
INDUSTRY OVERVIEW

The information contained in this section, unless otherwise indicated, have been derived from various official government publications and other publications generally believed to be reliable and the market research report prepared by Frost & Sullivan which we commissioned. We believe that the sources of such 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 in any material respect or that any fact has been omitted that would render such information false or misleading in any material respect. None of our Company, the Joint Sponsors, the [REDACTED], the [REDACTED] and the [REDACTED] or any of our or their respective directors, officers or representatives or any other person involved in the [REDACTED], except for Frost & Sullivan, has independently verified such information nor give any representation as to the accuracy or completeness of such information. As such, you should not unduly rely upon such information in making, or refraining from making, any investment decision.

SOURCE OF INFORMATION

We have commissioned Frost & Sullivan, an independent market research and consulting company, to conduct an analysis of, and to prepare a report on the professional sound, lighting, and stage design engineering services for events and concerts market in Hong Kong. The report prepared by Frost & Sullivan for us is referred to in this document as Industry Report. We agreed to pay Frost & Sullivan a fee of HK\$390,000 which we believe reflects market rates for reports of this type.

Founded in 1961, Frost & Sullivan has 40 offices with more than 2,000 industry consultants, market research analysts, technology analysts and economists globally. Frost & Sullivan’s services include technology research, independent market research, economic research, corporate best practices advising, training, client research, competitive intelligence and corporate strategy.

We have included certain information from the Industry Report in this document because we believe this information facilitates an understanding of the professional sound, lighting, and stage design engineering services for events and concerts market in Hong Kong for the prospective investors. The Industry Report includes information of the professional sound, lighting, and stage design engineering services for events and concerts market in Hong Kong as well as other economic data, which have been quoted in this document. Frost & Sullivan’