cash	14,300	15,045	21,478	20,265

NOTES TO THE FINANCIAL INFORMATION

1. BASIS OF PRESENTATION OF THE FINANCIAL INFORMATION

The Company was incorporated in the Cayman Islands on 21 August 2014 as an exempted company with limited liability under the Companies Law of the Cayman Islands.

The address of the registered office is Clifton House, 75 Fort Street, Grand Cayman KY-1108, Cayman Islands. The address of the principal place of business of the Company is Units A&B, 12/F MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong. The Company is engaged in investment holding while the principal subsidiaries are principally engaged in the provision of audio-visual solutions and related system integration services.

Pursuant to the Reorganisation as detailed in Appendix VI to the Prospectus, the consultancy and administrative services to related companies of Newmark Company Limited ("Internal Services") have been transferred to the Group on 29 June 2014 and the Company became the holding company of the companies now comprising the Group on 11 May 2015. The Group and the Internal Services have been under the control and beneficially owned by Dr. Wong King Keung, Mr. Chan Wing Yiu, Mr. Tong Sai Wong and Mr. Chan Wing Lun (the "Controlling Shareholders") and Mr. Lin Wing Ching throughout the Track Record Period or since their respective dates of incorporation or establishment up to 31 December 2014. The Group comprising the Company and its subsidiaries and the Internal Services resulting from the Reorganisation is regarded as a continuing entity. Accordingly, the Financial Information of the Group has been prepared on the basis as if the Company had always been the holding company of the companies comprising the Group and the Internal Services throughout the Track Record Period, using the principles of merger accounting as set out in note 3 below.

The combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows include the results and cash flows of the companies comprising the Group and the results of the Internal Services for the 2 years ended 31 March 2014 and the period ended 29 June 2014 and have been prepared as if the current group structure had been in existence throughout the Track Record Period or since their respective date of incorporation up to 31 December 2014. The combined statements of financial position of the Group and the Internal Services as at 31 March 2013 and 2014 have been prepared to present the assets and liabilities of the companies comprising the Group and assets and liabilities specifically identifies to the Internal Services and the combined statement of financial position of the Group as at 31 December 2014 have been prepared to present the assets and liabilities of the companies comprising the Group both as if the current group structure had been in existence as at those dates.

In preparing the combined financial statements, the directors of the Company have assessed the liquidity position and going concern of the Group in light of the fact that the Group had net current liabilities of approximately HK$21,242,000 as at 31 December 2014. Current liabilities of the Group included carrying amount of HK$40,444,000 bank borrowings that are not repayable within one year from the end of reporting period but contains a repayment on demand clause. The directors of the Company are satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due in the foreseeable future, after taking into account the available unutilised banking facilities of HK$5,500,000 and working capital requirement in the foreseeable future.

In view of the available banking facilities, the directors of the Company believe that the Group will have adequate financial resources for its working capital requirement for the ensuing year, accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the combined financial statements on a going concern basis. Should the Company be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts and to provide for further liabilities which might arise and to reclassify non-current assets as current assets. The effect of these adjustments has not been reflected in the combined financial statements.

The functional currency of the Company and the subsidiaries incorporated in Hong Kong is HK$ and that of the subsidiaries established in the PRC and Singapore is RMB and SGD respectively. The Financial Information is presented in HK$, which is the same as the functional currency of the Company.

2. APPLICATION OF HKFRSs

For the purpose of preparing and presenting the Financial Information for the Track Record Period, the Group has consistently adopted the HKFRSs, Hong Kong Accounting Standards (''HKASs''), amendments and the interpretations issued by the HKICPA which are effective for the Group's financial year beginning on 1 April 2014 throughout the Track Record Period.

The Group has not early applied the following new and revised HKFRSs, amendments and interpretations that have been issued but are not yet effective.

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010-2012 Cycle[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011-2013 Cycle[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle[2]
HKFRS 9 (2014)	Financial Instruments[4]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception[2]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[2]
HKFRS 14	Regulatory Deferral Accounts[2]
HKFRS 15	Revenue from Contracts with Customers[3]
Amendments to HKAS 1	Disclosure Initiative[2]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptance Methods of Depreciation and Amortisation[2]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[2]
Amendments to HKAS 19	Defined Benefit Plans – Employee Contributions[1]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[1]

1 Effective for annual periods beginning on or after 1 July 2014, with earlier application is permitted.
2 Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.
3 Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.
4 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

Annual Improvements to HKFRSs 2010-2012 Cycle

The Annual Improvements to HKFRSs 2010-2012 Cycle include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 2 (i) change the definitions of 'vesting condition' and 'market condition'; and (ii) add definitions for 'performance condition' and 'service condition' which were previously included within the definition of 'vesting condition'. The amendments to HKFRS 2 are effective for share-based payment transactions for which the grant date is on or after 1 July 2014.

The amendments to HKFRS 3 clarify that contingent consideration that is classified as an asset or a liability should be measured at fair value at each reporting date, irrespective of whether the contingent consideration is a financial instrument within the scope of HKFRS 9 or HKAS 39 or a non-financial asset or liability. Changes in fair value (other than measurement period adjustments) should be recognised in profit and loss. The amendments to HKFRS 3 are effective for business combinations for which the acquisition date is on or after 1 July 2014.

The amendments to HKFRS 8 (i) require an entity to disclose the judgements made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have 'similar economic characteristics'; and (ii) clarify that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if the segment assets are regularly provided to the chief operating decision-maker.

The amendments to the basis for conclusions of HKFRS 13 clarify that the issue of HKFRS 13 and consequential amendments to HKAS 39 and HKFRS 9 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of discounting is immaterial.

The amendments to HKAS 16 and HKAS 38 remove perceived inconsistencies in the accounting for accumulated depreciation/amortisation when an item of property, plant and equipment or an intangible asset is revalued. The amended standards clarify that the gross carrying amount is adjusted in a manner consistent with the revaluation of the carrying amount of the asset and that accumulated depreciation/amortisation is the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The amendments to HKAS 24 clarify that a management entity providing key management personnel services to a reporting entity is a related party of the reporting entity. Consequently, the reporting entity should disclose as related party transactions the amounts incurred for the service paid or payable to the

management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

The directors of the Company do not anticipate that the application of the amendments included in the Annual Improvements to HKFRSs 2010-2012 Cycle will have a material effect on the Group's Financial Information.

Annual Improvements to HKFRSs 2011-2013 Cycle

The Annual Improvements to HKFRSs 2011-2013 Cycle include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 3 clarify that the standard does not apply to the accounting for the formation of all types of joint arrangement in the financial statements of the joint arrangement itself.

The amendments to HKFRS 13 clarify that the scope of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis includes all contracts that are within the scope of, and accounted for in accordance with, HKAS 39 or HKFRS 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within HKAS 32.

The amendments to HKAS 40 clarify that HKAS 40 and HKFRS 3 are not mutually exclusive and application of both standards may be required. Consequently, an entity acquiring investment property must determine whether:

(a) the property meets the definition of investment property in terms of HKAS 40; and

(b) the transaction meets the definition of a business combination under HKFRS 3.

The directors of the Company do not anticipate that the application of the amendments included in the Annual Improvements to HKFRSs 2011-2013 Cycle will have a material effect on the Group's Financial Information.

Annual Improvement to HKFRSs 2012-2014 Cycle

The Annual Improvements to HKFRSs 2012-2014 Cycle include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 5 clarify that changing from one of the disposal methods (i.e. disposal through sale or disposal through distribution to owners) to the other should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. There is therefore no interruption of the application of the requirements in HKFRS 5. Besides, the amendments also clarify that changing the disposal method does not change the date of classification.

The amendments to HKFRS 7 clarify that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in HKFRS 7 in order to assess whether the additional disclosures for any continuing involvement in a transferred asset that is derecognised in its entirety are required. Besides, the amendments to HKFRS 7 also clarify that disclosures in relation to offsetting financial assets and financial liabilities are not required in the condensed interim financial report, unless the disclosures provide a significant update to the information reported in the most recent annual report. The amendments to HKAS 19 clarify that the market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.

HKAS 34 requires entities to disclose information in the notes to the interim financial statements 'if not disclosed elsewhere in the interim financial report'. The amendments to HKAS 34 clarify that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report. The other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time. If users do not have access to the other information in this manner, then the interim financial report is incomplete.

The directors do not anticipate that the application of the amendments included in the Annual Improvements to HKFRSs 2012-2014 Cycle will have a material effect on the Group's consolidated financial statements

HKFRS 9 (2014) Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 and includes the requirements for the classification and measurement of financial liabilities and for derecognition. In 2013, HKFRS 9 was further amended to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. A finalised version of HKFRS 9 was issued in 2014 to incorporate all the requirements of HKFRS 9 that were issued in previous years with limited amendments to the classification and measurement by introducing a "fair value through other comprehensive income" ("FVTOCI") measurement category for certain financial assets. The finalised version of HKFRS 9 also introduces an "expected credit loss" model for impairment assessments.

Key requirements of HKFRS 9 (2014) are described as follows:

All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

In the aspect of impairment assessments, the impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit were added. Those requirements eliminate the threshold that was in HKAS 39 for the recognition of credit losses. Under the impairment approach in HKFRS 9 (2014) it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, expected credit losses and changes in those expected credit losses should always be accounted for. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

HKFRS 9 introduces a new model which is more closely aligns hedge accounting with risk management activities undertaken by companies when hedging their financial and non-financial risk exposures. As a principle-based approach, HKFRS 9 looks at whether a risk component can be identified and measured and does not distinguish between financial items and non-financial items. The new model also enables an entity to use information produced internally for risk management purposes as a basis for hedge accounting. Under HKAS 39, it is necessary to exhibit eligibility and compliance with the requirements in HKAS 39 using metrics that are designed solely for accounting purposes. The new model also includes eligibility criteria but these are based on an economic assessment of the strength of the hedging relationship. This can be determined using risk management data. This should reduce the costs of implementation compared with those for HKAS 39 hedge accounting because it reduces the amount of analysis that is required to be undertaken only for accounting purposes.

The directors of the Company anticipate that the adoption of HKFRS 9 (2014) in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition.

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company anticipate that the application of HKFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's Financial Information. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

Amendments to HKAS 1 Disclosure Initiative

The amendments clarify that companies should use professional judgement in determining what information as well as where and in what order information is presented in the financial statements. Specifically, an entity should decide, taking into consideration all relevant facts and circumstances, how it aggregates information in the financial statements, which include the notes. An entity does not require to provide a specific disclosure required by a HKFRS if the information resulting from that disclosure is not material. This is the case even if the HKFRS contain a list of specific requirements or describe them as minimum requirements.

Besides, the amendments provide some additional requirements for presenting additional line items, headings and subtotals when their presentation is relevant to an understanding of the entity's financial position and financial performance respectively. Entities, in which they have investments in associates or joint ventures, are required to present the share of other comprehensive income of associates and joint ventures accounted for using the equity method, separated into the share of items that (i) will not be reclassified subsequently to profit or loss; and (ii) will be reclassified subsequently to profit or loss when specific conditions are met.

Furthermore, the amendments clarify that:

(i) an entity should consider the effect on the understandability and comparability of its financial statements when determining the order of the notes; and

(ii) significant accounting policies are not required to be disclosed in one note, but instead can be included with related information in other notes.

The amendments will become effective for financial statements with annual periods beginning on or after 1 January 2016. Earlier application is permitted.

The directors of the Company anticipate that the application of Amendments to HKAS 1 in the future may have a material impact on the disclosures made in the Group's consolidated financial statements.

Except as described above, the directors of the Company anticipate that the application of the other new and revised HKFRSs that have been issued but are not yet effective will have no material impact on the Group's financial performance and position and/or disclosures set out in the Financial Information.

3. SIGNIFICANT ACCOUNTING POLICIES

The Financial Information has been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the Financial Information includes applicable disclosures required by the Listing Rules and the Hong Kong Companies Ordinance, which for the Track Record Periods continue to be those of the predecessor Hong Kong Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap. 622) (the "Ordinance"), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance.

The Financial Information has been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these combined financial information is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The Financial Information incorporates the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year/period are included in the combined statement of profit of loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

All intra-group assets and liabilities, equity, income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Investments in subsidiaries

Investments in subsidiaries are stated on the statement of financial position of the Company at cost less any impairment.

Business combinations under common control

Business combinations under common control are accounted for using merger accounting. In applying merger accounting, the Financial Information incorporates the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the Controlling Shareholders and Mr. Lin Wing Ching.

The net assets of the combining entities or businesses are combined using the existing book values from the controlling parties' perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The combined statements of profit or loss includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the Financial Information are presented as if the entities or businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is shorter.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue from the sale of goods as elements of services rendered is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Service income is recognised when services are provided.

Property and equipment

Property and equipment including buildings held for use in the supply of goods or services or for administrative purposes are stated in the combined statements of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property and equipment, less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments, including any lump-sum upfront payments, are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the combined statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the Financial Information, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs recognised in profit or loss in the period in which they are incurred.

Retirement benefits costs

Payments to state-managed retirement benefit schemes and Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contribution.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year/period. Taxable profit differs from 'profit before taxation' as reported in the combined statements of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Information and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investment in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on the tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Current and deferred tax is recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised in the combined statements of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

The Group's financial assets are loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, deposits and other receivables, amounts due from a shareholder/related companies, bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For all financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the assets' carrying amount and the present value of the estimated future cash flows discounted at the financial assets' original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and bills receivables and other receivables, where the carrying amounts are reduced through the use of allowance accounts. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade and bills receivables and other receivables are considered uncollectible, it is written off against the respective allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities including trade and bills payables, other payables and accruals, bank borrowings, amounts due to related companies, directors and a shareholder are subsequently measured at amortised cost, using the effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Cash and cash equivalents

Bank balances and cash in the combined statements of financial position comprise bank deposits with original maturity of three months or less, cash at banks and on hand. For the purpose of the combined statements of cash flows, cash and cash equivalents consist of bank balances and cash as defined above.

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generation units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the entity's accounting policies

The followings are the critical judgements, apart from those involving estimations that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Financial Information.

Deferred tax assets

Deferred tax assets are recognised for certain deductible temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits. Further details of which are disclosed in note 27.

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Depreciation of property and equipment

Property and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual values. The determination of the useful lives and residual values involves management's estimation. The Group assesses annually the residual value and the useful life of the property and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation in the year/period and the estimate will be changed in the future period.

Estimated impairment of property and equipment

The Group determines whether the property and equipment are impaired whenever there is indication of impairment presented. The impairment loss for property and equipment are recognised for the amounts by which the carrying amounts exceed their recoverable amounts, in accordance with the Group's accounting policy. The recoverable amounts of property and equipment have been determined based on value-in-use calculations. These calculations require the use of judgements and estimates such as future revenue and discount rates. As at 31 March 2013 and 2014 and 31 December 2014, the carrying values of property and equipment were approximately HK$55,567,000, HK$53,638,000 and HK$52,371,000 respectively. No impairment was recognised as at 31 March 2013 and 2014 and 31 December 2014.

Estimated allowance for inventories

The management of the Group reviews an ageing analysis at the end of the reporting period and makes allowance for obsolete and slow-moving items identified that are no longer suitable for sale or use. The Group makes allowance for inventories based on the assessment of the net realisable value. The management estimates the net realisable value for inventories based primarily on the latest invoice prices and current market conditions. As at 31 March 2013 and 2014 and 31 December 2014, estimated accumulated impairment of inventories were approximately HK$700,000, HK$541,000 and HK$541,000 respectively. During the year ended 31 March 2013 and 2014, impairment loss of HK$206,000 and reversal of impairment loss of HK$159,000 were recognised respectively.

Estimated impairment of trade receivables

The Group performs ongoing credit evaluations of its customers and adjusts credit limits based on payment history and the customer's current credit-worthiness, as determined by the review of their current credit information. The Group continuously monitors collections and payments from its customers and maintains a provision for estimated credit losses based upon its historical experience. Credit losses have historically been within the Group's expectations and the Group will continue to monitor the collections from customers and maintain an appropriate level of estimated credit losses. As at 31 March 2013 and 2014 and 31 December 2014, the carrying amounts of trade receivables were approximately HK$20,061,000, HK$28,837,000 and HK$22,446,000 respectively. No impairment was recognised as at 31 March 2013 and 2014 and 31 December 2014.

Income tax

The Group is subject to income taxes in several jurisdictions. There are certain transactions and calculations for which the ultimate tax determination may be uncertain. The Group recognises liabilities for anticipated tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made. As at 31 March 2013 and 2014 and 31 December 2014, the carrying amounts of income tax payables were approximately HK$1,642,000, HK$2,754,000 and HK$5,910,000 respectively.

Estimated impairment of investment property

The Group determines whether the investment property is impaired whenever there is indication of impairment presented. The impairment loss for investment property is recognised for the amounts by which the carrying amounts exceed their recoverable amounts, in accordance with the Group's accounting policy. The recoverable amounts of investment property has been determined based on value-in-use calculations. These calculations require the use of judgements and estimates such as future revenue and discount rates. As at 31 March 2013, the carrying value of investment property was approximately HK$8,437,000. No impairment was recognised as at 31 March 2013.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged during the Track Record Period.

The capital structure of the Group consists of bank borrowings, amounts due to related companies, directors and a shareholder, equity attributable to the owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure regularly. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, issuance of new shares as well as the issue of new debts or the redemption of borrowings.

6. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Financial assets			
Loans and receivables (including bank balances and cash)	35,558	45,768	43,470
Financial liabilities			
Amortised Cost	77,644	69,051	63,396

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, deposits and other receivables, amounts due from related companies and a shareholder, bank balances and cash, trade and bills payables, other payables and accruals, amounts due to a shareholder, directors and related companies and bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

The Company carries out certain of its transactions in USD and SGD and certain of its monetary assets and liabilities are denominated in USD and SGD. As HKD is pegged to USD, the directors of the Company do not expect any significant movements in the USD/HKD exchange rate and considers the company is mainly exposed to currency risk in the SGD/HKD exchange rate.

The Group carries out certain of its transactions in USD and SGD and certain of its monetary assets and liabilities are denominated in USD and SGD.

The carrying amounts of the Group's foreign currency denominated monetary assets at the end of the reporting period are as follows:

	Assets			Liabilities		
	At 31 March		At 31 December	At 31 March		At 31 December
	2013	2014	2014	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
USD	59	319	469	1,205	21	–
SGD	–	–	5,379	–	–	–

The Group currently does not have a foreign currency hedging policy. However, the directors of the Company continuously monitor the related foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Sensitivity analysis

The following table details the Group's sensitivity to a 5% for all periods increase or decrease in the functional currencies of the relevant group entities against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of each reporting period for a 5% change in foreign currency rates. A positive number below indicates a decrease in post-tax profit where the respective functional currencies strengthen 5% against the relevant currency. For a 5% weakening of the respective functional currencies against the relevant foreign currency, there would be an equal and opposite impact on the profit and other equity and the balances below would be negative. The analysis is performed on the basis for the Track Record Period.

As the Hong Kong Dollars ("HKD") is pegged to USD, the directors of the Company do not expect any significant movements in the USD/HKD exchange rate and considers the Group is only exposed to currency risk in the SGD/HKD exchange rate.

	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Impact on the profit for the year/period SGD	–	–	–	225

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances (note 22) and variable rate bank borrowings (note 26) carrying interest at prevailing market rates for the Track Record Period. However, the exposure in bank balances is minimal to the Group for the Track Record Period as the bank balances are all short-term in nature. It is the Group's policy to keep its borrowings at floating rate of interest so as to minimise the fair value interest rate risk.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of each reporting period. The analysis is prepared assuming the amount of liability outstanding at the end of reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used for the Track Record Period when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower for the Track Record Period and all other variables were held constant, the Group's post-tax profit for each of the two years ended 31 March 2013 and 2014 and nine months ended 31 December 2014 would decrease/increase by approximately HK$118,000, HK$85,000 and HK$159,000 respectively. This is mainly attributable to the Group's exposure to cash flow interest rate risk on its variable-rate bank borrowings.

Credit risk

At the end of each reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the combined statements of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit quality of the counterparties in respect of amounts due from related companies is assessed by taking into account their financial position, credit history and other factors. The directors of the Company are of the opinion that the risk of default by these counterparties is low.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group has concentration of credit risk as 22%, 19% and 15% of the total trade receivables as at 31 March 2013 and 2014 and 31 December 2014 was due from the Group's largest customer respectively.

The Group has concentration of credit risk as 50%, 49% and 43% of the total trade receivables as at 31 March 2013 and 2014 and 31 December 2014 was due from the Group's five largest customers respectively.

The Group's concentration of credit risk by geographical locations is mainly in the PRC (including Hong Kong), which accounted for over 95% of the total trade receivables as at 31 March 2013 and 2014 and 31 December 2014.

Liquidity risk

In management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of each reporting period.

	As at 31 March 2013		
	On demand or within 1 year	**Total undiscounted cash flows**	**Carrying amount**
	HK$'000	*HK$'000*	*HK$'000*
Trade and bills payables	7,834	7,834	7,834
Other payables and accruals	3,718	3,718	3,718
Amounts due to directors	9,511	9,511	9,511
Amount due to a shareholder	2,827	2,827	2,827
Amounts due to related companies	25,389	25,389	25,389
Bank borrowings	28,560	28,560	28,365
	77,839	77,839	77,644

	As at 31 March 2014		
	On demand or within 1 year	**Total undiscounted cash flows**	**Carrying amount**
	HK$'000	*HK$'000*	*HK$'000*
Trade and bills payables	11,979	11,979	11,979
Other payables and accruals	14,301	14,301	14,301
Amounts due to directors	7,953	7,953	7,953
Amounts due to related companies	14,548	14,548	14,548
Bank borrowings	20,379	20,379	20,270
	69,160	69,160	69,051

	As at 31 December 2014		
	On demand or within 1 year	**Total undiscounted cash flows**	**Carrying amount**
	HK$'000	*HK$'000*	*HK$'000*
Trade and bills payables	7,452	7,452	7,452
Other payables and accruals	5,187	5,187	5,187
Bank borrowings	51,934	51,934	50,757
	64,573	64,573	63,396

Bank borrowings with a repayment on demand clause are included in the "on demand or within 1 year" time band in the above maturity analysis. At 31 March 2013 and 2014 and 31 December 2014, the aggregate undiscounted principal amounts of these bank loans amounted to HK$28,365,000, HK$20,270,000 and HK$50,757,000 respectively. Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such bank loans will be repaid more than one year after the reporting date in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amount to HK$29,610,000, HK$26,592,000 and HK$55,964,000 respectively.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of each reporting period.

Fair value

The directors of the Company consider that the carrying amounts of current financial assets and current financial liabilities recorded at amortised cost using the effective interest rate method in the Financial Information approximate their fair values due to their immediate or short-term maturities.

The directors of the Company consider that the carrying amounts of the other non-current financial liabilities are recorded at amortised cost using the effective interest rate method in the Financial Information approximate their fair values.

7. REVENUE AND OTHER INCOME

Revenue represents the amounts received and receivable for services rendered in the normal course of business, net of discounts and sales related taxes and maintenance service income. Analysis of the Group's turnover for the Track Record Period is as follows:

	Year ended 31 March		Nine months ended 31 December	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Revenue				
Service income:				
Solution for audiovisual, conferencing, presentation and multimedia control systems including installation services *(note)*	104,038	95,459	67,958	80,478
Audiovisual system maintenance services	4,081	7,015	3,224	6,768
	108,119	102,474	71,182	87,246
Other income				
Rental income	841	546	546	–
Gain on disposal of investment property	–	20,129	20,129	–
Management fee received	558	1,312	180	–
Bank interest income	95	129	104	2
Exchange gain	57	2	23	160
Sundry income	397	313	224	8
	1,948	22,431	21,206	170

Note: Included in this service income, revenue of approximately HK$8,959,000, HK$8,155,000, HK$7,270,000 (unaudited) and HK$7,361,000 for each of the year ended 31 March 2013 and 2014 and nine months ended 31 December 2013 and 2014, respectively, represented service income from procuring and delivering certain video conferencing and multimedia audiovisual equipment solely involving the Group's consultation services (i.e. without any design or installation services from the Group).

8. SEGMENT INFORMATION

The directors of the Company consider that there is only one operating and reportable business segment for the Group, the service provider of video conferencing and multimedia audiovisual solution. Operating segments are reported in a manner consistent with the information reported to the board of directors, being the chief operating decision maker, for the purpose of resources allocation and performance assessment.

Geographical information

The Group's operations are located in Hong Kong (country of domicile), the PRC and Singapore. The Group's customers are mainly located in Hong Kong, the PRC and Singapore.

An analysis of the Group's revenue from external customers is presented based on the location of customers as below:

	Revenue from external customers			
	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Hong Kong (country of domicile)	98,069	96,224	68,147	73,994
PRC	9,296	2,495	2,304	1,381
Singapore	–	–	–	9,373
Macau	754	3,755	731	2,498
	108,119	102,474	71,182	87,246

The Group's information about its non-current assets is presented based on location of the assets as below:

	Non-current assets		
	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Hong Kong	63,958	53,614	52,358
The PRC	46	24	13
	64,004	53,638	52,371

Non-current assets excluded deferred tax assets.

Information about major customers

There was no customer account for 10% or more of aggregate revenue of the Group during the Track Record Period.

9. FINANCE COSTS

	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Interest expenses on:				
– bank borrowings wholly repayable within five years	191	170	117	74
– bank borrowings not wholly repayable within five years	294	198	149	341
– amounts due to directors	140	69	69	–
Total finance costs	625	437	335	415

10. INCOME TAX EXPENSE

	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Current income tax				
– Hong Kong Profits Tax	2,121	3,581	2,080	2,588
– PRC Tax	8	6	6	–
– Singapore Corporate Tax	–	–	–	668
(Over)under provision in prior year	(112)	–	–	49
	2,017	3,587	2,086	3,305
Deferred taxation *(Note 27)*	42	(88)	4	102
Total income tax expense for the year/period	2,059	3,499	2,090	3,407

i) Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the Track Record Period.

ii) Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC companies is 25% for the Track Record Period.

iii) Singapore Corporate Tax is calculated at the rate of 17% on the estimated assessable profit for the Track Record Period.

iv) Pursuant to the rules and regulations of the Cayman Islands and BVI, the Group is not subject to any income tax in Cayman Islands and BVI.

The income tax expense for the year/period can be reconciled to the profit before taxation per the as follows:

	Year ended 31 March		Nine months ended 31 December	
	2013	**2014**	**2013**	**2014**
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Profit before taxation	11,967	39,479	30,832	7,001
Tax at domestic income tax rate of 16.5%	1,975	6,514	5,087	1,155
Effect of different tax rate of subsidiaries operating in other jurisdictions	3	–	–	18
Tax effect of expense not deductible for tax purposes	250	189	142	1,959
Tax effect of income not taxable for tax purposes	–	(3,203)	(3,203)	(4)
Tax effect of utilisation of tax loss previously not recognised	(24)	–	–	–
Tax effect of tax loss not recognised	–	39	64	230
Tax exemption	(33)	(40)	–	–
(Over)under provision in prior year	(112)	–	–	49
Income tax expense for the year/period	2,059	3,499	2,090	3,407

Details of the deferred taxation are set out in Note 27.

11. PROFIT FOR THE YEAR

	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Profit for the year/period has been arrived at after charging (crediting):				
Salaries and allowances (excluding directors' emoluments)	13,118	13,247	10,474	12,282
Retirement benefit scheme contributions (excluding directors)	586	626	467	639
Total staff costs	13,704	13,873	10,941	12,921
Cost of inventories sold	68,243	63,578	44,589	50,800
Impairment loss on (reversal of) of inventories included in other operating expenses	206	(159)	–	–
Depreciation	2,158	2,068	1,584	1,304
Operating lease rentals in respect of rented premises	560	949	745	639
Direct operating expenses incurred for investment properties that generated rental income	302	307	307	–
Loss on disposal of property and equipment	–	–	–	1
Listing expenses	–	–	–	10,896
Auditor's remuneration	120	90	68	68

12. EARNINGS PER SHARE

No earnings per share information is presented as its inclusion, for the purpose of this report, is not considered meaningful due to the Reorganisation and the basis of presentation of the results of the Track Record Period and the nine months ended 31 December 2013 as disclosed in Note 1.

13. DIRECTORS', CHIEF EXECUTIVES' AND EMPLOYEES' EMOLUMENTS

(a) Directors' and chief executives' emoluments

Details of emoluments paid and payable to the directors who are also chief executives of the Group for the Track Record Period are as follows:

	Year ended 31 March 2013				
	Fees	Salaries and other allowances	Discretionary bonus	Retirement benefit scheme contributions	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Directors:					
Dr. Wong King Keung	–	–	110	–	110
Mr. Chan Wing Yiu	–	–	110	–	110
Mr. Tong Sai Wong	–	–	110	–	110
Mr. Chan Wing Lun	–	–	–	–	–
Mr. Lin Wing Ching	–	455	110	15	580
	–	455	440	15	910

	Year ended 31 March 2014				
	Fees	Salaries and other allowances	Discretionary bonus	Retirement benefit scheme contributions	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Directors:					
Dr. Wong King Keung	–	–	–	–	–
Mr. Chan Wing Yiu	–	–	–	–	–
Mr. Tong Sai Wong	–	–	–	–	–
Mr. Chan Wing Lun	–	–	–	–	–
Mr. Lin Wing Ching	–	578	76	10	664
	–	578	76	10	664

	Nine months ended 31 December 2013 (unaudited)				
	Fees	Salaries and other allowances	Discretionary bonus	Retirement benefit scheme contributions	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Directors:					
Dr. Wong King Keung	–	–	–	–	–
Mr. Chan Wing Yiu	–	–	–	–	–
Mr. Tong Sai Wong	–	–	–	–	–
Mr. Chan Wing Lun	–	–	–	–	–
Mr. Lin Wing Ching	–	578	76	10	664
	–	578	76	10	664

	Nine months ended 31 December 2014				
	Fees	Salaries and other allowances	Discretionary bonus	Retirement benefit scheme contributions	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Directors:					
Dr. Wong King Keung	–	–	–	–	–
Mr. Chan Wing Yiu	–	–	–	–	–
Mr. Tong Sai Wong	–	–	–	–	–
Mr. Chan Wing Lun	–	–	–	–	–
Mr. Lin Wing Ching	–	–	–	–	–
	–	–	–	–	–

Notes:

Discretionary bonus was determined with reference to the Group's operating results, individual performance and comparable market statistics for each financial year/period.

None of the directors waived or agreed to waive any emoluments during the Track Record Period and nine months ended 31 December 2013.

(b) Employees' emoluments

Of the five individuals with the highest emoluments in the Group for the each of the year ended 31 March 2013 and 2014 and nine months ended 31 December 2013, one was the director of the Company. The emolument of him is included in the disclosures in Note 13(a) above. The emoluments of the remaining four individuals for two years ended 31 March 2013, 2014 and nine months ended 31 December 2013 and the five individuals with the highest emoluments in the Group for the nine months ended 31 December 2014 were as follows:

	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013	2014
	HK$'000	*HK$'000*	*HK$'000* (unaudited)	*HK$'000*
Salaries and other allowances	2,437	2,465	1,581	2,676
Retirement benefit scheme contributions	76	81	68	95
	2,513	2,546	1,649	2,771

There were no performance related incentive payments during the Track Record Period and nine months ended 31 December 2013.

Their emoluments were within the following bands:

	Number of individuals			
	Year ended 31 March		Nine months ended 31 December	
	2013	2014	2013 (unaudited)	2014
Less than HK$1,000,000	4	4	4	5

During the Track Record Period and nine months ended 31 December 2013, no emoluments were paid or payable by the Group to the directors, chief executive or the five highest paid individuals as inducements to join or upon joining the Group or as a compensation for loss of office.

14. DIVIDEND

The dividend paid by the Company's subsidiaries to its then shareholders during each of the years ended 31 March 2013 and 2014 and nine months ended 31 December 2013 and 2014 amounted to approximately HK$6,000,000, HK$30,922,000, HK$19,900,000 and nil respectively. Pursuant to the resolution of i-Control ITAV passed on 5 February 2015, an interim dividend amount of HK$8,780,000 was declared and paid by i-Control ITAV to its then shareholders. The rates of dividend and the number of shares ranking for dividend are not presented as such information is not considered meaningful for the purpose of this report.

Other than disclosed above, no dividends have been paid or declared by the companies now comprising the Group since the commencement of the Track Record Period.

15. PROPERTY AND EQUIPMENT

	Land and buildings *HK$'000*	Furniture and fixtures *HK$'000*	Computer equipment *HK$'000*	Leasehold improvement *HK$'000*	Total *HK$'000*
COST					
At 1 April 2012	55,552	1,279	293	1,751	58,875
Additions	–	122	–	–	122
At 31 March 2013, 1 April 2013 and 31 March 2014	55,552	1,401	293	1,751	58,997
Additions	–	4	34	–	38
Disposal	–	(4)	–	–	(4)
At 31 December 2014	55,552	1,401	327	1,751	59,031
ACCUMULATED DEPRECIATION					
At 1 April 2012	772	255	59	424	1,510
Provided for the year	1,157	280	59	424	1,920
At 31 March 2013 and 1 April 2013	1,929	535	118	848	3,430
Provided for the year	1,157	289	59	424	1,929
At 31 March 2014 and 1 April 2014	3,086	824	177	1,272	5,359
Provided for the period	868	212	44	180	1,304
Eliminated on disposal	–	(3)	–	–	(3)
At 31 December 2014	3,954	1,033	221	1,452	6,660
Carrying values					
At 31 March 2013	53,623	866	175	903	55,567
At 31 March 2014	52,466	577	116	479	53,638
At 31 December 2014	51,598	368	106	299	52,371

i) The above items of property and equipment are depreciated on a straight-line basis at the following rates per annum:

Furniture and fixtures	10–20%
Computer equipment	20%
Leasehold improvement	20–33%
Land and buildings	Over the shorter of term of the lease or 2%

ii) As at 31 March 2013 and 2014 and 31 December 2014, buildings with carrying amounts of approximately HK$53,623,000, HK$52,466,000 and HK$51,598,000 have been pledged to secure bank loans of approximately HK$22,722,000, HK$20,270,000 and HK$43,385,000 respectively.

iii) All of the land and buildings are located on land in Hong Kong and held under medium term lease.

16. INVESTMENT PROPERTY

	Total
	HK$'000
COST	
At 1 April 2012, 31 March 2013 and 1 April 2013	8,793
Disposal	(8,793)
At 31 March 2014, 1 April 2014 and 31 December 2014	–
ACCUMULATED DEPRECIATION	
At 1 April 2012	118
Provided for the year	238
At 31 March 2013 and 1 April 2013	356
Provided for the year	139
Eliminated on disposals	(495)
At 31 March 2014, 1 April 2014 and 31 December 2014	–
Carrying values	
At 31 March 2013	8,437
At 31 March 2014	–
At 31 December 2014	–

The above investment property is depreciated on a straight-line basis over 37 years.

i) As at 31 March 2013, investment property with carrying amount of approximately HK$8,437,000 was pledged to secure bank loans of approximately HK$5,643,000.

ii) The investment property was located in Hong Kong and held under medium term lease.

iii) The fair value of the Group's investment property at 31 March 2013 was HK$27,800,000. The fair value of the Group's investment property at 31 March 2013 has been arrived at on the basis of valuation carried out by Peak Vision Appraisals Limited ("Peak Vision"), an independent qualified professional valuer not connected to the Group. The valuation was carried out by a member of the Hong Kong Institute of Surveyors, who has appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. The valuation was arrived by using direct comparison

approach. Direct comparison method based on market observable transactions of similar properties and adjusts to reflect the conditions and locations of the subject property.

In estimating the fair value of the property, the highest and best use of the property is their current use. The fair value hierarchy of the Group's investment property, which is commercial property unit located in Hong Kong is level 3 as at 31 March 2013.

17. INVENTORIES

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Finished goods	5,079	5,251	6,367

During the year ended 31 March 2014, there was sales of finished goods previously impaired. As a result, a reversal of wrote-down of finished goods of HK$159,000 recognised and included in other operating expenses.

18. TRADE RECEIVABLES

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Trade receivables	20,061	28,837	22,446

The Group generally allows an average credit period of 30 days to the customers.

The Group does not hold any collateral over these balances.

The following is an aged analysis of trade receivables, presented based on invoice dates at the end of each reporting period, which approximated the respective revenue recognition dates.

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
0–30 days	12,007	15,685	8,517
31–60 days	1,885	6,980	2,787
61–120 days	2,294	4,502	6,325
121–365 days	3,116	854	4,138
Over 365 days	759	816	679
	20,061	28,837	22,446

At 31 March 2013 and 2014 and 31 December 2014, the aged analysis of trade receivables that were past due but not impaired are as follows:

	1–30 days	31–60 days	61–120 days	121–365 days	Over 365 days	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
As at 31 March 2013	1,884	424	1,786	2,809	759	7,662
As at 31 March 2014	6,968	3,548	691	573	801	12,581
As at 31 December 2014	2,778	4,066	2,254	3,396	431	12,925

In determining the recoverability of a trade receivable, the Group considers any change in credit quality of the trade receivable from the date credit was initially granted up to the reporting date. In view of the good settlement history from those receivables of the Group which are past due but not impaired for the Track Record Period, the directors of the Company consider that no allowance is necessary in respect of these balances.

19. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Prepayments	1,517	2,545	4,103
Deposits	240	260	154
Other receivables	841	976	605
	2,598	3,781	4,862

20. AMOUNT DUE FROM A SHAREHOLDER

	At 31 March		At 31 December	Maximum amount outstanding During the year ended 31 March		During the nine months ended 31 December
	2013	2014	2014	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Wideford Limited	–	519	–	–	2,682	519

The amount is unsecured, interest-free and repayable on demand.

21. AMOUNTS DUE FROM RELATED COMPANIES

Amount due from related companies, disclosed pursuant to section 383 to the Hong Kong Companies Ordinance (Cap 622), which require compliance with section 161B of the predecessor Hong Kong Companies Ordinance (Cap 32) is analysed as follows:

	At 31 March		At 31 December	Maximum amount outstanding During the year ended 31 March		During the nine months ended 31 December
	2013	2014	2014	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Tandberg International (Asia) Limited	53	–	–	53	53	–
i-Control Macau Limited	63	131	–	131	131	131
	116	131	–			

The directors of the Company have beneficial interests in these companies.

The amounts are unsecured, interest-free and repayable on demand.

22. BANK BALANCES AND CASH

The bank balances for the years ended 31 March 2013 and 2014 and nine months ended 31 December 2013 and 2014 carried interest at the prevailing market rate.

The Group's bank balances and cash denominated in RMB amounted to approximately HK$1,202,000, HK$1,051,000 and HK$443,000 at 31 March 2013, 2014 and 31 December 2014, respectively. Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations.

23. TRADE AND BILLS PAYABLES

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Trade payables	6,998	11,979	7,452
Bills payables	836	–	–
	7,834	11,979	7,452

An aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period is as follows:

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
0 to 60 days	3,858	9,083	4,142
61 to 90 days	614	942	480
Over 90 days	2,526	1,954	2,830
	6,998	11,979	7,452

The bills payables were all aged 0 to 60 days. The average credit period on purchase of goods is 30 days. The Group has financial risk management policies or plans for its payables with respect to the credit timeframe.

24. OTHER PAYABLES AND ACCRUALS

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Accrued salary	725	375	1,058
Commission payable	1,557	1,597	1,920
Customer deposits (for trade)	4,517	6,257	1,805
Receipts in advance	1,270	3,085	4,071
Dividend payable	–	10,600	–
Accrued expenses and other payables	1,436	1,729	2,209
	9,505	23,643	11,063

Customer deposits (for trade) represented advance payments from customers pursuant to the respective sales and purchase contracts.

25. AMOUNTS DUE TO DIRECTORS/ A SHAREHOLDER/ RELATED COMPANIES

Included in the amounts due to directors are amounts of approximately HK$1,500,000 at 31 March 2013, which were unsecured and carried interest at 3.25% per annum. Except the aforesaid amounts, other amounts are unsecured, non-interest bearing and repayable on demand.

All amounts were settled during the nine months ended 31 December 2014.

26. BANK BORROWINGS

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Secured:			
Mortgage loan	28,365	20,270	43,385
Unsecured:			
Tax loan	–	–	872
Revolving loan	–	–	6,500
	28,365	20,270	50,757
Bank borrowings repayable:			
On demand or within one year	2,839	2,461	10,313
More than one year but not exceeding two years	2,858	2,471	2,941
More than two years but not exceeding five years	8,667	7,475	8,823
After five years	14,001	7,863	28,680
	28,365	20,270	50,757
Less: Carrying amount of bank loans that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	25,526	17,809	40,444
Carrying amount repayable within one year	2,839	2,461	10,313
Amount shown under non-current liabilities	–	–	–

Borrowings comprise:

	Maturity date	Effective interest rate	Carrying amount		
			At 31 March		At 31 December
			2013	2014	2014
			HK$'000	*HK$'000*	*HK$'000*
Fixed-rate borrowings:					
– HKD tax loans	24/5/2015	4.25%	–	–	872
Floating-rate borrowings:					
– HKD mortgage loans [(1) & (6)]	6/7/2021	0.21%	17,735	15,621	–
– HKD mortgage loans [(2) & (7)]	6/7/2026	1.61%	4,987	4,649	-
– HKD mortgage loan [(3) & (7)]	3/5/2026	1.21%	5,643	–	–
– HKD mortgage loans [(4) & (8)]	21/8/2021	2.22%	–	–	43,385
– HKD revolving loan [(5)]	Repayable on demand	2.72%	–	–	6,500
			28,365	20,270	50,757

(1) The floating rate is HIBOR for the first three years and HIBOR plus 1.1% thereafter.

(2) The floating rate is lower of HIBOR plus 1.4% or best lending rate minus 2.75%

(3) The floating rate is lower of HIBOR plus 1% or 2.9% below best lending rate.

(4) The floating rate is lower of HIBOR plus 2% or 2.25% below best lending rate.

(5) The floating rate is HIBOR plus 2.5%.

(6) Repayable in 120 equal monthly installments commencing from the drawdown of the borrowings.

(7) Repayable in 180 equal monthly installments commencing from the drawdown of the borrowings.

(8) Repayable in 84 equal monthly installments commencing from the drawdown of the borrowings.

Notes:

(a) The bank borrowings are all denominated in HK$.

(b) As at 31 March 2013, 2014 and 31 December 2014, all bank borrowings were guaranteed by certain directors of the Company.

(c) As at 31 March 2013, bank borrowings of approximately HK$5,643,000 were secured by investment property of the Group with carrying amounts of approximately HK$8,437,000.

(d) As at 31 March 2013, 2014 and 31 December 2014, bank borrowings of approximately HK$22,722,000, HK$20,270,000 and HK$43,385,000 were secured by land and buildings of the Group with carrying amounts of HK$53,623,000, HK$52,466,000 and HK$51,598,000 respectively.

27. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

	At 31 March 2013	2014	At 31 December 2014
	HK$'000	*HK$'000*	*HK$'000*
Deferred tax assets	139	302	265
Deferred tax liabilities	(194)	(269)	(334)
	(55)	33	(69)

The movements in deferred tax (assets) liabilities of the Group during the Track Record Period are as follows:

	Accelerated depreciation allowance	Tax losses	Provision for inventory	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2012	178	(83)	(82)	13
(Credited) charged to profit or loss during the year *(Note 10)*	16	60	(34)	42
At 31 March 2013 and 1 April 2013	194	(23)	(116)	55
(Credited) charged to profit or loss during the year *(Note 10)*	(121)	7	26	(88)
At 31 March 2014 and 1 April 2014	73	(16)	(90)	(33)
Charged to profit or loss during the period *(Note 10)*	101	1	–	102
At 31 December 2014	174	(15)	(90)	69

At 31 March 2013, 2014 and 31 December 2014, the Group had tax losses of approximately HK$139,000, HK$334,000 and HK$1,723,000 available for offset against future profits and of which approximately HK$139,000, HK$97,000 and HK$89,000 are recognised. At 31 March 2013, 2014 and 31 December 2014, tax losses of HK$139,000, HK$97,000 and HK$719,000 may be carried forward indefinitely respectively, the remaining will be expired within 5 years.

No deferred tax asset was recognised for such unrecognised tax losses due to the unpredictability of future profit streams of respective subsidiaries.

28. SHARE CAPITAL

The share capital of the Group as at 31 March 2013 and 2014 represented the aggregate of share capital of the companies now comprising the Group.

The share capital of the Group as at 31 December 2014 represented the aggregate of share capital of the Company and i-Control ITAV.

The Company

	Number of Share	Share capital *HK$*
Authorised		
Ordinary share of HK$0.1 each as at date of incorporation *(Note a)*	3,800,000	380,000
Subdivision of HK$0.1 each share into 10 shares of HK$0.01 each *(Note c)*	34,200,000	–
	38,000,000	380,000
Issued and fully paid		
Ordinary share of HK$0.1 each at the date of incorporation *(Note a)*	1	–
Issued and allotted during the period *(Note b)*	74,999	7,500
Subdivision of HK$0.1 each share into 10 shares of HK$0.01 each *(Note c)*	675,000	–
	750,000	7,500

	HK$'000
Shown in the financial information	8

Notes:

(a) On 21 August 2014, the authorised share capital of the Company was HK$380,000 divided into 3,800,000 shares of HK$0.10 each. At the date of incorporation, one share of HK$0.1 was allotted and issued.

(b) On 21 August 2014, 74,999 of HK$0.1 each were allotted and issued as fully paid.

(c) On 6 October 2014, each of the then existing issued and unissued shares of HK$0.1 each in the share capital of the Company was subdivided into ten shares of HK$0.01 each.

(d) On 11 May 2015, the authorised share capital of the Company was increased from HK$380,000 divided into 38,000,000 shares to HK$20,000,000 divided into 2,000,000,000 shares.

29. RESERVES

(a) Merger Reserve

Merger reserve represented the difference between share capital of the new holding company and the aggregate of the share capital of the then holding company of the Group and the companies comprising the Group.

30. OPERATING LEASE COMMITMENT

The Group as lessor

The investment property at 31 March 2013 were expected to generate rental yields of 1.8%, on an ongoing basis. The property held has committed tenants for the next one year.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Within one year	867	–	–
In the second to fifth year inclusive	70	–	–
	937	–	–

The Group as lessee

The Group leases certain of its warehouses and offices under operating lease arrangements. Lease for properties are negotiated for terms ranging from one to three years and rentals are fixed.

At the end of each reporting period, the Group had future minimum lease payments under non-cancellable operating lease which fall due as follows:

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Within one year	240	614	540
In the second to fifth year inclusive	430	278	–
	670	892	540

31. PLEDGE OF ASSETS

At the end of the reporting period, certain assets of the Group were pledged to secure banking borrowings facilities granted to the Group as follows:

	At 31 March		At 31 December
	2013	2014	2014
	HK$'000	*HK$'000*	*HK$'000*
Land and buildings	53,623	52,466	51,598
Investment property	8,437	–	–
	62,060	52,466	51,598

32. RETIREMENT BENEFIT SCHEME

The Group participates in both a defined contribution scheme which is registered under the Occupational Retirement Scheme Ordinance (the ORSO Scheme) and a Mandatory Provident Fund Scheme (the MPF Scheme) established under the Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying within the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group are required to join the MPF Scheme. For members of the MPF Scheme, the Group contributes 5% of relevant payroll costs to the Scheme, which contribution is matched by the employee. The ORSO Scheme is funded by monthly contributions from both employees and the Group at rates ranging from 5% to 10% of the employee's basic salary, depending on the length of service with the Group.

For members of the MPF Scheme, the Group contributes 5% of relevant payroll costs, capped at HK$1,500 (HK$1,250 prior to June 2014) per month, to the MPF Scheme, in which the contribution is matched by the employee.

Pursuant to the regulations of the relevant authorities in the PRC, the subsidiaries of the Company in this country participate in respective government retirement benefit schemes (the "Schemes") whereby the subsidiaries are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes.

The retirement benefit schemes contribution represent gross contributions by the Group to the Schemes operated by the relevant authorities of the PRC and the defined contribution schemes operated in Hong Kong.

The total cost charged to profit or loss of approximately HK$601,000, HK$636,000, HK$477,000 (unaudited) and HK$639,000 represents contributions payable to those schemes by the Group in respect of the two years ended 31 March 2013, 2014 and nine months ended 31 December 2013 and 2014 respectively.

33. MAJOR NON-CASH TRANSACTIONS

During the nine months ended 31 December 2014, as part of the Reorganisation, the net assets of the administrative and consultancy business for the companies composing the Group was transferred to the Group at a consideration of HK$2,420,000, which was waived as part of the Reorganisation. The net amount of approximately HK$1,363,000 was credited to the merger reserve.

During the nine months ended 31 December 2014, as part of the Reorganisation, share holding of View Mark was transferred to a related company at HK$7,000 and was settled through the amount due to the related company.

34. CHANGE IN OWNERSHIP INTEREST IN A SUBSIDIARY

During the year ended 31 March 2013 and 2014, the Group disposed of 10% of its interest in Eduserve International, reducing its continuing interest to 90% and 80% respectively. The proceeds on disposal was received by the then shareholder of Eduserve International. Amount of HK$300,000 (being the proportionate share of the carrying amount of the share capital of Eduserve International) has been transferred to non-controlling interest during each of the disposals.

35. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in the Financial Information, the Group has entered into the following significant transactions with related parties during the Track Record Period.

(a) Compensation of key management personnel

Other than the remuneration paid to the directors and employees of the Group as set out in Note 13, who are considered as the key management personnel of the Group, the Group did not have any other significant compensations to key management personnel.

The remuneration of the directors and key management personnel is determined by the board of directors of the Company having regard to the performance of individuals and market trends.

(b) Banking facilities

In addition to the pledge of the Group's pledged assets referred to in note 31, certain banking facilities of the Group during Track Record Period were secured by the guarantees given by certain directors of the Company and legal charge over a property of a company which the directors have beneficial interests.

(c) Other related parties transactions

Name of company	Nature of transaction	*Notes*	Year ended 31 March 2013 *HK$000*	Year ended 31 March 2014 *HK$000*	Nine months ended 31 December 2013 *HK$000* (unaudited)	Nine months ended 31 December 2014 *HK$000*
The HK Institute for Promotion of Chinese Culture	Sales	(i)&(ii)	–	2,625	1,851	–
i-Control Technology (Macau) Limited	Sales	(i)&(iii)	285	–	–	–
Wideford Limited	Commission expenses	(ix)&(iv)	1,940	–	–	
Eduserve Export Limited	Management fee received	(i)&(v)	312	1,311	180	–
Eduserve Export Limited	Purchases	(i)&(v)	417	198	140	–
China Camera Limited	Management fee received	(i)&(v)	54	–	–	–
Betatech Company Limited	Management fee received	(i)&(v)	192	–	–	–
	Commission expenses	(ix)&(v)	505	–	–	–
CISA Limited	Commission expenses	(ix)&(vi)	3,058	–	–	–
Tech Car Development Limited	Commission expenses	(ix)&(vii)	304	–	–	–
Widen China Limited	Commission expenses	(ix)&(viii)	371	259	187	–
Yee King Tat Co., Limited	Commission expenses	(ix)&(ii)	481	–	–	–

Notes:

(i) These transactions were carried out at terms determined and agreed by the Group and the relevant parties.

(ii) Dr. Wong King Keung is the common director with beneficial interests in the relevant party.

(iii) Mr. Tong Sai Wong and Mr. Chan Wing Lun, the directors of the Company, have beneficial interests in the relevant party.

(iv) Mr. Chan Wing Yiu, and Mr. Tong Sai Wong, the directors of the Company, have beneficial interests in the relevant party.

(v) Mr. Chan Wing Yiu, Dr. Wong King Keung, Mr. Lin Wing Ching and Mr. Tong Sai Wong, the directors of the Company, have beneficial interests in the relevant party.

(vi) Mr. Chan Wing Lun, the director of the Company, has beneficial interests in the company.

(vii) Mr. Lin Wing Ching, the director of the Company, has beneficial interests in the company.

(viii) Mr. Wong To Yan, the director of the subsidiary of the Company, has beneficial interests to the subsidiary of the Company.

(ix) The commission expenses were charged on terms and basis mutually agreed by the Group and the relevant parties.

B. SUBSEQUENT EVENTS

The following significant events took place subsequent to 31 December 2014.

i. Reorganisation

The companies comprising the Group underwent a reorganisation to rationalise the Group's structure in preparation for the listing of the Company's shares on the GEM of the Stock Exchange. Details of the Reorganisation are set out in the section headed "Group reorganisation" in Appendix VI to the Prospectus. As a result of the Reorganisation, the Company became the holding company of the Group on 11 May 2015.

ii. Share Option Scheme

Pursuant to the written resolutions of the shareholders of the Company passed on 11 May 2015, the Company has conditionally adopted a share option scheme, details of which are set out in section headed "Share Option Scheme" in Appendix VI to the Prospectus.

iii. Capitalisation Issue

Pursuant to the written resolutions of the shareholders of the Company passed on 11 May 2015, the Company has conditionally approved the issue of shares pursuant to the Capitalisation Issue. Details of which are set out in the section headed "Resolutions in writing of all our Shareholders passed on 11 May 2015" in Appendix VI to the Prospectus.

iv. Dividend

Pursuant to the resolution of i-Control ITAV passed on 5 February 2015, an interim dividend amount of HK$8,780,000 was declared and paid by i-Control ITAV to its then shareholders.

C. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Group, the Company nor any of its subsidiaries in respect of any period subsequent to 31 December 2014.

Yours faithfully,

SHINEWING (HK) CPA Limited
Certified Public Accountants
Pang Wai Hang
Practising Certificate Number: P05044
Hong Kong

UNAUDITED PRO FORMA FINANCIAL INFORMATION

The information set out in this Appendix does not form part of the Accountants' Report prepared by the reporting accountants of the Company, SHINEWING (HK) CPA Limited as set out in Appendix I to this prospectus, and is included herein for information only.

The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountants' Report as set out in Appendix I to this prospectus.

(A) UNAUDITED PRO FORMA ADJUSTED COMBINED NET TANGIBLE ASSETS

The following statement of unaudited pro forma adjusted combined net tangible assets of the Group (the "Unaudited Pro Forma NTA") prepared in accordance with Rule 7.31 of the GEM Listing Rules is for illustrative purposes only, and is set out below to illustrate the effect of the Placing on the combined net tangible assets of the Group attributable to the owners of the Company as at 31 December 2014 as if the Placing had taken place on 31 December 2014.

This Unaudited Pro Forma NTA has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the combined net tangible assets of the Group as at 31 December 2014 or at any future dates following the Placing. It is prepared based on the combined net tangible assets attributable to owners of the Company as at 31 December 2014 as set out in the Accountants' Report of the Group, the text of which is set out in Appendix I to this prospectus, and adjusted as described below.

	Audited combined net tangible assets attributable to the owners of the Company as at 31 December 2014 *HK$'000 (Note 1)*	**Estimated net proceeds from the Placing** *HK$'000 (Note 2)*	**Unaudited pro forma adjusted combined net tangible assets attributable to the owners of the Company immediately after the completion of the Placing** *HK$'000*	**Unaudited pro forma adjusted combined net tangible assets per Share as at 31 December 2014** *HK$ (Notes 3 and 4)*
Based on the Placing Price of HK$0.30 per Share	28,785	62,974	91,759	0.09
Based on the Placing Price of HK$0.39 per Share	28,785	84,743	113,528	0.11

Notes:

1. The audited combined net tangible assets of the Group attributable to owners of the Company as at 31 December 2014 has been derived from the audited combined net tangible assets of the Group attributable to the owners of the Company of approximately HK$28,785,000 as at 31 December 2014 extracted from the Accountants' Report set out in Appendix I to this prospectus.

2. The estimated net proceeds from the Placing are based on 250,000,000 new Shares at the Placing Price of HK$0.30 or HK$0.39 per Placing Share, after deducting the underwriting fees and commissions and estimated expenses payable by the Company in relation to the Placing. The estimated net proceeds do not take into account any Shares which may be issued upon the exercise of any options granted under the Share Option Scheme.

3. The unaudited pro forma adjusted combined net tangible assets per Share is arrived at after adjustment for the estimated net proceeds from the Placing payable to the Company as described in note 2 and on the basis that a total of 1,000,000,000 Shares were in issue as at 31 December 2014 (including Shares in issue as at the date of this prospectus and those Shares are expected to be issued pursuant to the Placing and the Capitalisation Issue but not taking into account any Shares which may be issued upon the exercise of any options granted under the Share Option Scheme).

4. The land and building of the Group is valued by Peak Vision Appraisals Limited. According to the valuation report, the land and building of the Group as of 31 March 2015 amounted to approximately HK$118,400,000. Comparing this amount with the carrying value of the land and building of the Group as of 31 March 2015 of approximately HK$51,309,000, there is a surplus of approximately HK$67,091,000. Had the land and building been stated at the revaluation amount, additional annual depreciation of approximately HK$1,540,000 would be incurred. The surplus on revaluation will not be incorporated in the Group's combined financial information in subsequent years as the Group has elected to state the land and building at cost basis.

5. No adjustment has been made to the unaudited pro forma adjusted combined net tangible assets of the Group to reflect any trading result or other transactions of the Group entered into subsequent to 31 December 2014.

(B) ACCOUNTANTS' REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from the reporting accountants, SHINEWING (HK) CPA Limited, for the purpose of incorporation in this prospectus.

信永中和
ShineWing

SHINEWING (HK) CPA Limited
43/F., The Lee Gardens
33 Hysan Avenue
Causeway Bay, Hong Kong

14 May 2015

The Board of Directors
i-Control Holdings Limited

Dear Sirs,

We have completed our assurance engagement to report on the compilation of pro forma financial information of i-Control Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the pro forma combined net tangible asset statement and related notes as set out in Appendix II of the prospectus ("Prospectus") dated 14 May 2015 in connection with the proposed placing of 250,000,000 shares of HK$0.01 each in the Company (the "Placing"). The applicable criteria on the basis of which the directors of the Company have compiled the pro forma financial information are described in Appendix II of the Prospectus.

The pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Placing on the Group's financial position as at 31 December 2014 as if the Placing had taken place at 31 December 2014. As part of this process, information about the Group's financial position has been extracted by the directors of the Company from the Group's financial information for the years ended 31 March 2013 and 2014 and the nine months ended 31 December 2014, on which the accountants' report has been included in the Appendix I to the Prospectus.

Directors' Responsibility for the Pro Forma Financial Information

The directors of the Company are responsible for compiling the pro forma financial information in accordance with paragraph 31 of Chapter 7 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG7") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 31(7) of Chapter 7 the GEM Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the pro forma financial information in accordance with paragraph 31 of Chapter 7 of the GEM Rules and with reference to AG7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in the Prospectus is solely to illustrate the impact of the Placing on unadjusted financial information of the Group as if the Placing had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Placing as at 31 December 2014 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We make no comments regarding the reasonableness of the amount of net proceeds from the issuance of the Company's shares, the application of those net proceeds or whether such use will take place as described in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

Opinion

In our opinion:

(a) the pro forma financial information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 31(1) of Chapter 7 of the GEM Rules.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Pang Wai Hang
Practising Certificate Number: P05044
Hong Kong

The estimate of the combined profit attributable to the owners of the Company for the year ended 31 March 2015 is set out in the section headed "Financial Information — Profit Estimate For the Year Ended 31 March 2015" in this prospectus.

BASES

The Company has prepared its estimated profit attributable to the owners for the year ended 31 March 2015 based on the audited combined statements of profit or loss and other comprehensive income of the Group for the nine months ended 31 December 2014 and the unaudited figures in the management accounts for the three months ended 31 March 2015. The profit estimate of the Group has been presented on a basis consistent in all material respects with the accounting policies normally adopted by the Company as summarised in the Accountants' Report in Appendix I to this prospectus.

LETTERS

(1) Letter from the Reporting Accountants on the Profit Estimate

The following is the text of the letter received by the Directors from our reporting accountants, SHINEWING (HK) CPA Limited, Certified Public Accountants, Hong Kong, prepared for the purpose of incorporation in this prospectus in connection with the profit estimate for the year ended 31 March 2015.

信永中和 ShineWing

SHINEWING (HK) CPA Limited
43/F., The Lee Gardens
33 Hysan Avenue
Causeway Bay, Hong Kong

14 May 2015

The Board of Directors
i-Control Holdings Limited
Pan Asia Corporate Finance Limited

Dear Sirs,

i-Control Holdings Limited
(the "Company") and its subsidiaries, (collectively referred to as "the Group")

Profit Estimate for Year Ended 31 March 2015

We refer to the estimate of the combined profit attributable to the owners of the Company for the year ended 31 March 2015 ("the Profit Estimate") set forth in the section headed Financial Information in the prospectus of the Company dated 14 May 2015 ("the Prospectus").

Responsibilities

The Profit Estimate has been prepared by the directors of the Company based on the audited combined results of the Group for the nine months ended 31 December 2014 and the unaudited combined results based on the management accounts of the Group for the three months ended 31 March 2015.

The Company's directors are solely responsible for the Profit Estimate. It is our responsibility to form an opinion on the accounting policies and calculations of the Profit Estimate based on our procedures.

Basis of opinion

We carried out our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500 "Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness" and with reference to Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Hong Kong Institution of Certified Public Accountants ("HKICPA"). Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company's directors have properly compiled the Profit Estimate in accordance with the assumptions made by the Company's directors and as to whether the Profit Estimate is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

Opinion

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Estimate has been properly compiled in accordance with the bases adopted by the directors of the Company as set out in Appendix III of the Prospectus and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our accountants' report dated 14 May 2015, the text of which is set out in Appendix I of the Prospectus.

Yours faithfully,

SHINEWING (HK) CPA Limited
Certified Public Accountants
Pang Wai Hang
Practising Certificate Number: P05044
Hong Kong

(2) Letter from the Sole Sponsor on the Profit Estimate

The following is the text of a letter, prepared for inclusion in this prospectus by the Sole Sponsor in connection with the profit estimate for the year ended 31 March 2015.

泛亞金融有限公司
Pan Asia Corporate Finance Limited

14 May 2015

The Directors
i-Control Holdings Limited

Dear Sirs,

We refer to the estimate of the consolidated profit attributable to the owners of i-Control Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 March 2015 (the "Profit Estimate") as set out in the prospectus issued by the Company dated 14 May 2015 (the "Prospectus").

The Profit Estimate, for which you as the directors of the Company (the "Directors") are solely responsible, has been prepared based on the basis of the audited consolidated results of the Group for the nine months ended 31 December 2014 and unaudited consolidated results of the Group based on the management accounts for the three months ended 31 March 2015.

We have discussed with you the bases, as set forth in Appendix III to the Prospectus, upon which the Profit Estimate has been made. We have also considered and relied upon the letter dated 14 May 2015 addressed to you and us from SHINEWING (HK) CPA Limited regarding the accounting policies and calculations upon which the Profit Estimate has been made.

On the basis of the information comprising the Profit Estimate and on the basis of the accounting policies and calculations adopted by you and reviewed by SHINEWING (HK) CPA Limited, we are of the opinion that the Profit Estimate, for which you as the Directors are solely responsible, has been made after due and careful enquiry.

For and on behalf of
Pan Asia Corporate Finance Limited

Billy C.W. Cheung
Chairman

The following is the text of a letter, summary of values and valuation certificates prepared for the purpose of incorporation in this prospectus received from Peak Vision Appraisals Limited, an independent property valuer, in connection with its opinion of market value of the property interests owned by our Group as at 31 March 2015.

Peak Vision
Appraisals Limited

12/F, Effectual Building
14-16 Hennessy Road
Wanchai, Hong Kong
www.peakval.com
Tel (852) 2187 2238
Fax (852) 2187 2239

14 May 2015

The Board of Directors
i-Control Holdings Limited
Unit A & B, 12th Floor
MG Tower
133 Hoi Bun Road
Kwun Tong
Kowloon
Hong Kong

Dear Sirs,

In accordance with the instructions from i-Control Holdings Limited (hereinafter referred to as the "Company") for us to value the property interests owned by the Company and its subsidiaries (hereinafter collectively referred to as the "Group") located in the Hong Kong Special Administrative Region (hereinafter referred to as "Hong Kong"), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing the Company with our opinion of value of such property interests as at 31 March 2015 (hereinafter referred to as the "Valuation Date").

This letter, forming part of our valuation report, identifies the property interests being valued, explains the basis and methodology of our valuation and lists out the assumptions and title investigation which we have made in the course of our valuation, as well as the limiting conditions.

Our valuation represents our opinion of market value which we would define to mean "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

In valuing the property interests, which are held for owner occupation by the Group, we have adopted the Direct Comparison Approach assuming such property interests are capable of being sold in their existing states and by making reference to comparable sales evidence as available in the relevant markets.

Our valuation has been made on the assumption that the owner sells the properties on the open market in their existing states without the benefit of deferred terms contracts, leasebacks, joint ventures, management agreements or any similar arrangements which could serve to affect the values of the properties. No forced sale situation in any manner is assumed in our valuation.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interests or for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

We have caused title searches to be made at the Land Registry in respect of the properties. However, we have not searched the original documents to verify ownership or to ascertain the existence of any amendments.

The properties were inspected during February 2015 by Mr. Tony M. W. Cheng, a manager of our firm who has 9 years of experience in the inspection of properties in Hong Kong and overseas. We have inspected the exterior and, where possible, the interior of the properties. In the course of our inspections, we did not note any serious defects. However, no structural survey has been made and we are therefore unable to report whether the properties are free from rot, infestation or any other defects. No tests were carried out on any of the services.

We have not carried out on-site measurements to verify the correctness of the floor areas of the properties but have assumed that the floor areas shown on the documents and floor plans available to us are correct. Dimensions, measurements and areas included in the attached valuation certificates are based on information contained in the documents provided to us and are, therefore, only approximations.

We have relied to a considerable extent on the information provided by the Company and have accepted advice on such matters as planning approvals, statutory notices, easements, tenures, floor areas and all other relevant materials regarding the properties.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We were also advised by the Company that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

In valuing the property interests, we have complied with all the requirements set out in Chapter 8 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards 2012 Edition issued by the Hong Kong Institute of Surveyors.

Unless otherwise stated, all monetary amounts stated in this report are in Hong Kong Dollars (HK$).

We hereby confirm that we have neither present nor prospective interests in the Company, the Group, the property interests or the values reported herein.

Our Summary of Values and Valuation Certificates are enclosed herewith.

Yours faithfully,
For and on behalf of
Peak Vision Appraisals Limited
Nick C. L. Kung
MRICS, MHKIS, RPS (G.P.), RICS Registered Valuer
Director

Note : Mr. Nick C. L. Kung is a RICS Registered Valuer and a Registered Professional Surveyor who has over 20 years of experience in the valuation of properties in Hong Kong and overseas.

SUMMARY OF VALUES

	Property	Capital value in existing state as at 31 March 2015	Interest attributable to the Group	Capital value attributable to the Group as at 31 March 2015
Property interests held for owner occupation by the Group in Hong Kong				
1	Office A on 12th Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon	HK$45,200,000	100%	HK$45,200,000
2	Office B on 12th Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon	HK$25,000,000	100%	HK$25,000,000
3	Office K on 12th Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon	HK$21,200,000	100%	HK$21,200,000
4	Office L on 12th Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon	HK$20,600,000	100%	HK$20,600,000
5	Car Parking Space No. P52 on 2nd Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon	HK$1,600,000	100%	HK$1,600,000
6	Car Parking Space No. P53 on 2nd Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon	HK$1,600,000	100%	HK$1,600,000

	Property	Capital value in existing state as at 31 March 2015	Interest attributable to the Group	Capital value attributable to the Group as at 31 March 2015
7	Car Parking Space No. P54 on 2nd Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon	HK$1,600,000	100%	HK$1,600,000
8	Car Parking Space No. P85 on 2nd Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon	HK$1,600,000	100%	HK$1,600,000
	GRAND TOTAL:	**HK$118,400,000**		**HK$118,400,000**

VALUATION CERTIFICATE

Property interests held for owner occupation by the Group in Hong Kong

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2015
1	Office A on 12th Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon 372/70,000th equal and undivided shares of and in the Remaining Portion of Kwun Tong Inland Lot No. 756	MG Tower is a 24-storey office building (3rd, 4th, 13th, 14th and 24th Floors omitted) including a 3-storey car park with parking spaces and shops on the Ground Floor situated on the northeastern side of Hoi Bun Road at the section between Lai Yip Street and How Ming Street, within Kwun Tong District, Kowloon, completed in 2011. The property comprises an office unit on the 12th Floor of the building, with a gross floor area of approximately 3,722 sq.ft. (345.78 sq.m.) and a saleable area of approximately 2,606 sq.ft. (242.10 sq.m.). The property is held under Conditions of Exchange No. 20086 for a term of 50 years commencing from 14 October 2009. The Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.	Together with Office L on 12th Floor of MG Tower, the property is currently leased intragroup to i-Control Limited, a wholly owned subsidiary of the Group, for a term of 2 years expiring on 31 July 2015 for a monthly rental of HK$122,640 inclusive of management charges, Government rates and rent.	HK$45,200,000 100% interest attributable to the Group: HK$45,200,000

Notes:

i) According to the Land Registry Search conducted on 11 March 2015:

   a) The registered owner of the property is View Mark Limited, a wholly owned subsidiary of the Group, vide Memorial No. 11080802130056 dated 18 July 2011 for a consideration of HK$20,415,100.

   b) The property is subject to a Mortgage in favour of The Hongkong And Shanghai Banking Corporation Limited for all moneys (PT.) vide Memorial No. 14102202510048 dated 25 September 2014.

ii) The property is zoned as "Other Specified Uses (Business)" under Draft Kwun Tong (South) Outline Zoning Plan No. S/K14S/19 dated July 2014.

VALUATION CERTIFICATE

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2015
2	Office B on 12th Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon 206/70,000th equal and undivided shares of and in the Remaining Portion of Kwun Tong Inland Lot No. 756	MG Tower is a 24-storey office building (3rd, 4th, 13th, 14th and 24th Floors omitted) including a 3-storey car park with parking spaces and shops on the Ground Floor situated on the northeastern side of Hoi Bun Road at the section between Lai Yip Street and How Ming Street, within Kwun Tong District, Kowloon, completed in 2011. The property comprises an office unit on the 12th Floor of the building, with a gross floor area of approximately 2,058 sq.ft. (191.19 sq.m.) and a saleable area of approximately 1,441 sq.ft. (133.87 sq.m.). The property is held under Conditions of Exchange No. 20086 for a term of 50 years commencing from 14 October 2009. The Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.	The property is currently leased intragroup to i-Control Consultancy Limited, a wholly owned subsidiary of the Group, for a term of 2 years expiring on 31 July 2015 for a monthly rental of HK$47,160 inclusive of management charges, Government rates and rent.	HK$25,000,000 100% interest attributable to the Group: HK$25,000,000

Notes:

i) According to the Land Registry Search conducted on 11 March 2015:

   a) The registered owner of the property is Modern China Business Consultants Limited, a wholly owned subsidiary of the Group, vide Memorial No. 11080802130076 dated 18 July 2011 for a consideration of HK$11,360,000.

   b) The property is subject to a Mortgage in favour of The Hongkong And Shanghai Banking Corporation Limited for all moneys (PT.) vide Memorial No. 14102202510078 dated 25 September 2014.

ii) The property is zoned as "Other Specified Uses (Business)" under Draft Kwun Tong (South) Outline Zoning Plan No. S/K14S/19 dated July 2014.

VALUATION CERTIFICATE

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2015
3	Office K on 12th Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon 218/70,000th equal and undivided shares of and in the Remaining Portion of Kwun Tong Inland Lot No. 756	MG Tower is a 24-storey office building (3rd, 4th, 13th, 14th and 24th Floors omitted) including a 3-storey car park with parking spaces and shops on the Ground Floor situated on the northeastern side of Hoi Bun Road at the section between Lai Yip Street and How Ming Street, within Kwun Tong District, Kowloon, completed in 2011. The property comprises an office unit on the 12th Floor of the building, with a gross floor area of approximately 2,180 sq.ft. (202.53 sq.m.) and a saleable area of approximately 1,493 sq.ft. (138.70 sq.m.). The property is held under Conditions of Exchange No. 20086 for a term of 50 years commencing from 14 October 2009. The Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.	The property is currently leased intragroup to Eduserve International Limited, a non-wholly owned subsidiary of the Group, for a term of 2 years expiring on 31 July 2015 for a monthly rental of HK$38,400 inclusive of management charges, Government rates and rent.	HK$21,200,000 100% interest attributable to the Group: HK$21,200,000

Notes:

i) According to the Land Registry Search conducted on 11 March 2015:

   a) The registered owner of the property is Billion Peace Limited, a wholly owned subsidiary of the Group, vide Memorial No. 11080802130115 dated 18 July 2011 for a consideration of HK$10,322,300.

   b) The property is subject to a Mortgage in favour of The Hongkong And Shanghai Banking Corporation Limited for all moneys (PT.) vide Memorial No. 14102202510132 dated 25 September 2014.

ii) The property is zoned as "Other Specified Uses (Business)" under Draft Kwun Tong (South) Outline Zoning Plan No. S/K14S/19 dated July 2014.

VALUATION CERTIFICATE

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2015
4	Office L on 12th Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon 212/70,000th equal and undivided shares of and in the Remaining Portion of Kwun Tong Inland Lot No. 756	MG Tower is a 24-storey office building (3rd, 4th, 13th, 14th and 24th Floors omitted) including a 3-storey car park with parking spaces and shops on the Ground Floor situated on the northeastern side of Hoi Bun Road at the section between Lai Yip Street and How Ming Street, within Kwun Tong District, Kowloon, completed in 2011. The property comprises an office unit on the 12th Floor of the building, with a gross floor area of approximately 2,118 sq.ft. (196.77 sq.m.) and a saleable area of approximately 1,451 sq.ft. (134.80 sq.m.). The property is held under Conditions of Exchange No. 20086 for a term of 50 years commencing from 14 October 2009. The Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.	Together with Office A on 12th Floor of MG Tower, the property is currently leased intragroup to i-Control Limited, a wholly owned subsidiary of the Group, for a term of 2 years expiring on 31 July 2015 for a monthly rental of HK$122,640 inclusive of management charges, Government rates and rent.	HK$20,600,000 100% interest attributable to the Group: HK$20,600,000

Notes:

i) According to the Land Registry Search conducted on 11 March 2015:

   a) The registered owner of the property is View Mark Limited, a wholly owned subsidiary of the Group, vide Memorial No. 11080802130098 dated 18 July 2011 for a consideration of HK$8,937,900.

   b) The property is subject to a Mortgage in favour of The Hongkong And Shanghai Banking Corporation Limited for all moneys (PT.) vide Memorial No. 14102202510048 dated 25 September 2014.

ii) The property is zoned as "Other Specified Uses (Business)" under Draft Kwun Tong (South) Outline Zoning Plan No. S/K14S/19 dated July 2014.

VALUATION CERTIFICATE

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2015
5	Car Parking Space No. P52 on 2nd Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon 4/70,000th equal and undivided shares of and in the Remaining Portion of Kwun Tong Inland Lot No. 756	MG Tower is a 24-storey office building (3rd, 4th, 13th, 14th and 24th Floors omitted) including a 3-storey car park with parking spaces and shops on the Ground Floor situated on the northeastern side of Hoi Bun Road at the section between Lai Yip Street and How Ming Street, within Kwun Tong District, Kowloon, completed in 2011. The property comprises a car parking space (No. P52) on the 2nd Floor of the building. The property is held under Conditions of Exchange No. 20086 for a term of 50 years commencing from 14 October 2009. The Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.	The property is currently used by the Group.	HK$1,600,000 100% interest attributable to the Group: HK$1,600,000

Notes:

i) According to the Land Registry Search conducted on 11 March 2015:

   a) The registered owner of the property is View Mark Limited, a wholly owned subsidiary of the Group, vide Memorial No. 11080802130010 dated 18 July 2011 for a consideration of HK$585,000.

   b) The property is subject to a Mortgage in favour of The Hongkong And Shanghai Banking Corporation Limited for all moneys (PT.) vide Memorial No. 14102202510048 dated 25 September 2014.

ii) The property is zoned as "Other Specified Uses (Business)" under Draft Kwun Tong (South) Outline Zoning Plan No. S/K14S/19 dated July 2014.

VALUATION CERTIFICATE

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2015
6	Car Parking Space No. P53 on 2nd Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon 4/70,000th equal and undivided shares of and in the Remaining Portion of Kwun Tong Inland Lot No. 756	MG Tower is a 24-storey office building (3rd, 4th, 13th, 14th and 24th Floors omitted) including a 3-storey car park with parking spaces and shops on the Ground Floor situated on the northeastern side of Hoi Bun Road at the section between Lai Yip Street and How Ming Street, within Kwun Tong District, Kowloon, completed in 2011. The property comprises a car parking space (No. P53) on the 2nd Floor of the building. The property is held under Conditions of Exchange No. 20086 for a term of 50 years commencing from 14 October 2009. The Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.	The property is currently used by the Group.	HK$1,600,000 100% interest attributable to the Group: HK$1,600,000

Notes:

i) According to the Land Registry Search conducted on 11 March 2015:

   a) The registered owner of the property is View Mark Limited, a wholly owned subsidiary of the Group, vide Memorial No. 11080802130023 dated 18 July 2011 for a consideration of HK$585,000.

   b) The property is subject to a Mortgage in favour of The Hongkong And Shanghai Banking Corporation Limited for all moneys (PT.) vide Memorial No. 14102202510048 dated 25 September 2014.

ii) The property is zoned as "Other Specified Uses (Business)" under Draft Kwun Tong (South) Outline Zoning Plan No. S/K14S/19 dated July 2014.

VALUATION CERTIFICATE

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2015
7	Car Parking Space No. P54 on 2nd Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon 4/70,000th equal and undivided shares of and in the Remaining Portion of Kwun Tong Inland Lot No. 756	MG Tower is a 24-storey office building (3rd, 4th, 13th, 14th and 24th Floors omitted) including a 3-storey car park with parking spaces and shops on the Ground Floor situated on the northeastern side of Hoi Bun Road at the section between Lai Yip Street and How Ming Street, within Kwun Tong District, Kowloon, completed in 2011. The property comprises a car parking space (No. P54) on the 2nd Floor of the building. The property is held under Conditions of Exchange No. 20086 for a term of 50 years commencing from 14 October 2009. The Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.	The property is currently used by the Group.	HK$1,600,000 100% interest attributable to the Group: HK$1,600,000

Notes:

i) According to the Land Registry Search conducted on 11 March 2015:

   a) The registered owner of the property is Modern China Business Consultants Limited, a wholly owned subsidiary of the Group, vide Memorial No. 11080802130032 dated 18 July 2011 for a consideration of HK$585,000.

   b) The property is subject to a Mortgage in favour of The Hongkong And Shanghai Banking Corporation Limited for all moneys (PT.) vide Memorial No. 14102202510078 dated 25 September 2014.

ii) The property is zoned as "Other Specified Uses (Business)" under Draft Kwun Tong (South) Outline Zoning Plan No. S/K14S/19 dated July 2014.

VALUATION CERTIFICATE

	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 31 March 2015
8	Car Parking Space No. P85 on 2nd Floor, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon 4/70,000th equal and undivided shares of and in the Remaining Portion of Kwun Tong Inland Lot No. 756	MG Tower is a 24-storey office building (3rd, 4th, 13th, 14th and 24th Floors omitted) including a 3-storey car park with parking spaces and shops on the Ground Floor situated on the northeastern side of Hoi Bun Road at the section between Lai Yip Street and How Ming Street, within Kwun Tong District, Kowloon, completed in 2011. The property comprises a car parking space (No. P85) on the 2nd Floor of the building. The property is held under Conditions of Exchange No. 20086 for a term of 50 years commencing from 14 October 2009. The Government rent payable for the property is an amount equal to 3% of the rateable value for the time being of the property per annum.	The property is currently used by the Group.	HK$1,600,000 100% interest attributable to the Group: HK$1,600,000

Notes:

i) According to the Land Registry Search conducted on 11 March 2015:

   a) The registered owner of the property is Billion Peace Limited, a wholly owned subsidiary of the Group, vide Memorial No. 11080802130044 dated 18 July 2011 for a consideration of HK$750,000.

   b) The property is subject to a Mortgage in favour of The Hongkong And Shanghai Banking Corporation Limited for all moneys (PT.) vide Memorial No. 14102202510132 dated 25 September 2014.

ii) The property is zoned as "Other Specified Uses (Business)" under Draft Kwun Tong (South) Outline Zoning Plan No. S/K14S/19 dated July 2014.

Set out below is a summary of certain provisions of the Memorandum and Articles of Association of the Company and of certain aspects of Cayman Islands company law.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 21 August 2014 under the Cayman Companies Law. The Company's constitutional documents consist of its Amended and Restated Memorandum of Association (the "**Memorandum**") and the Amended and Restated Articles of Association (the "**Articles**").

1. MEMORANDUM OF ASSOCIATION

1.1 The Memorandum provides, inter alia, that the liability of members of the Company is limited and that the objects for which the Company is established are unrestricted (and therefore include acting as an investment company), and that the Company shall have and be capable of exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate whether as principal, agent, contractor or otherwise and since the Company is an exempted company that the Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands.

1.2 By special resolution the Company may alter the Memorandum with respect to any objects, powers or other matters specified therein.

2. ARTICLES OF ASSOCIATION

The Articles were adopted on 11 May 2015. The following is a summary of certain provisions of the Articles:

2.1 Shares

2.1.1 Classes of shares

The share capital of the Company consists of ordinary shares.

2.1.2 Share certificates

Every person whose name is entered as a member in the register of members shall be entitled to receive a certificate for his shares. No shares shall be issued to bearer.

Every certificate for shares, warrants or debentures or representing any other form of securities of the Company shall be issued under the seal of the Company, and shall be signed autographically by one Director and our company secretary, or by two Directors, or by some other person(s) appointed by the Board for the purpose. As regards any certificates for shares or debentures or other securities of the Company, the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical

signature other than autographic or may be printed thereon as specified in such resolution or that such certificates need not be signed by any person. Every share certificate issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Board may from time to time prescribe. A share certificate shall relate to only one class of shares, and where the capital of the Company includes shares with different voting rights, the designation of each class of shares, other than those which carry the general right to vote at general meetings, must include the words "restricted voting" or "limited voting" or "non-voting" or some other appropriate designation which is commensurate with the rights attaching to the relevant class of shares. The Company shall not be bound to register more than four persons as joint holders of any share.

2.2 Directors

2.2.1 Power to allot and issue shares and warrants

Subject to the provisions of the Cayman Companies Law, the Memorandum and Articles and without prejudice to any special rights conferred on the holders of any shares or class of shares, any share may be issued with or have attached thereto such rights, or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, as the Company may by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine). Any share may be issued on terms that upon the happening of a specified event or upon a given date and either at the option of the Company or the holder thereof, they are liable to be redeemed.

The Board may issue warrants to subscribe for any class of shares or other securities of the Company on such terms as it may from time to time determine.

Where warrants are issued to bearer, no certificate thereof shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such replacement certificate.

Subject to the provisions of the Cayman Companies Law, the Articles and, where applicable, the rules of any stock exchange of the Relevant Territory (as defined in the Articles) and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, all unissued shares in the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to members or others whose

registered addresses are in any particular territory or territories where, in the absence of a registration statement or other special formalities, this is or may, in the opinion of the Board, be unlawful or impracticable. However, no member affected as a result of the foregoing shall be, or be deemed to be, a separate class of members for any purpose whatsoever.

2.2.2 Power to dispose of the assets of the Company or any subsidiary

While there are no specific provisions in the Articles relating to the disposal of the assets of the Company or any of its subsidiaries, the Board may exercise all powers and do all acts and things which may be exercised or done or approved by the Company and which are not required by the Articles or the Cayman Companies Law to be exercised or done by the Company in general meeting, but if such power or act is regulated by the Company in general meeting, such regulation shall not invalidate any prior act of the Board which would have been valid if such regulation had not been made.

2.2.3 Compensation or payments for loss of office

Payments to any present Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually or statutorily entitled) must be approved by the Company in general meeting.

2.2.4 Loans and provision of security for loans to Directors

There are provisions in the Articles prohibiting the making of loans to Directors and their close associates which are equivalent to provisions of Hong Kong law prevailing at the time of adoption of the Articles.

The Company shall not directly or indirectly make a loan to a Director or a director of any holding company of the Company or any of their respective close associates, enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any holding company of the Company or any of their respective close associates, or if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

2.2.5 Disclosure of interest in contracts with the Company or with any of its subsidiaries

With the exception of the office of auditor of the Company, a Director may hold any other office or place of profit with the Company in conjunction with his office of Director for such period and, upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) in addition to any remuneration provided for

by or pursuant to any other Articles. A Director may be or become a director or other officer or member of any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration or other benefits received by him as a director, officer or member of such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company.

No Director or intended Director shall be disqualified by his office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established. A Director who is, in any way, materially interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the earliest meeting of the Board at which he may practically do so.

There is no power to freeze or otherwise impair any of the rights attaching to any Share by reason that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.

A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or other proposal in which he or his close associate(s) is/are materially interested, and if he shall do so his vote shall not be counted nor shall he be counted in the quorum for that resolution, but this prohibition shall not apply to any of the following matters namely:

(a) the giving of any security or indemnity to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

(b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

(c) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(d) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors, his close associate(s) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not generally accorded to the employees to which such scheme or fund relates; or

(e) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

2.2.6 Remuneration

The Directors shall be entitled to receive, as ordinary remuneration for their services, such sums as shall from time to time be determined by the Board, or the Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree or failing agreement, equally, except that in such event any Director holding office for only a portion of the period in respect of which the remuneration is payable shall only rank in such division in proportion to the time during such period for which he has held office. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them in attending any Board meetings, committee meetings or general meetings or otherwise in connection with the discharge of their duties as Directors. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

Any Director who, at the request of the Company performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such special or extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration as a Director. An executive Director appointed to be a managing director, joint managing director, deputy managing director or other executive officer shall receive such remuneration (whether by way of salary, commission or participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his ordinary remuneration as a Director.

The Board may establish, either on its own or jointly in concurrence or agreement with other companies (being subsidiaries of the Company or with which the Company is associated in business), or may make contributions out of the Company's monies to, such schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which

expression as used in this and the following paragraph shall include any Director or former Director who may hold or have held any executive office or any office of profit with the Company or any of its subsidiaries) and former employees of the Company and their dependents or any class or classes of such persons.

In addition, the Board may also pay, enter into agreements to pay or make grants of revocable or irrevocable, whether or not subject to any terms or conditions, pensions or other benefits to employees and former employees and their dependents, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or former employees or their dependents are or may become entitled under any such scheme or fund as mentioned above. Such pension or benefit may, if deemed desirable by the Board, be granted to an employee either before and in anticipation of, or upon or at any time after, his actual retirement.

2.2.7 Appointment, retirement and removal

At any time or from time to time, the Board shall have the power to appoint any person as a Director either to fill a casual vacancy on the Board or as an additional Director to the existing Board subject to any maximum number of Directors, if any, as may be determined by the members in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

At each annual general meeting, one-third of the Directors for the time being will retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors. The Directors who shall retire in each year will be those who have been longest in the office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office. The period for lodgment of such notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting and the minimum length of the period during which such notices to the Company may be given must be at least seven days.

A Director is not required to hold any shares in the Company by way of qualification nor is there any specified upper or lower age limit for Directors either for accession to the Board or retirement therefrom.

A Director may be removed by an ordinary resolution of the Company before the expiration of his term of office (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and the Company may by ordinary resolution appoint another in his place. The number of Directors shall not be less than two.

In addition to the foregoing, the office of a Director shall be vacated:

(a) if he resigns his office by notice in writing delivered to the Company at the registered office or head office of the Company for the time being or tendered at a meeting of the Board;

(b) if he dies or becomes of unsound mind as determined pursuant to an order made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;

(c) if, without special leave, he is absent from meetings of the Board for six (6) consecutive months, and the Board resolves that his office is vacated;

(d) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;

(e) if he is prohibited from being a director by law;

(f) if he ceases to be a director by virtue of any provision of law or is removed from office pursuant to the Articles;

(g) if he has been validly required by the stock exchange of the Relevant Territory (as defined in the Articles) to cease to be a Director and the relevant time period for application for review of or appeal against such requirement has lapsed and no application for review or appeal has been filed or is underway against such requirement; or

(h) if he is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

From time to time the Board may appoint one or more of its body to be managing director, joint managing director, or deputy managing director or to hold any other employment or executive office with the Company for such period and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. The Board may also delegate any of its powers to committees consisting of such Director or Directors and other person(s) as the Board thinks fit, and from time to time it may also revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall, in the

exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

2.2.8 Borrowing powers

Pursuant to the Articles, the Board may exercise all the powers of the Company to raise or borrow money, to mortgage or charge all or any part of the undertaking, property and uncalled capital of the Company and, subject to the Cayman Companies Law, to issue debentures, debenture stock, bonds and other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The provisions summarized above, in common with the Articles of Association in general, may be varied with the sanction of a special resolution of the Company.

2.2.9 Register of Directors and officers

Pursuant to the Cayman Companies Law, the Company is required to maintain at its registered office a register of directors, alternate directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within 30 days of any change in such directors or officers, including a change of the name of such directors or officers.

2.2.10 Proceedings of the Board

Subject to the Articles, the Board may meet anywhere in the world for the despatch of business and may adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

2.3 Alterations to the constitutional documents

To the extent that the same is permissible under Cayman Islands law and subject to the Articles, the Memorandum and Articles of the Company may only be altered or amended, and the name of the Company may only be changed by the Company by special resolution.

2.4 Variation of rights of existing shares or classes of shares

Subject to the Cayman Companies Law, if at any time the share capital of the Company is divided into different classes of shares, all or any of the special rights attached to any class of shares may (unless otherwise provided for by the terms of issue of the shares of that class) be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of the Articles relating to general meetings shall mutatis mutandis apply, but so that the

necessary quorum (other than at an adjourned meeting) shall be not less than two persons together holding (or in the case of a shareholder being a corporation, by its duly authorized representative) or representing by proxy not less than one-third in nominal value of the issued shares of that class. Every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, and any holder of shares of the class present in person or by proxy may demand a poll.

Any special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

2.5 Alteration of capital

The Company may, by an ordinary resolution of its members, (a) increase its share capital by the creation of new shares of such amount as it thinks expedient; (b) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; (c) divide its unissued shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions; (d) subdivide its shares or any of them into shares of an amount smaller than that fixed by the Memorandum; and (e) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled; (f) make provision for the allotment and issue of shares which do not carry any voting rights; (g) change the currency of denomination of its share capital; and (h) reduce its share premium account in any manner authorized and subject to any conditions prescribed by law.

Reduction of share capital — subject to the Cayman Companies Law and to confirmation by the court, a company limited by shares may, if so authorised by its Articles of Association, by special resolution, reduce its share capital in any way.

2.6 Special resolution - majority required

In accordance with the Articles, a special resolution of the Company must be passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or by proxy or, in the case of members which are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than 21 clear days' notice, specifying the intention to propose the resolution as a special resolution, has been duly given. However, except in the case of an annual general meeting, if it is so agreed by a majority in number of the members having a right to attend and vote at such meeting, being a majority together holding not less than 95% of the total voting rights at the meeting of all members of the Company and, in the case of an annual general meeting, if so agreed by all members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than 21 clear days' notice has been given.

Under Cayman Companies Law, a copy of any special resolution must be forwarded to the Registrar of Companies in the Cayman Islands within 15 days of being passed.

An "ordinary resolution", by contrast, is defined in the Articles to mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of members which are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than 14 clear days' notice has been given and held in accordance with the Articles. A resolution in writing signed by or on behalf of all members shall be treated as an ordinary resolution duly passed at a general meeting of the Company duly convened and held, and where relevant as a special resolution so passed.

2.7 Voting rights (generally and on a poll) and right to demand a poll

Subject to any special rights, restrictions or privileges as to voting for the time being attached to any class or classes of shares at any general meeting on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every share which is fully paid or credited as fully paid registered in his name in the register of members of the Company but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purpose as paid up on the share, and on a show of hands, every member who is present in person or by proxy or being a corporation, is present by its duly authorised representative shall have one vote. Notwithstanding anything contained in the Articles, where more than one proxy is appointed by a member which is a Clearing House (as defined in the Articles) (or its nominee(s)), each such proxy shall have one vote on a show of hands and on a poll, each such proxy is under no obligation to cast all his votes in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided by poll save that the chairman of the meeting may, pursuant to the GEM Listing Rules, allow a resolution to be voted on by a show of hands. Where a show of hands is allowed, before or on the declaration of the results of the show of hands, a poll may be demanded by:

2.7.1 at least two members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or

2.7.2 any member or members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

2.7.3 a member or members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Should a Clearing House or its nominee(s), be a member of the Company, such person or persons may be authorised as it thinks fit to act as its representative(s) at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised in accordance with this provision shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House or its nominee(s), as if such person were an individual member including the right to vote individually on a show of hands.

Where the Company has knowledge that any member is, under the GEM Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

2.8 Annual general meetings

Other than the year of the adoption of the Articles, the Company must hold an annual general meeting each year. Such meeting must be held not more than 15 months after the holding of the last preceding annual general meeting, or such longer period as may be authorised by the Stock Exchange at such time and place as may be determined by the Board.

2.9 Accounts and audit

The Board shall cause proper books of account to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the assets and liabilities of the Company and of all other matters required by the Cayman Companies Law necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

The books of accounts of the Company shall be kept at the head office of the Company or at such other place or places as the Board decides and shall always be open to inspection by any Director. No member (other than a Director) shall have any right to inspect any account or book or document of the Company except as conferred by the Cayman Companies Law or ordered by a court of competent jurisdiction or authorised by the Board or the Company in general meeting.

The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting balance sheets and profit and loss accounts (including every document required by law to be annexed thereto), together with a copy of the Directors' report and a copy of the auditors' report not less than 21 days before the date of the annual general meeting. Copies of these documents shall be sent to every person entitled to receive notices of general meetings of the Company under the provisions of the Articles together with the notice of annual general meeting, not less than 21 days before the date of the meeting.

Subject to the GEM Listing Rules, the Company may send summarized financial statements to shareholders who has, in accordance with the GEM Listing Rules, consented and elected to receive summarized financial statements instead of the full financial statements. The summarized financial statements must be accompanied by any other documents as may be required under the GEM Listing Rules, and must be sent to the shareholders not less than 21 days before the general meeting to those shareholders that have consented and elected to receive the summarized financial statements.

The Company shall appoint auditor(s) to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board. The auditors' remuneration shall be fixed by the Company in general meeting or by the Board if authority is so delegated by the members.

The auditors shall audit the financial statements of the Company in accordance with generally accepted accounting principles of Hong Kong, the International Accounting Standards or such other standards as may be permitted by the Stock Exchange.

2.10 Notices of meetings and business to be conducted thereat

An annual general meeting must be called by at least 21 days' notice in writing, and a general meeting other than an annual general meeting shall be called by at least 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and must specify the time, place and agenda of the meeting, and particulars of the resolution(s) to be considered at that meeting, and, in the case of special business, the general nature of that business.

Except where otherwise expressly stated, any notice or document (including a share certificate) to be given or issued under the Articles shall be in writing, and may be served by the Company on any member either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such member at his registered address as appearing in the Company's register of members or by leaving it at such registered address as aforesaid or (in the case of a notice) by advertisement in the newspapers. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. Where the registered address of the member is outside Hong Kong, notice, if given through the post, shall be sent by prepaid airmail letter where available. Subject to the Cayman Companies Law and the GEM Listing Rules, a notice or document may be served or delivered by the Company to any member by electronic means to such address as may from time to time be authorised by the member concerned or by publishing it on a website and notifying the member concerned that it has been so published.

Although a meeting of the Company may be called by shorter notice than as specified above, such meeting may be deemed to have been duly called if it is so agreed:

2.10.1 in the case of a meeting called as an annual general meeting, by all members of the Company entitled to attend and vote thereat; and

2.10.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% of the total voting rights at the meeting of all members of the Company.

All business transacted at an extraordinary general meeting shall be deemed special business and all business shall also be deemed special business where it is transacted at an annual general meeting with the exception of the following, which shall be deemed ordinary business:

(a) the declaration and sanctioning of dividends;

(b) the consideration and adoption of the accounts and balance sheet and the reports of the directors and the auditors;

(c) the election of Directors in place of those retiring;

(d) the appointment of auditors;

(e) the fixing of the remuneration of the Directors and of the auditors;

(f) the granting of any mandate or authority to the Board to offer, allot, grant options over, or otherwise dispose of the unissued shares of the Company representing not more than 20% in nominal value of its existing issued share capital (or such other percentage as may from time to time be specified in the rules of the Stock Exchange) and the number of any securities repurchased by the Company since the granting of such mandate; and

(g) the granting of any mandate or authority to the Board to repurchase securities in the Company.

2.11 Transfer of shares

Subject to the Cayman Companies Law, all transfers of shares shall be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve provided always that it shall be in such form prescribed by the Stock Exchange and may be under hand or, if the transferor or transferee is a Clearing House or its nominee(s), under hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

Execution of the instrument of transfer shall be by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferor or transferee or accept mechanically executed transfers in any case in which it in its discretion thinks fit to do so, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect thereof.

The Board may, in its absolute discretion, at any time and from time to time remove any share on the principal register to any branch register or any share on any branch register to the principal register or any other branch register.

Unless the Board otherwise agrees, no shares on the principal register shall be removed to any branch register nor shall shares on any branch register be removed to the principal register or any other branch register. All removals and other documents of title shall be lodged for registration and registered, in the case of shares on any branch register, at the relevant registration office and, in the case of shares on the principal register, at the place at which the principal register is located.

The Board may, in its absolute discretion, decline to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve or any share issued under any share option scheme upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

The Board may decline to recognize any instrument of transfer unless a fee of such maximum sum as the Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof, the instrument of transfer is properly stamped (if applicable), is in respect of only one class of share and is lodged at the relevant registration office or the place at which the principal register is located accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The register of members may, subject to the GEM Listing Rules, be closed at such time or for such period not exceeding in the whole 30 days in each year as the Board may determine.

Fully paid shares shall be free from any restriction with respect to the right of the holder thereof to transfer such shares (except when permitted by the Stock Exchange) and shall also be free from all liens.

2.12 Power of the Company to purchase its own shares

The Company is empowered by the Cayman Companies Law and the Articles to purchase its own shares subject to certain restrictions and the Board may only exercise this power on behalf of the Company subject to any applicable requirement imposed from time to time by the Articles, code, rules or regulations issued from time to time by the Stock Exchange and/or the Securities and Futures Commission of Hong Kong.

Where the Company purchases for redemption a redeemable Share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all members alike.

2.13 Power of any subsidiary of the Company to own shares in the Company

There are no provisions in the Articles relating to the ownership of shares in the Company by a subsidiary.

2.14 Dividends and other methods of distribution

The Company in general meeting may declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by the Board.

Except in so far as the rights attaching to, or the terms of issue of, any share may otherwise provide:

2.14.1 all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, although no amount paid up on a share in advance of calls shall for this purpose be treated as paid up on the share; and

2.14.2 all dividends shall be apportioned and paid pro rata in accordance with the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. The Board may deduct from any dividend or other monies payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

Where the Board or the Company in general meeting has resolved that a dividend should be paid or declared on the share capital of the Company, the Board may resolve:

(a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or

(b) that the members entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit.

Upon the recommendation of the Board, the Company may by ordinary resolution in respect of any one particular dividend of the Company determine that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, bonus or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address, but in the case of joint holders, shall be addressed to the holder whose name stands first in the register of members of the Company in respect of the shares at his address as appearing in the register, or addressed to such person and at such address as

the holder or joint holders may in writing so direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the holder's or joint holders' risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends or other monies payable or property distributable in respect of the shares held by such joint holders.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the monies so advanced may pay interest at such rate (if any) not exceeding 20 % per annum, as the Board may decide, but a payment in advance of a call shall not entitle the member to receive any dividend or to exercise any other rights or privileges as a member in respect of the share or the due portion of the shares upon which payment has been advanced by such member before it is called up.

All dividends, bonuses or other distributions unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends, bonuses or other distributions unclaimed for six years after having been declared may be forfeited by the Board and, upon such forfeiture, shall revert to the Company.

No dividend or other monies payable by the Company on or in respect of any share shall bear interest against the Company.

The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

2.15 Proxies

Any member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member of the Company and shall be entitled to exercise the same powers on behalf of a member who is an individual and for whom he acts as proxy as such member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise if it were an individual member. On a poll or on a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve, provided that it shall not preclude the use of the two-way form. Any form issued to a member for use by him for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the member, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business.

2.16 Calls on shares and forfeiture of shares

The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 20% per annum as the Board shall fix from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any member willing to advance the same, either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the monies so advanced the Company may pay interest at such rate (if any) not exceeding 20% per annum as the Board may decide.

If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve not less than 14 days' notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment. The notice will name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture will include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, nevertheless, remain liable to pay to the Company all monies which, at the date of forfeiture, were payable by him to the Company in respect of the shares together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding 20% per annum as the Board may prescribe.

2.17 Inspection of corporate records

Members of the Company have no general right under the Cayman Companies Law to inspect or obtain copies of the register of members or corporate records of the Company. However, the members of the Company will have such rights as may be set forth in the Articles. The Articles provide that for so long as any part of the share capital of the Company is listed on the Stock Exchange, any member may inspect any register of members of the Company maintained in Hong Kong (except when the register of member is closed) without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the Companies Ordinance.

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or outside the Cayman Islands, as its directors may, from time to time, think fit.

2.18 Quorum for meetings and separate class meetings

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, and continues to be present until the conclusion of the meeting.

The quorum for a general meeting shall be two members present in person (or in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of that class.

2.19 Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles concerning the rights of minority members in relation to fraud or oppression. However, certain remedies may be available to members of the Company under Cayman Islands law, as summarized in paragraph 3.6 of this Appendix.

2.20 Procedures on liquidation

A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares:

2.20.1 if the Company shall be wound up and the assets available for distribution amongst the members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, then the excess shall be distributed *pari passu* amongst such members in proportion to the amount paid up on the shares held by them respectively; and

2.20.2 if the Company shall be wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, on the shares held by them respectively.

In the event that the Company is wound up (whether the liquidation is voluntary or compelled by the court) the liquidator may, with the sanction of a special resolution and any other sanction required by the Cayman Companies Law divide among the members in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator shall think fit, but so that no member shall be compelled to accept any shares or other property upon which there is a liability.

2.21 Untraceable members

The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

In accordance with the Articles, the Company is entitled to sell any of the shares of a member who is untraceable if:

2.21.1 all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares have remained uncashed for a period of 12 years;

2.21.2 upon the expiry of the 12 years and 3 months period (being the 3 months' notice period referred to in paragraph 2.21.3 below), the Company has not during that time received any indication of the existence of the member; and

2.21.3 the Company has caused an advertisement to be published in accordance with the GEM Listing Rules giving notice of its intention to sell such shares and a

period of three months has elapsed since such advertisement and the Stock Exchange has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds, it shall become indebted to the former member of the Company for an amount equal to such net proceeds.

2.22 Subscription rights reserve

Pursuant to the Articles, provided that it is not prohibited by and is otherwise in compliance with the Cayman Companies Law, if warrants to subscribe for shares have been issued by the Company and the Company does any act or engages in any transaction which would result in the subscription price of such warrants being reduced below the par value of the shares to be issued on the exercise of such warrants, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the par value of such shares.

3. CAYMAN ISLANDS COMPANY LAW

The Company was incorporated in the Cayman Islands as an exempted company on 21 August 2014 subject to the Cayman Companies Law. Certain provisions of Cayman Islands company law are set out below but this section does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the Cayman Companies Law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

3.1 Company operations

As an exempted company, the Company must conduct its operations mainly outside the Cayman Islands. Moreover, the Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorized share capital.

3.2 Share capital

In accordance with the Cayman Companies Law, a Cayman Islands company may issue ordinary, preference or redeemable shares or any combination thereof. The Cayman Companies Law provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premiums on those shares shall be transferred to an account, to be called the "share premium account". At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangements in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Cayman Companies Law provides that the share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation, the following:

3.2.1 paying distributions or dividends to members;

3.2.2 paying up unissued shares of the company to be issued to members as fully paid bonus shares;

3.2.3 any manner provided in section 37 of the Cayman Companies Law;

3.2.4 writing-off the preliminary expenses of the company; and

3.2.5 writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

Notwithstanding the foregoing, the Cayman Companies Law provides that no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

It is further provided by the Cayman Companies Law that, subject to confirmation by the court, a company limited by shares or a company limited by guarantee and having a share capital may, if authorized to do so by its articles of association, by special resolution reduce its share capital in any way.

The Articles include certain protections for holders of special classes of shares, requiring their consent to be obtained before their rights may be varied. The consent of the specified proportions of the holders of the issued shares of that class or the sanction of a resolution passed at a separate meeting of the holders of those shares is required.

3.3 Financial assistance to purchase shares of a company or its holding company

There are no statutory prohibitions in the Cayman Islands on the granting of financial assistance by a company to another person for the purchase of, or subscription for, its own, its holding company's or a subsidiary's shares. Therefore, a company may provide financial assistance provided the directors of the company when proposing to grant such financial assistance discharge their duties of care and acting in good faith, for a proper purpose and in the interests of the company. Such assistance should be on an arm's-length basis.

3.4 Purchase of shares and warrants by a company and its subsidiaries

A company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a member and, for the avoidance of doubt, it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorized to do so by its articles of association, purchase its own shares, including any redeemable shares. Nonetheless, if the articles of association do not authorize the manner and terms of purchase, a company cannot purchase any of its own shares without the manner and terms of purchase first being authorized by an ordinary

resolution of the company. A company may not redeem or purchase its shares unless they are fully paid. Furthermore, a company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. In addition, a payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Under Section 37A(1) the Cayman Companies Law, shares that have been purchased or redeemed by a company or surrendered to the company shall not be treated as cancelled but shall be classified as treasury shares if (a) the memorandum and articles of association of the company do not prohibit it from holding treasury shares; (b) the relevant provisions of the memorandum and articles of association (if any) are complied with; and (c) the company is authorised in accordance with the company's articles of association or by a resolution of the directors to hold such shares in the name of the company as treasury shares prior to the purchase, redemption or surrender of such shares. Shares held by a company pursuant to section 37A(1) of the Companies Law shall continue to be classified as treasury shares until such shares are either cancelled or transferred pursuant to the Cayman Companies Law.

A Cayman Islands company may be able to purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. Thus there is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases. The directors of a company may under the general power contained in its memorandum of association be able to buy and sell and deal in personal property of all kinds.

Under Cayman Islands law, a subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

3.5 Dividends and distributions

With the exception of sections 34 and 37A(7) of the Cayman Companies Law, there are no statutory provisions relating to the payment of dividends. Based upon English case law which is likely to be persuasive in the Cayman Islands, dividends may be paid only out of profits. In addition, section 34 of the Cayman Companies Law permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account (see sub-paragraph 2(n) of this Appendix for further details). Section 37A(7)(c) of the Cayman Companies Law provides that for so long as a company holds treasury shares, no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) may be made to the company, in respect of a treasury share.

3.6 Protection of minorities and shareholders' suits

It can be expected that the Cayman Islands courts will ordinarily follow English case law precedents (particularly the rule in the case of Foss v. Harbottle and the exceptions thereto) which permit a minority member to commence a representative action against or derivative actions in the name of the company to challenge:

3.6.1 an act which is *ultra vires* the company or illegal;

3.6.2 an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company; and

3.6.3 an irregularity in the passing of a resolution the passage of which requires a qualified (or special) majority which has not been obtained.

Where a company (not being a bank) is one which has a share capital divided into shares, the court may, on the application of members thereof holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine the affairs of the company and, at the direction of the court, to report thereon.

Moreover, any member of a company may petition the court which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

In general, claims against a company by its members must be based on the general laws of contract or tort applicable in the Cayman Islands or be based on potential violation of their individual rights as members as established by a company's memorandum and articles of association.

3.7 Disposal of assets

There are no specific restrictions in the Cayman Companies Law on the power of directors to dispose of assets of a company, although it specifically requires that every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interest of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

3.8 Accounting and auditing requirements

Section 59 of the Cayman Companies Law provides that a company shall cause proper records of accounts to be kept with respect to (i) all sums of money received and expended by the company and the matters with respect to which the receipt and expenditure takes place; (ii) all sales and purchases of goods by the company and (iii) the assets and liabilities of the company.

Section 59 of the Cayman Companies Law further states that proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

If the Company keeps its books of account at any place other than at its registered office or at any other place within the Cayman Islands, it shall, upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law (2009 Revision) of the Cayman Islands, make available, in electronic form or any other medium, at its registered office copies of its books of account, or any part or parts thereof, as are specified in such order or notice.

3.9 Exchange control

There are no exchange control regulations or currency restrictions in effect in the Cayman Islands.

3.10 Taxation

Pursuant to section 6 of the Tax Concessions Law (2011 Revision) of the Cayman Islands, the Company has obtained an undertaking from the Governor-in-Cabinet:

3.10.1 that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciation shall apply to the Company or its operations; and

3.10.2 in addition, that no tax be levied on profits, income gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable by the Company:

(a) on or in respect of the shares, debentures or other obligations of the Company; or

(b) by way of withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Law (2011 Revision).

The undertaking for the Company is for a period of twenty years from 9 September 2014.

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments.

3.11 Stamp duty on transfers

There is no stamp duty payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

3.12 Loans to directors

The Cayman Companies Law contains no express provision prohibiting the making of loans by a company to any of its directors. However, the Articles provide for the prohibition of such loans under specific circumstances.

3.13 Inspection of corporate records

The members of the company have no general right under the Cayman Companies Law to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

3.14 Register of members

A Cayman Islands exempted company may maintain its principal register of members and any branch registers in any country or territory, whether within or outside the Cayman Islands, as the company may determine from time to time. The Cayman Companies Law contains no requirement for an exempted company to make any returns of members to the Registrar of Companies in the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of member, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law (2009 Revision) of the Cayman Islands.

3.15 Winding up

A Cayman Islands company may be wound up either by (i) an order of the court; (ii) voluntarily by its members; or (iii) under the supervision of the court.

The court has authority to order winding up in a number of specified circumstances including where, in the opinion of the court, it is just and equitable that such company be so wound up.

A voluntary winding up of a company occurs where the Company so resolves by special resolution that it be wound up voluntarily, or, where the company in general meeting resolves that it be wound up voluntarily because it is unable to pay its debt as they fall due; or, in the case of a limited duration company, when the period fixed for the duration of the company by its memorandum or articles expires, or where the event occurs on the occurrence of which the memorandum or articles provides that the company is to be wound up. In the case of a voluntary winding up, such company is obliged to cease to carry on its business from the commencement of its winding up except so far as it may be beneficial for its winding up. Upon appointment of a voluntary liquidator, all the powers of the directors cease, except so far as the company in general meeting or the liquidator sanctions their continuance.

In the case of a members' voluntary winding up of a company, one or more liquidators shall be appointed for the purpose of winding up the affairs of the company and distributing its assets.

As soon as the affairs of a company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation thereof.

When a resolution has been passed by a company to wind up voluntarily, the liquidator or any contributory or creditor may apply to the court for an order for the continuation of the winding up under the supervision of the court, on the grounds that (i) the company is or is likely to become insolvent; or (ii) the supervision of the court will facilitate a more effective, economic or expeditious liquidation of the company in the interests of the contributories and creditors. A supervision order shall take effect for all purposes as if it was an order that the company be wound up by the court except that a commenced voluntary winding up and the prior actions of the voluntary liquidator shall be valid and binding upon the company and its official liquidator.

For the purpose of conducting the proceedings in winding up a company and assisting the court, there may be appointed one or more persons to be called an official liquidator or official liquidators; and the court may appoint to such office such person or persons, either provisionally or otherwise, as it thinks fit, and if more than one persons are appointed to such office, the court shall declare whether any act required or authorized to be done by the official liquidator is to be done by all or any one or more of such persons. The court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the court.

3.16 Reconstructions

Reconstructions and amalgamations are governed by specific statutory provisions under the Cayman Companies Law whereby such arrangements may be approved by a majority in number representing 75% in value of members or creditors, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the courts. Whilst a dissenting member would have the right to express to the court his view that the transaction for which approval is being sought would not provide the members with a fair value for their shares, nonetheless the courts are unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management and if the transaction were approved and consummated the dissenting member would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of their shares) ordinarily available, for example, to dissenting members of a United States corporation.

3.17 Take-overs

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice require the dissenting members to transfer their shares on the terms of the offer. A dissenting member may apply to the court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting member to show that the court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority members.

3.18 Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, save to the extent any such provision may be held by the court to be contrary to public policy, for example, where a provision purports to provide indemnification against the consequences of committing a crime.

4. GENERAL

Appleby, the Company's legal adviser on Cayman Islands law, has sent to the Company a letter of advice which summarises certain aspects of the Cayman Islands company law. This letter, together with a copy of the Cayman Companies Law, is available for inspection as referred to in the paragraph headed "Documents Available for Inspection" in Appendix VII. Any person wishing to have a detailed summary of Cayman Islands company law or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

A. FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES

1. Incorporation

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 21 August 2014. The registered office of our Company is situated at the offices of Appleby Trust (Cayman) Ltd., Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. We have established a headquarters and principal place of business in Hong Kong at Units A&B, 12/F, MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong and have been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on 13 January 2015. Mr. KF Wong has been appointed as the authorised representative of our Company under Part 16 of the Companies Ordinance for the acceptance of service of process and notices on behalf of our Company in Hong Kong. Mr. WY Chan and Mr. YL Wong have been appointed as our authorised representatives under Rule 5.24 of the GEM Listing Rules.

As our Company was incorporated in the Cayman Islands, we operate subject to the Companies Law and our constitutional documents, which comprise the Memorandum of Association and Articles of Association. A summary of certain relevant provisions of our constitution and relevant aspects of the Companies Law is set out in Appendix V to this prospectus.

2. Changes in the share capital of our Company

At the date of incorporation of our Company, the authorised share capital of our Company was HK$380,000 divided into 3,800,000 shares of HK$0.10 each.

The following changes in the share capital of our Company have taken place since the date of incorporation of our Company up to the date of this prospectus:

(a) On 21 August 2014, one share of HK$0.10 was allotted and issued to the subscriber, fully paid at par. On the same date, such share was transferred by the subscriber to Newmark Group at a consideration of HK$0.10.

(b) On 21 August 2014, 50,999, 9,264, 4,752, 4,752, 4,752 and 480 shares of HK$0.10 each were allotted and issued to Newmark Group, Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin, respectively, fully paid.

(c) On 6 October 2014, each of the then existing issued and unissued shares of HK$0.10 each in the share capital of the Company was subdivided into ten Shares. As a result: (i) the authorised share capital of the Company became HK$380,000 divided into 38,000,000 Shares; and (ii) 510,000 Shares, 92,640 Shares, 47,520 Shares, 47,520 Shares, 47,520 Shares and 4,800 Shares were held by Newmark Group, Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin, respectively.

(d) On 11 May 2015, as part of the Reorganisation, our Company allotted and issued 510,000 Shares, 92,640 Shares, 47,520 Shares 47,520 Shares, 47,520 Shares and 4,800 Shares to Newmark Group, Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin, credited as fully paid.

(e) On 11 May 2015, the authorised share capital of our Company was increased from HK$380,000 divided into 38,000,000 Shares to HK$20,000,000 divided into 2,000,000,000 Shares.

Assuming that the Placing becomes unconditional and the Placing Shares are issued but taking no account of any Shares which may be allotted and issued upon the exercise of options which may be granted under the Share Option Scheme, the issued share capital of our Company will be HK$10,000,000 divided into 1,000,000,000 Shares fully paid or credited as fully paid, with 1,000,000,000 Shares remaining unissued.

Save as disclosed herein and as mentioned in the following sections headed "A. Further information about our Company and our subsidiaries — 3. Resolutions in writing of all our Shareholders passed on 11 May 2015" and "A. Further information about our Company and our subsidiaries — 4. Group reorganisation" in this appendix, there has been no alteration in the share capital of our Company since the date of our incorporation.

3. Resolutions in writing of all our Shareholders passed on 11 May 2015

Pursuant to the resolutions in writing of all our Shareholders passed on 11 May 2015:

(a) we approved and adopted the Articles of Association and Memorandum of Association which will become effective on the Listing Date;

(b) conditional on the same conditions as stated in the section headed "Structure and Conditions of the Placing — Conditions of the Placing" in this prospectus:

(i) the Placing was approved and our Directors were authorised to approve the allotment and issue of the Placing Shares pursuant to the Placing;

(ii) conditional further on the Stock Exchange granting approval of the listing of, and permission to deal in, the Shares on GEM, which Shares may fall to be issued pursuant to the exercise of options granted under the Share Option Scheme and the commencement of dealings in the Shares on GEM, the rules of the Share Option Scheme were approved and adopted and our Board was authorised at its discretion to implement the same, grant options to subscribe for Shares thereunder up to the limit referred to in the Share Option Scheme, and to allot, issue and deal with Shares pursuant to the exercise of any options granted thereunder and do all such acts and things as our Board may consider necessary, desirable or expedient to give effect to the Share Option Scheme;

(iii) a general unconditional mandate was given to our Directors authorising them to exercise all the powers of our Company to allot, issue and deal with Shares or securities convertible into Shares and to make an offer or agreement or grant an option which would or might require such Shares to be allotted and issued, whether during the continuance of such mandate or thereafter (otherwise than pursuant to a rights issue, any scrip dividend scheme or similar arrangement providing for the allotment and issue of Shares in lieu of whole or part of a dividend on Shares in accordance with the Articles of Association or pursuant to the exercise of any subscription or conversion rights attaching to any warrants or securities which are convertible into Shares or in issue prior to the date of the passing of the relevant resolution or pursuant to the exercise of any options to be granted under the Share Option Scheme or pursuant to the Placing or pursuant to a specific authority granted by our Shareholders in general meeting, on behalf of our Company), provided that the aggregate nominal value of our Shares allotted or agreed conditionally or unconditionally to be allotted shall not exceed 20% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Capitalisation Issue and the Placing (but excluding any Share which may be allotted and issued pursuant to the exercise of options which may be granted under the Share Option Scheme), such mandate to remain in effect until whichever is the earliest of:

(A) the conclusion of our next annual general meeting;

(B) the expiration of the period within which our next annual general meeting is required by any applicable law or the Articles of Association to be held; or

(C) the passing of an ordinary resolution by our Shareholders in a general meeting revoking, varying or renewing such mandate.

(iv) a general unconditional mandate was given to our Directors authorising them to exercise all the powers for and on behalf of our Company to buy-back our Shares on GEM or on any other approved stock exchange(s) on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Capitalisation Issue and the Placing (but excluding any Shares which may be allotted and issued pursuant to the exercise of options which may be granted under the Share Option Scheme), such mandate to remain in effect until whichever is the earliest of:

(A) the conclusion of our next annual general meeting;

(B) the expiration of the period within which our next annual general meeting is required by any applicable law or the Articles of Association to be held; or

(C) the passing of an ordinary resolution by our Shareholders in a general meeting revoking, varying or renewing such mandate;

(v) subject to the passing of resolutions set out in paragraphs (iii) and (iv) above, the unconditional general mandate mentioned in paragraph (iii) above was extended to include the aggregate nominal value of Shares bought-back by us pursuant to the mandate to buy-back Shares referred to in paragraph (iv) above provided that such extended amount shall not exceed 10% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the Placing (but excluding any Shares which may be allotted and issued pursuant to the exercise of the Offer Size Adjustment Option), such mandate to remain in effect until whichever is the earliest of:

(A) the conclusion of our next annual general meeting;

(B) the expiration of the period within which our next annual general meeting is required by any applicable law or the Articles of Association to be held; or

(C) the passing of an ordinary resolution by our Shareholders in a general meeting revoking, varying or renewing such mandate; and

(vi) conditional on the share premium account of our Company being credited as a result of the Placing, our Directors are authorised to capitalise the sum of HK$7,485,000 and apply the same in paying up in full at par 748,500,000 Shares for allotment and issue to the Shareholders whose names appeared on the register of members of our Company at the close of business on 11 May 2015 (or as they might direct) in proportion (as nearly as possible without involving fractions) to their then existing shareholders in our Company and such Shares to be allotted and issued shall rank *pari passu* in all respects with all other existing issued shares.

4. Group reorganisation

In preparation for the listing of our Shares on GEM, the companies comprising our Group underwent the Reorganisation which involved the following:

(a) On 17 June 2014, i-Control (ITAV) and i-Control Consultancy were incorporated in the BVI.

(b) On 24 June 2014, i-Control (ITAV) allotted and issued one share to MWMW at a consideration of US$1.00, fully paid.

(c) On 24 June 2014, i-Control Consultancy allotted and issued one share to i-Control (ITAV) at a consideration of US$1.00, fully paid.

(d) On 29 June 2014, Newmark and Mr. WL Chan sold 1,750,000 ordinary shares and 750,000 ordinary shares in i-Control (Hong Kong) to i-Control (ITAV) at a consideration of HK$1,750,000 and HK$750,000, respectively. As directed by Mr. WL Chan and Newmark, the consideration was settled by i-Control (ITAV) allotting and issuing two shares to MWMW, credited as fully paid.

(e) On 29 June 2014, Newmark sold 2,400,000 ordinary shares in Eduserve International to i-Control (ITAV) at a consideration of HK$2,400,000. As directed by Newmark, the consideration was settled by i-Control (ITAV) allotting and issuing one share to MWMW, credited as fully paid.

(f) On 29 June 2014, Newmark sold its consultancy and administrative services business to i-Control Consultancy with effect from 29 June 2014 at a consideration of HK$2,420,000 (which was subsequently waived by Newmark), pursuant to which Newmark transferred to i-Control Consultancy the business of provision of consultancy and administrative services to our Group.

(g) On 30 June 2014, Dr. Wong, Mr. Tong, Ms. Chau Sing Lan, Mr. WL Chan and Mr. Lin sold 1,800,000 ordinary shares, 900,000 ordinary shares, 900,000 ordinary shares, 450,000 ordinary shares and 450,000 ordinary shares in Modern China to EWEW at a consideration of HK$1,800,000, HK$900,000, HK$900,000, HK$450,000 and HK$450,000, respectively. As directed by Dr. Wong, Mr. Tong, Ms. Chau Sing Lan, Mr. WL Chan and Mr. Lin, the consideration was settled by EWEW allotting and issuing five shares to MWMW, credited as fully paid.

(h) On 30 June 2014, i-Control (Hong Kong) and Newmark sold 7,000 ordinary shares and 3,000 ordinary shares in View Mark to EWEW at a consideration of HK$7,000 and HK$3,000, respectively. As directed by i-Control (Hong Kong) and Newmark, the consideration was settled by EWEW allotting and issuing two shares to MWMW, credited as fully paid.

(i) On 30 June 2014, Newmark, Dr. Wong, Mr. WY Chan and Mr. Tong sold 2,000 ordinary shares, 4,000 ordinary shares, 2,000 ordinary shares and 2,000 ordinary shares in Billion Peace to EWEW at a consideration of HK$2,000, HK$4,000, HK$2,000 and HK$2,000, respectively. As directed by Newmark, Dr. Wong, Mr. WY Chan and Mr. Tong, the consideration was settled by EWEW allotting and issuing four shares to MWMW, credited as fully paid.

(j) On 4 September 2014, i-Control (Singapore) was incorporated in Singapore.

(k) On 4 September 2014, i-Control (Singapore) allotted and issued 1,000 ordinary shares to i-Control (Hong Kong) at a consideration of S$1,000, fully paid.

(l) On 30 September 2014, EWEW transferred the entire issued share capital of Modern China (represented by 4,500,000 ordinary shares) to i-Control (ITAV) at a consideration of HK$4,500,000. At the direction of EWEW, the consideration was settled by i-Control (ITAV) allotting and issuing one share to MWMW, credited as fully paid up.

(m) On 30 September 2014, EWEW transferred the entire issued share capital of View Mark (represented by 10,000 ordinary shares) to i-Control (ITAV) at a consideration of HK$10,000. At the direction of EWEW, the consideration was settled by i-Control (ITAV) allotting and issuing one share to MWMW, credited as fully paid up.

(n) On 30 September 2014, EWEW transferred the entire issued share capital of Billion Peace (represented by 10,000 ordinary shares) to i-Control (ITAV) at a consideration of HK$10,000. At the direction of EWEW, the consideration was settled by i-Control (ITAV) allotting and issuing one share to MWMW, credited as fully paid up.

(o) On 21 August 2014, our Company was incorporated in the Cayman Islands with an authorised share capital of HK$380,000 divided into 3,800,000 shares with a par value of HK$0.10 each. On the same day, (i) one share, 50,999 shares, 9,264 shares, 4,752 shares, 4,752 shares, 4,752 shares, 4,752 shares and 480 shares were allotted and issued at par to the subscriber, Newmark Group, Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin, respectively, fully paid; and (ii) the subscriber transferred the one share issued to it as mentioned above to Newmark Group at a consideration of HK$0.10.

(p) On 6 October 2014, each of the then existing issued and unissued shares of HK$0.10 each in the share capital of the Company was subdivided into ten Shares. As a result, (i) the authorised share capital of the Company became HK$380,000 divided into 38,000,000 Shares; and (ii) 510,000 Shares, 92,640 Shares, 47,520 Shares, 47,520 Shares, 47,520 Shares and 4,800 Shares were held by Newmark Group, Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin, respectively.

(q) On 11 May 2015, MWMW sold the entire issued share capital of i-Control (ITAV) to our Company pursuant to the Share Swap Agreement. At the direction of MWMW, the consideration was settled by our Company allotting and issuing 510,000 Shares, 92,640 Shares, 47,520 Shares, 47,520 Shares, 47,520 Shares and 4,800 Shares to Newmark Group, Dr. Wong, Mr. Tong, Mr. WY Chan, Mr. WL Chan and Mr. Lin, respectively, credited as fully paid.

(r) On 11 May 2015, the authorised share capital of our Company was increased from HK$380,000 divided into 38,000,000 Shares to HK$20,000,000 by the creation of an additional 1,962,000,000 new Shares.

(s) Conditional on the share premium account of our Company being credited as a result of the Placing, an aggregate sum of HK$7,485,000 will be capitalised from the share premium account and applied in paying up in full 748,500,000 of Shares credited as fully paid at par to be allotted and issued to the then existing Shareholders whose names appear on the register of members of our Company in proportion to their respective shareholdings so that the number of Shares so allotted and issued, when aggregated with the number of Shares already owned by the then existing Shareholders, will constitute 75.0% of our enlarged issued share capital immediately following completion of the Placing (without taking into account Shares to be allotted and issued upon the exercise of any options which may be granted under the Share Option Scheme).

5. Changes in share or registered capital of our subsidiaries

The present subsidiaries of our Company are referred to in the Accountants' Report, the text of which is set out in Appendix I to this prospectus.

Save as disclosed in the section headed "A. Further Information about our Company and our Subsidiaries — 4. Group reorganisation" in this appendix, and the abolition of par values of Billion Peace, Eduserve International, i-Control (China), i-Control (Hong Kong), Modern China and Newmark with effect from 3 March 2014, there has been no alteration in the share capital of each of our subsidiaries within the two years immediately preceding the date of this prospectus.

6. Buy-back by our Company of our Shares

The GEM Listing Rules permit companies with a primary listing on GEM to buy-back their shares on GEM subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders' approval

All proposed buy-backs of shares on the Stock Exchange by a company with a primary listing on GEM must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

Pursuant to the resolutions in writing of all our Shareholders passed on 11 May 2015, a general unconditional mandate (the "**Buy-back Mandate**") was granted to our Directors authorising them to exercise all the powers for and on behalf of our Company to buy-back our Shares on GEM, or on any other approved stock exchange(s) on which our securities may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, with an aggregate nominal value not exceeding 10% of the aggregate nominal value of our share capital in issue immediately following the completion of the Capitalisation Issue and the Placing (excluding any Shares which may be allotted and issued upon the exercise of options which may be granted under the Share Option Scheme), such Buy-back Mandate to expire at the conclusion of our next annual general meeting, or the expiration of the period within which our next annual general meeting is required by any applicable

law or the Articles of Association to be held, or the passing of an ordinary resolution by our Shareholders in a general meeting revoking, varying or renewing such Buy-back Mandate, whichever is the earliest.

Under the GEM Listing Rules, the shares which are proposed to be bought-back by a company must be fully paid up.

(b) Reasons for buy-backs

Our Directors believe that it is in the best interests of our Company and our Shareholders as a whole to have a general authority from our Shareholders to enable us to buy-back Shares in the market. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of our Company and/or our earnings per Share and will only be made when our Directors believe that such buy-backs will benefit our Company and our Shareholders as a whole.

(c) Funding of buy-backs

In buying-back Shares, we may only apply funds legally available for such purpose in accordance with our Memorandum of Association and the Articles of Association, the GEM Listing Rules and the applicable laws of the Cayman Islands. We shall not buy-back our own securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

On the basis of our current financial position as disclosed in this prospectus and taking into account our current working capital position, our Directors consider that, if the Buy-back Mandate was to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of our Company as compared with the position disclosed in this prospectus. However, our Directors do not propose to exercise the Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on our working capital requirements or our gearing position.

(d) Directors' undertaking

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Buy-back Mandate in accordance with the GEM Listing Rules, the applicable laws of the Cayman Islands, our Memorandum of Association and the Articles of Association.

(e) Disclosure of interests

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates has any present intention, if the Buy-back Mandate is exercised, to sell any Shares to our Company or our subsidiaries.

No connected person of our Company has notified us that he or she has a present intention to sell Shares to us, or has undertaken not to do so, if the Buy-back Mandate is exercised.

(f) Takeovers Code consequences

If, as a result of a securities buy-back, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and the provision may apply as a result of any such increase. At present, so far as is known to the Directors, no Shareholder will be obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code in the event that our Directors exercise the power in full to buy-back Shares pursuant to the Buy-back Mandate. Save as disclosed above, our Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any buy-back under the Buy-back Mandate.

(g) Share capital

Exercise in full of the Buy-back Mandate, on the basis of 1,000,000,000 Shares in issue immediately after completion of the Capitalisation Issue and the Placing, but taking no account of any Shares which may be allotted and issued upon the exercise of options which may be granted under the Share Option Scheme, could accordingly result in up to 100,000,000 Shares being bought-back by us during the course of the period prior to the date on which such Buy-back Mandate expires or terminates as mentioned in the section headed "A. Further information about our Company and our subsidiaries — 3. Resolutions in writing of all our Shareholders passed on 11 May 2015" in this appendix.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by us or any of our subsidiaries within the two years immediately preceding the date of this prospectus and are or may be material:

(a) an instrument of transfer and bought and sold notes all dated 29 June 2014 between Newmark and i-Control (ITAV), pursuant to which Newmark transferred 1,750,000 ordinary shares in i-Control (Hong Kong) to i-Control (ITAV) at a consideration of HK$1,750,000;

(b) an instrument of transfer and bought and sold notes all dated 29 June 2014 between Mr. WL Chan and i-Control (ITAV), pursuant to which Mr. WL Chan transferred 750,000 ordinary shares in i-Control (Hong Kong) to i-Control (ITAV) at a consideration of HK$750,000;

(c) an instrument of transfer and bought and sold notes all dated 29 June 2014 between Newmark and i-Control (ITAV), pursuant to which Newmark transferred 2,400,000 ordinary shares in Eduserve International to i-Control (ITAV) at a consideration of HK$2,400,000;

(d) the agreement for transfer of the entire consultancy and administrative business of Newmark entered into between Newmark and i-Control Consultancy dated 29 June 2014;

(e) an instrument of transfer and bought and sold notes all dated 30 June 2014 between i-Control (Hong Kong) and EWEW, pursuant to which i-Control (Hong Kong) transferred 7,000 ordinary shares in View Mark to EWEW at a consideration of HK$7,000;

(f) an instrument of transfer and bought and sold notes all dated 30 September 2014 between EWEW and i-Control (ITAV), pursuant to which EWEW transferred 4,500,000 ordinary shares in Modern China to i-Control (ITAV) at a consideration of HK$4,500,000;

(g) an instrument of transfer and bought and sold notes all dated 30 September 2014 between EWEW and i-Control (ITAV), pursuant to which EWEW transferred 10,000 ordinary shares in View Mark to i-Control (ITAV) at a consideration of HK$10,000;

(h) an instrument of transfer and bought and sold notes all dated 30 September 2014 between EWEW and i-Control (ITAV), pursuant to which EWEW transferred 10,000 ordinary shares in Billion Peace to i-Control (ITAV) at a consideration of HK$10,000;

(i) the Share Swap Agreement;

(j) the Deed of Indemnity;

(k) the Deed of Non-competition; and

(l) the Underwriting Agreement.

2. Intellectual property rights

As at the Latest Practicable Date, our Group had registered the following intellectual property rights which are material in relation to our Group's business.

(a) Trademarks

As at the Latest Practicable Date, our Group was the registered owner of the following trademark:

Trademark	Owner	Place of Registration	Class	Registration Date	Trademark Number
i-CONTROL	i-Control (Hong Kong)	Hong Kong	42	11 April 2014	302959769

As at the Latest Practicable Date, our Group had applied for the registration of the following trademarks, the registration of which had not yet been granted:

Trademark	Applicant	Place of Application	Class	Filing/ Application Date	Application Number
i-CONTROL	i-Control (Hong Kong)	PRC	42	11 April 2014	14364513
愛港超	i-Control (China)	PRC	42	11 April 2014	14364086
Eduserve	Eduserve International	PRC	42	11 April 2014	14364277

(b) Domain names

As at the Latest Practicable Date, our Group had registered the following domain names:

Domain Name	Registration Date	Expiration Date
http://www.i-control.com.hk	30 June 2000	29 April 2020
http://www.i-control.com.cn	5 September 2009	5 September 2017
http://www.eduserve.com.hk	1 April 1998	1 September 2015
http://www.i-control.com.sg	23 September 2014	22 September 2015

3. Further information about our Group's subsidiaries in Hong Kong, the PRC, the BVI and Singapore

As at the Latest Practicable Date, we had six subsidiaries in Hong Kong, one subsidiary in the PRC, one subsidiary in Singapore and two subsidiaries in the BVI, particulars of which are as follows:

(a) i-Control (Hong Kong)

Date of incorporation	:	25 September 1999
Place of incorporation	:	Hong Kong
Issued and paid-up capital	:	HK$2,500,000 divided into 2,500,000 ordinary shares of HK$1.00 each
Percentage of equity interest held by us	:	100%
Shareholder	:	i-Control (ITAV) – 100%
Principal scope of business	:	The provision of solution for audiovisual, conferencing, presentation and multimedia control systems including installation services and audiovisual system maintenance services and investment holding
Directors	:	(1) Dr. Wong (2) Mr. Tong (3) Mr. Lin (4) Mr. WL Chan (5) Mr. WY Chan

(b) i-Control (China)

Date of incorporation	:	30 November 2009
Place of incorporation	:	Hong Kong
Issued and paid-up capital	:	HK$1,800,000 divided into 1,800,000 ordinary shares of HK$1.00 each
Percentage of equity interest held by us	:	70%
Shareholders	:	(1) i-Control (Hong Kong) – 70% (2) Mr. Wong To Yan – 30%

Principal scope of business	:	The provision of solution for audiovisual, conferencing, presentation and multimedia control systems including installation services, and audiovisual system maintenance services and investment holding
Directors	:	(1) Mr. WY Chan (2) Mr. Tong (3) Mr. Lin (4) Mr. WL Chan (5) Mr. Wong To Yan

(c) i-Control (Shanghai)

Date of establishment	:	30 March 2010
Place of establishment	:	The PRC
Nature of enterprise	:	Limited liability company (solely owned by Taiwan, Hong Kong or Macau legal entities)
Registered capital	:	RMB1,000,000
Paid-up capital	:	RMB1,000,000
Percentage of equity interest held by us	:	70%
Registered owner	:	i-Control (China) – 100%
Term of operation	:	30 March 2010 to 29 March 2040
Principal scope of business	:	The provision of solution for audiovisual, conferencing, presentation and multimedia control systems including installation services, and audiovisual system maintenance services
Directors	:	(1) Mr. Tong (2) Mr. WY Chan (3) Mr. WL Chan (4) Mr. Lin (5) Mr. Wong To Yan
Legal representative	:	Mr. Tong

(d) Eduserve International

Date of incorporation	:	8 April 1987
Place of incorporation	:	Hong Kong
Issued and paid-up capital	:	HK$3,000,000 divided into 3,000,000 ordinary shares of HK$1.00 each
Percentage of equity interest held by us	:	80%
Shareholders	:	(1) i-Control (ITAV) – 80% (2) Mr. Poon King Hang – 20%
Principal scope of business	:	The provision of solution for audiovisual, conferencing, presentation and multimedia control systems including installation services, and audiovisual system maintenance services
Directors	:	(1) Dr. Wong (2) Mr. Tong (3) Mr. Lin (4) Mr. WY Chan (5) Mr. Poon King Hang

(e) Modern China

Date of incorporation	:	10 December 1991
Place of incorporation	:	Hong Kong
Issued and paid-up capital	:	HK$4,500,000 divided into 4,500,000 ordinary shares of HK$1.00 each
Percentage of equity interest held by us	:	100%
Shareholder	:	i-Control (ITAV) – 100%
Principal scope of business	:	Investment holding
Directors	:	(1) Mr. WY Chan (2) Mr. Tong (3) Mr. Lin (4) Dr. Wong (5) Mr. WL Chan

(f) View Mark

Date of incorporation	:	6 September 2010
Place of incorporation	:	Hong Kong
Issued and paid-up capital	:	HK$10,000 divided into 10,000 ordinary shares of HK$1.00 each
Percentage of equity interest held by us	:	100%
Shareholder	:	i-Control (ITAV) – 100%
Principal scope of business	:	Investment holding
Directors	:	(1) Mr. WY Chan (2) Dr. Wong (3) Mr. Tong (4) Mr. Lin (5) Mr. WL Chan

(g) i-Control (ITAV)

Date of incorporation	:	17 June 2014
Place of incorporation	:	The BVI
Number of issued shares	:	seven
Percentage of equity interest held by us	:	100%
Shareholder	:	our Company – 100%
Principal scope of business	:	Investment holding
Directors	:	(1) Mr. WY Chan (2) Mr. Tong (3) Mr. Lin (4) Dr. Wong (5) Mr. WL Chan

(h) i-Control Consultancy

Date of incorporation	:	17 June 2014
Place of incorporation	:	The BVI
Number of issued shares	:	one
Percentage of equity interest held by us	:	100%
Shareholder	:	i-Control (ITAV) – 100%
Principal scope of business	:	The provision of consultancy and administrative services
Directors	:	(1) Mr. WY Chan (2) Mr. Tong (3) Mr. Lin (4) Dr. Wong (5) Mr. WL Chan

*(i) **Billion Peace***

Date of incorporation	:	4 March 2011
Place of incorporation	:	Hong Kong
Issued and paid-up capital	:	HK$10,000 divided into 10,000 ordinary shares of HK$1.00 each
Percentage of equity interest held by us	:	100%
Shareholder	:	i-Control (ITAV) – 100%
Principal scope of business	:	Investment holding
Directors	:	(1) Mr. WY Chan (2) Mr. Tong (3) Mr. Lin (4) Dr. Wong

*(j) **i-Control (Singapore)***

Date of incorporation	:	4 September 2014
Place of incorporation	:	Singapore
Issued and paid-up capital	:	S$1,000 divided into 1,000 ordinary shares of S$1.00 each
Percentage of equity interest held by us	:	100%
Shareholder	:	i-Control (Hong Kong) – 100%
Principal scope of business	:	Provision of solution for audiovisual, conferencing, presentation and multimedia systems
Directors	:	(1) Mr. WY Chan (2) Mr. Tong (3) Mr. Lin (4) Dr. Wong (5) Mr. WL Chan (6) Ms. Yang Furong

C. FURTHER INFORMATION ABOUT OUR DIRECTORS, MANAGEMENT AND STAFF

1. Disclosure of interests

(a) Interests and short positions of our Directors and chief executives of our Company in the Shares, underlying Shares and debentures of our Company or our associated corporations

Immediately following completion of the Capitalisation Issue and the Placing (assuming the Offer Size Adjustment Option is not exercised and without taking into account our Shares to be allotted and issued upon the exercise of any options which may be granted under the Share Option Scheme), our Directors and chief executive will have the following interests and/or short positions in our Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to us and the Stock Exchange once our Shares are listed:

(i) Interests in our Company

		Immediately following the completion of the Capitalisation Issue and the Placing	
Name	**Capacity/Nature of interest**	**Number of Shares**	**Approximate percentage of issued Shares**
Dr. Wong	Beneficial owner	92,640,000	9.26%
	Interest of controlled corporation *(Note 1)*	510,000,000	51.00%
Mr. Tong	Beneficial owner	47,520,000	4.75%
Mr. WL Chan	Beneficial owner	47,520,000	4.75%
Mr. WY Chan	Beneficial owner	47,520,000	4.75%
Mr. Lin	Beneficial owner	4,800,000	0.49%

Note:

(1) These Shares were, and (as the case may be) will be, held by Newmark Group, which is owned as to 38.6% by Dr. Wong. Pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO, Dr. Wong is deemed to have an interest in all Shares in which Newmark Group has, or deemed to have, an interest.

(ii) Interests in associated corporation(s) of our Company

Name of Director	Name of associated corporation	Capacity/Nature of interest	Number of shares	Percentage of shareholding
Dr. Wong	Newmark Group	Beneficial interests	386 shares	38.60%
Mr. Tong	Newmark Group	Beneficial interests	198 shares	19.80%
Mr. WL Chan	Newmark Group	Beneficial interests	198 shares	19.80%
Mr. WY Chan	Newmark Group	Beneficial interests	198 shares	19.80%
Mr. Lin	Newmark Group	Beneficial interests	20 shares	2.00%

(b) Interests and short positions of the Substantial Shareholders in the Shares and underlying Shares

Save as disclosed in the section headed "Substantial Shareholders" in this prospectus, our Directors and chief executive are not aware of any other person, not being a Director or chief executive of our Company, who has an interest or short position in our Shares and underlying Shares of our Company which, once our Shares are listed (assuming the Offer Size Adjustment Option is not exercised and without taking into account Shares to be allotted and issued upon the exercise of any options which may be granted under the Share Option Scheme), would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group.

2. Arrangement with our Directors

(a) Particulars of Directors' service agreements and letters of appointment

Each of our executive Directors has entered into a service agreement with us for an initial fixed period of two years commencing from the Listing Date.

Each of our (i) non-executive Directors has entered into a service agreement with us, and (ii) independent non-executive Directors has entered into a letter of appointment with us, for an initial fixed term of two years commencing from the Listing Date.

(b) Directors' remuneration

During the financial year ended 31 March 2014 and the nine months ended 31 December 2014, the aggregate of the remuneration paid and benefits in kind granted to our Directors by our Group was approximately HK$664,000 and nil.

Under the arrangements currently in force, the aggregate remuneration payable and benefits in kind granted to our Directors for the year ended 31 March 2015 was nil and we estimate that the same for the year ending 31 March 2016 would be approximately HK$4.2 million.

Save as disclosed in this prospectus, no Director or the five highest paid individuals has been paid in cash or shares or otherwise by any person either to induce him to become, or to qualify him as a Director, or otherwise for services rendered by him in connection with the promotion or formation of our Company.

(c) Disclaimers

Save as disclosed in this prospectus:

(i) so far as our Directors are aware, none of our Directors or chief executive has any interest and/or short position in our Shares, underlying Shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to us and the Stock Exchange once our Shares are listed;

(ii) none of our Directors and the experts referred to under the section headed "E. Other Information — 10. Consents of experts" in this appendix has any direct or indirect interest in the promotion of our Company or any of our subsidiaries, or in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to, our Company or any of our subsidiaries, or are proposed to be acquired or disposed of by or leased to our Company or any of our subsidiaries;

(iii) none of our Directors and the experts referred to under the section headed "E. Other Information — 10. Consents of experts" in this appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to our business taken as a whole;

(iv) none of our Directors has any existing or proposed service contracts with our Company or any of our subsidiaries, excluding contracts which are expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation);

(v) none of the experts referred to under the section headed "E. Other Information — 10. Consents of experts" in this appendix has any shareholding in our Company or any of our subsidiaries or the right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in our Company or any of our subsidiaries; and

(vi) none of our Directors, their respective close associates (as defined under the GEM Listing Rules), or Shareholders who are interested in more than 5% of the issued share capital of our Company, has any interest in our Company's five largest customers and five largest suppliers save as contemplated under the Underwriting Agreement.

(d) Fees or commission received

Save as disclosed in this prospectus, none of our Directors or any of the persons whose names are listed under the section headed "E. Other Information — 10. Consents of experts" in this appendix had received any commissions, discounts, agency fees, brokerages or other special terms in connection with the issue or sale of any capital of any member of our Group within the two years preceding the date of this prospectus.

(e) Related party transactions

Saved as disclosed in the Accountants' Report set out in Appendix I to this prospectus and other parts of this prospectus, we have not engaged in any dealings with our Directors and their close associates within the two years immediately preceding the date of this prospectus.

D. SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted under the written resolutions of the Shareholders passed on 11 May 2015:

1. Purpose

The purpose of the Share Option Scheme is to enable our Company to grant options to selected participants as incentives or rewards for their contribution to our Group.

2. Who may join

Our Directors may, at their absolute discretion, invite any person belonging to any of the following classes of participants, to take up options to subscribe for our Shares:

(a) any employee or proposed employee (whether full-time or part-time and including any executive Director), consultants or advisers of or to the Company, any of our subsidiaries or any entity (the "**Invested Entity**") in which our Company holds an equity interest;

(b) any non-executive Directors (including independent non-executive Directors) of our Company, any of our subsidiaries or any Invested Entity;

(c) any supplier of goods or services to any members of our Group or any Invested Entity;

(d) any customer of our Group or any Invested Entity;

(e) any person or entity that provides research, development or other technological support to our Group or any Invested Entity; and

(f) any Shareholders or any shareholder of any of its subsidiaries or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity,

and for the purposes of the Share Option Scheme, the options may be granted to any company wholly-owned by one or more persons belonging to any of the above classes of participants. For the avoidance of doubt, the grant of any options by our Company for the subscription of Shares or other securities of our Company to any person who falls within any of the above classes of participants shall not, by itself, unless our Directors otherwise determine, be construed as a grant of option under the Share Option Scheme.

The basis of eligibility of any of the above classes of participants to the grant of any options shall be determined by our Directors from time to time on the basis of the participants' contribution to the development and growth of our Group. In order for a person to satisfy our Directors that he is qualified to be (or where applicable, continues to qualify to be) a participant, such person shall provide all such information as our Directors may request for the purpose of assessing his eligibility (or continuing eligibility).

3. Maximum number of Shares

(a) The maximum number of Shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of our Company's issued share capital from time to time. No options may be granted under any schemes of our Company or our subsidiary if such grant will result in the maximum number being exceeded.

(b) The total number of Shares which may be issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes of our Company) must not in aggregate exceed 10% of the total number of Shares in issue at the time dealings in the Shares first commence on the Stock Exchange which amounts to 100,000,000 Shares (the "**General Mandate Limit**").

(c) Subject to (a) above and without prejudice to (d), our Company may issue a circular to our Shareholders in compliance with Note (1) to Rule 23.03(3) and Rule 23.06 of the GEM Listing Rules and/or such other requirements as prescribed in the GEM Listing Rules and seek approval of our Shareholders in general meeting to refresh the General Mandate Limit provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of our Group must not exceed 10% of our Shares in issue as at the date of approval of the limit and for the purpose of calculating the limit, options (including those outstanding, cancelled or lapsed in accordance with the Share Option Scheme or exercised options) previously granted under the Share Option Scheme and any other share option scheme of the Group will not be counted.

(d) Subject to (a) above and without prejudice to (c) above, our Company may issue a circular to our Shareholders in compliance with Note (1) to Rule 23.03(3) and Rule 23.06 of the GEM Listing Rules and/or such other requirements as prescribed in the GEM Listing Rules and seek separate shareholders' approval in general meeting to grant options beyond the General Mandate Limit or, if applicable, the limit referred to in (c) above to participants specifically identified by our Company before such approval is sought.

4. Maximum entitlement of each participant and connected persons

(a) Unless approved by our Shareholders, the total number of Shares issued and to be issued upon exercise of all outstanding options granted under the Share Option Scheme and any other share option schemes of our Company (including both exercised and outstanding options) to each participant in any 12-month period must not exceed 1% of our Shares in issue (the "**Individual Limit**").

(b) Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to our Shareholders in compliance with the Note to Rule 23.03(4) and Rule 23.06 of the GEM Listing Rules and/or such other requirements as prescribed in the GEM Listing Rules and the approval of our Shareholders in general meeting with such participant and his close associates (or his associates if the participant is a connected person) abstaining from voting. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before the Shareholders' approval and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under Note (1) to Rule 23.03(9) of the GEM Listing Rules.

(c) In addition to the Shareholders' approval set out in Note (1) to Rule 23.03(3) and Note to Rule 23.03(4) of the GEM Listing Rules, each grant of options to a Director, chief executive of our Company or substantial Shareholder or any of their respective associates must be approved by our independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options).

(d) Where any grant of options to a substantial Shareholder or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) under the Share Option Scheme or any other share option schemes of our Company to such person in the 12-month period up to and including the date of such grant:

(i) representing in aggregate more than 0.1% of our Shares in issue; and

(ii) having an aggregate value, based on the closing price of our Shares at the date of each grant, in excess of HK$5 million, such further grant of options must be approved by our Shareholders. Our Company must send a circular to our Shareholders. All of the connected persons must abstain from voting in favour at such general meeting. Any connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such option must be taken on a poll.

5. Minimum period of holding an option and performance target

Our Directors may, at their absolute discretion, fix any minimum period for which an option must be held, any performance targets that must be achieved and any other conditions that must be fulfilled before the options can be exercised upon the grant of an option to a participant.

6. Subscription price for Shares

The subscription price of a Share in respect of any option granted under the Share Option Scheme, subject to any adjustments made in accordance with the Share Option Scheme, shall be such price as the Board in its absolute discretion shall determine, provided that such price shall not be less than the highest of (i) the average closing price of our Shares as stated in the Stock Exchange's daily quotations sheet for the five Business Days immediately preceding the date of grant of the option (which must be a Business Day); (ii) the closing price of our Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option (which must be a Business Day); and (iii) the nominal value of our Shares. A consideration of HK$1.00 is payable on acceptance of the offer of the grant of an option.

7. Rights are personal to grantee

An option granted under the Share Option Scheme shall not be transferable or assignable and is personal to the grantee.

8. Time of exercise of option

An option may be accepted by a participant within 28 days from the date of the offer of grant of the option.

9. Rights on ceasing employment or death

If the grantee of an option, who is an employee of our Group or any Invested Entity at the time of the grant of the option, ceases to be an employee of our Group or Invested Entity for any reason other than death, ill-health or retirement in accordance with his contract of employment or certain other grounds, before exercising the option in full, the option (to the extent not already exercised) shall lapse on the date of cessation or termination and not be exercisable unless our Directors otherwise determine, in which case the grantee may exercise the option (to the extent not already exercised) in whole or in part within such period as our Directors may determine following the date of such cessation or termination, which date shall be the last day on which the grantee was actually at work with our Group or the relevant Invested Entity, whether salary is paid in lieu of notice or not. Failing such exercise, the option will lapse.

If the grantee of an option, who is an employee of our Group or any Invested Entity at the time of the grant of the option, ceases to be an employee of our Company or Invested Entity by reason of death, ill-health or retirement in accordance with his contract of employment, before exercising the option in full, the grantee or, if appropriate his lawful personal representative(s) may exercise the option in whole or in part (to the extent not already exercised) within a period of 12 months following the date of cessation of employment which date shall be the last day on which the grantee was at work with our Group or any Invested Entity, whether salary is paid in lieu of notice or not (or such longer period as our Directors may determine), failing which it will lapse.

10. Rights on a general offer, a compromise or arrangement

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, our Company shall use all reasonable endeavors to procure that such offer is extended to all the grantees (or his personal representative(s)) on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, Shareholders. If such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional or such scheme or arrangement is formally proposed to our Shareholders, a grantee (or his personal representative(s)) shall, notwithstanding any other terms on which his options were granted, be entitled to exercise his option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to our Company in accordance

with the provisions of the Share Option Scheme at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under scheme of arrangement, as the case may be.

11. Rights on winding-up

In the event of an effective resolution being proposed for the voluntary winding-up of our Company during the option period, the grantee of an option (or his personal representative(s)) may, subject to the provisions of all applicable laws, by notice in writing to our Company elect to exercise the option (to the extent not already exercised) either to its full extent or to the extent specified in such notice within two Business Days prior to the proposed general meeting of our Company considering such winding up, such notice to be accompanied by the subscription price for our Shares in respect of which the notice is given, whereupon the grantee will be entitled, in respect of our Shares falling to be allotted and issued upon the exercise of his options, to receive out of the assets available in the liquidation pari passu with the holders of Shares such sum as would have been received in respect of our Shares the subject of such election. Subject to the above, an option will lapse automatically (to the extent not exercised) on the date of commencement of the winding-up of our Company.

12. Ranking of Shares

Our Shares to be allotted and issued upon the exercise of an option will be subject to all the provisions of the Memorandum of Association and the Articles for the time being in force and will rank pari passu in all respects with the then existing fully paid Shares in issue on the date on which the option is duly exercised or, if that date falls on a day when the register of members of our Company is closed, the first day of the re-opening of the register of members (the "**Exercise Date**") and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefore shall be before the Exercise Date. A Share allotted and issued upon the exercise of an option shall not carry voting rights until the name of the grantee has been duly entered on the register of members of our Company as the holder thereof.

13. Period of the Share Option Scheme

Unless terminated by our Company by resolution in general meeting, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date on which the Share Option Scheme becomes unconditional.

14. Alteration of the Share Option Scheme

The Share Option Scheme may be altered in any respect by a resolution of the Board except that any material alteration to its terms and conditions, any change to the terms of options granted (except for changes which automatically take effect under the existing terms of the Share Option Scheme) and the matters contained in the relevant provisions of the GEM Listing Rules shall not be altered to the advantage of the grantees or prospective grantees without the prior sanction of any resolution of our Company in

general meeting. The amended terms of the Share Option Scheme or the options must still comply with the applicable requirements under the GEM Listing Rules. Any change to the authority of our Directors or scheme administrators (if applicable) in relation to any alteration to the terms of the Share Option Scheme must be approved by our Shareholders in general meeting.

15. Effect of alterations to capital

In the event of any alteration in the capital structure of our Company whilst any option remains exercisable or the Share Option Scheme remains in effect, and such event arises from a capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital or otherwise howsoever, then, in any such case, our Company shall instruct the auditors for the time being or an independent financial adviser to our Company to certify in writing the adjustment, if any, to be made either generally or as regards any particular grantee, to (a) the number of Shares to which the Share Option Scheme or any option(s) relates (insofar as it is/they are unexercised), and/or (b) the subscription price of any unexercised option, and/or (c) the maximum number of Shares referred to in the sub-paragraph headed "Maximum number of Shares" above, and an adjustment as so certified by the auditors or the independent financial adviser to our Company shall be made, provided that (i) any such adjustment shall be made on the basis that the aggregate subscription price payable by a grantee on the full exercise of any option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; (ii) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; (iii) no such adjustment shall be made the effect of which would be to increase the proportion of the issued share capital of our Company for which any grantee would have been entitled to subscribe had he exercised all the options held by him immediately prior to such adjustment; (iv) the issue of Shares or securities of our Company as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and (v) for the avoidance of doubt, any adjustments shall be made in compliance with the GEM Listing Rules and the "Supplementary Guidance on Main Board Listing Rule 17.03(13)/GEM Listing Rules 23.03(13) and the note immediately after the rule" set out in the letter from the Stock Exchange to all listed issuers dated 5 September 2005 or other relevant guidance as the Stock Exchange may from time to time issue. In addition, in respect of any such adjustments, other than any made on a capitalisation issue, such auditors or independent financial adviser must confirm to our Directors in writing that the adjustments satisfy the requirements that they give a participant the same proportion (or rights in respect of the same proportion) of the equity capital as that to which that person was previously entitled.

16. Cancellation of options

Our Directors may effect the cancelation of any options granted but not exercised on such terms as may be agreed with the relevant grantee, as our Directors may in their absolute discretion see fit and in a manner that complies with all applicable legal requirements for cancelation. Where our Company cancels any options granted and offer to grant or grant new options to the same grantee, the offer or grant of such new options may only be made under the Share Option Scheme if there are available unissued options (excluding the cancelled options) within each of the limits as referred of in the sub-paragraph headed "Maximum Number of Shares" above.

17. Conditions of the Share Option Scheme

The Share Option Scheme is conditional on (i) the Listing Division granting approval of the listing of, and permission to deal in, our Shares on the GEM, which Shares may fall to be issued pursuant to the exercise of options granted under the Share Option Scheme; (ii) upon the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including, if relevant, as a result of the waiver of any conditions by the Sole Sponsor and/or the Joint Lead Managers) and such obligation not being terminated in accordance with the terms of the Underwriting Agreement; and (iii) the commencement of dealings in the Shares on the Stock Exchange.

18. Termination of the Share Option Scheme

Our Company may by resolution in general meeting at any time terminate the operation of Share Option Scheme and in such event no further options will be offered but in all other respects the provisions of Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any outstanding options granted prior to such termination or otherwise as may be required in accordance with the provisions of the Share Option Scheme and outstanding options granted prior to such termination shall continue to be valid and exercisable in accordance with the provisions of the Share Option Scheme. Details of the options granted, including options exercised or outstanding, under the Share Option Scheme and (if applicable) options that become void or non-exercisable as a result of the termination must be disclosed in the circular to our Shareholders seeking approval of the first new scheme to be established after such termination.

19. Status of the GEM Listing Rules

The Share Option Scheme shall comply with the GEM Listing Rules as amended from time to time. In the event that there are differences between the terms of the Share Option Scheme and the GEM Listing Rules, the GEM Listing Rules shall prevail.

20. Present status of the Share Option Scheme

As at the date of this prospectus, no option has been granted or agreed to be granted under the Share Option Scheme. Application has been made to the Listing Division for the listing of, and permission to deal in, our Shares which may be issued pursuant to the exercise of any options granted under the Share Option Scheme, as described above.

E. OTHER INFORMATION

1. Tax and other indemnity

Our Controlling Shareholders (together, the "**Indemnifiers**") have entered into the Deed of Indemnity in favour of our Company (for ourselves and for the benefit of our subsidiaries), pursuant to which the Indemnifiers jointly and severally indemnify each of the members of our Group against, among other things, (a) taxation falling on any member of our Group in respect of or by reference to any income, profits or gains earned, accrued or received (or alleged to have been earned, accrued or received) on or before the date on which the Placing becomes unconditional and all reasonable costs, expenses and losses which any member of our Group may properly incur in connection therewith; and (b) all claims, liabilities, damages, charges, fees, fines and reasonable costs, expenses and losses incurred by any member of our Group resulting from or in respect of any non-compliance (other than those committed more than three years against the Predecessor Companies Ordinance) with the applicable laws, rules and regulations by any member of our Group on or before the date on which the Placing becomes unconditional; and (c) all claims, liabilities, damages, charges, fees, fines and reasonable costs, expenses and losses suffered or incurred by any of our Group members as a result of or in connection with the use of the unregistered trademarks by our Group in our ordinary course of business (including those as a result of or in connection with any dispute as to the rights to use the unregistered trademarks).

2. Estate duty

The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on 11 February 2006 in Hong Kong, pursuant to which estate duty ceased to be chargeable in Hong Kong in respect of the estates of persons dying on or after that date. No Hong Kong estate duty is payable and no estate duty clearance papers are needed for an application for a grant of representation in respect of holders of Shares whose death occur on or after 11 February 2006.

3. Stamp duty

Dealings in the Shares will be subject to Hong Kong stamp duty. The current ad valorem rate of Hong Kong stamp duty is 0.1% on the higher of the consideration for or the market value of the Shares and it is charged on the purchaser on every purchase and on the seller on every sale of the Shares. In other words, a total stamp duty of 0.2% is currently payable on a typical sale and purchase transaction involving the Shares.

4. Litigation

As at the Latest Practicable Date, we had not been engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against us, that would have a material adverse effect on our results of operations or financial position.

5. Sole Sponsor

The Sole Sponsor has made an application on our behalf to the Stock Exchange for the listing of, and permission to deal in, our Shares in issue and to be issued as mentioned in this prospectus, including any Shares falling to be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme.

The Sole Sponsor has confirmed to the Stock Exchange that it satisfies the independence test as stipulated under Rule 6A.07 of the GEM Listing Rules.

The Sole Sponsor's fees, which relate solely to services provided by the Sole Sponsor in its capacity as sponsor and not other services which it may provide, such as, without limitation, book-building, pricing and underwriting, are HK$3,300,000 and are payable by our Company.

6. Registration procedures

Subject to the provisions of the Companies Law, our principal register of members will be maintained in the Cayman Islands by Appleby Trust (Cayman) Ltd. and a branch register of members of our Company will be maintained in Hong Kong by Tricor Investor Services Limited.

7. Preliminary expenses

Our estimated preliminary expenses are approximately HK$167,000 and are payable by us.

8. Promoter

Our Company has no promoter.

9. Qualifications of experts

The following are the qualifications of the experts which have given their opinion or advice which are contained in, or referred to in, this prospectus:

Expert	Qualification
Pan Asia	Licensed under the SFO for type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined under the SFO
SHINEWING (HK) CPA Limited	Certified Public Accountants
SHINEWING Tax and Business Advisory Limited	Tax consultant of our Group

Expert	Qualification
Peak Vision Appraisals Limited	Chartered professional surveyors and valuers
Patrick Chan & Co.	Legal advisers to our Company as to Hong Kong laws on titles to properties and other properties matters
Mr. Vincent C. W. Lam	Barrister-at-law, Hong Kong
King & Wood Mallesons	Legal advisers to our Company as to PRC laws
Appleby	Legal advisers to our Company as to Cayman Islands laws
WongPartnership LLP	Legal advisers to our Company as to Singapore laws
Ipsos	Independent industry consultant

10. Consents of experts

Each of Pan Asia, SHINEWING (HK) CPA Limited, SHINEWING Tax and Business Advisory Limited, Peak Vision Appraisals Limited, Patrick Chan & Co., Mr. Vincent C. W. Lam, King & Wood Mallesons, Appleby, WongPartnership LLP and Ipsos has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its reports, letters, valuation certificate, opinions or summaries of opinions (as the case may be) and the references to its name included herein in the form and context in which they are respectively included.

11. Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all person concerned bound by all of the provisions (other than penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

12. Bilingual prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided in Section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

13. Particulars of the Selling Shareholders

Name	Address	Number of Shares expected to be sold by the Selling Shareholders (assuming the Offer Size Adjustment Option is exercised in full)
Wong King Keung (黃景強)	Flat 3A, Prince Edward Towers 252–256 Prince Edward Road Kowloon Hong Kong	14,475,000
Tong Sai Wong (唐世煌)	Flat E, 14/F, Block 2 Pokfulam Gardens Pokfulam Road Hong Kong	7,425,000
Chan Wing Yiu (陳詠耀)	Flat A, 28/F Tower 8 The Wings 9 Tong Yin Street Tseung Kwan O The New Territories Hong Kong	7,425,000
Chan Wing Lun (陳永倫)	Flat D, 51F Tower 7 Park Avenue Tai Kok Tsui Kowloon Hong Kong	7,425,000
Lin Wing Ching (連永錚)	Flat C, 27/F One West Kowloon Tower 1 873 Lai Chi Kok Road Kowloon Hong Kong	750,000

14. Miscellaneous

(a) Save as disclosed in this prospectus:

(i) within the two years immediately preceding the date of this prospectus, neither we nor any of our subsidiaries has issued or agreed to issue any share or loan capital fully or partly paid up either for cash or for a consideration other than cash;

(ii) within the two years immediately preceding the date of this prospectus, no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(iii) within the two years immediately preceding the date of this prospectus, no commission has been paid or payable (except commission to the Underwriters or the sub-underwriters) to any persons for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any shares of our Company or any of our subsidiaries;

(iv) no founder, management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued;

(v) our Directors confirm that since 31 December 2014 (being the date on which the latest audited consolidated financial statements of the Group was made up), there has been no material adverse change in our financial or trading position or prospects;

(vi) our Directors confirm that there has not been any interruption in the business of our Company which may have or have had a material adverse effect on the financial position of our Company in the 12 months immediately preceding the date of this prospectus;

(vii) our Group has no outstanding hire purchase commitments, guarantees or other material contingent liabilities as at the Latest Practicable Date;

(viii) our Group has no outstanding convertible debt securities or debentures as at the Latest Practicable Date; and

(ix) none of Pan Asia, SHINEWING (HK) CPA Limited, SHINEWING Tax and Business Advisory Limited, Peak Vision Appraisals Limited, Patrick Chan & Co., Mr. Vincent C. W. Lam, King & Wood Mallesons, Appleby, WongPartnership LLP and Ipsos;

(A) is interested beneficially or non-beneficially in any Shares in any member of our Group; or

(B) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any Shares in any member of our Group.

(b) None of the equity and debt securities of our Group is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought.

(c) All necessary arrangements have been made enabling our Shares to be admitted into CCASS for clearing and settlement.

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were copies of the written consents referred to in the paragraph headed "E. Other Information — 10. Consents of experts" in Appendix VI to this prospectus, copies of the material contracts referred to in the paragraph headed "B. Further information about our business — 1. Summary of material contracts" in Appendix VI to this prospectus and the statement of particulars of the Selling Shareholders referred to in the paragraph headed "E. Other Information — 13. Particulars of the Selling Shareholders" in Appendix VI to this prospectus.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the offices of Kwok Yih & Chan at Suites 2103–5, 21st Floor, 9 Queen's Road Central, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this prospectus:

(a) the Memorandum of Association and the Articles of Association;

(b) the Accountants' Report prepared by SHINEWING (HK) CPA Limited, the text of which is set out in Appendix I to this prospectus;

(c) the audited combined financial statements of our Group for the two years ended 31 March 2014 and the nine months ended 31 December 2014;

(d) the letters prepared by SHINEWING (HK) CPA Limited relating to the unaudited pro forma financial information of our Group, the text of which are set out in Appendix II to this prospectus;

(e) the letters relating to the profit estimate, the texts of which are set out in Appendix III of this prospectus;

(f) the letter, summary of values and valuation certificates relating to the property interests of our Group prepared by Peak Vision Appraisals Limited, the text of which is set out in Appendix IV to this prospectus;

(g) the Hong Kong legal opinions in relation to properties situated in Hong Kong issued by Patrick Chan & Co., the legal advisers to our Company as to Hong Kong laws on titles to properties and other properties matters;

(h) the Hong Kong legal opinions in relation to compliance with the Predecessor Companies Ordinance and licensing matters of our Group issued by Mr. Vincent C. W. Lam, Barrister-at-law, Hong Kong;

(i) the letter of advice prepared by Appleby summarising certain aspects of the Cayman Islands company law referred to in Appendix V to this prospectus;

(j) the PRC legal opinion issued by King & Wood Mallesons, our PRC Legal Advisers;

(k) the Singapore legal opinion issued by WongPartnership LLP, our Singapore Legal Advisers, in respect of whether any licences, permits or approvals issued by any regulatory authority in Singapore are specifically required for the Group's provision of solutions for audiovisual conferencing, presentation and multimedia control systems including installation services, as well as audiovisual system maintenance services in Singapore under Singapore laws;

(l) the Ipsos Report;

(m) copies of the material contracts referred to in the paragraph headed "B. Further information about our business — 1. Summary of material contracts" in Appendix VI to this prospectus;

(n) the service agreements and letters of appointment referred to in the paragraph headed "C. Further information about our directors, management and staff — 2. Arrangement with our Directors — (a) Particulars of Directors' service agreements and letters of appointment" in Appendix VI to this prospectus;

(o) the written consents referred to in the paragraph headed "E. Other Information — 10. Consents of experts" in Appendix VI to this prospectus;

(p) the list containing the particulars of the Selling Shareholders as set out in the paragraph headed "Particulars of the Selling Shareholders" in Appendix VI to this prospectus;

(q) the Companies Law; and

(r) the Share Option Scheme.

i-Control Holdings Limited
超智能控股有限公司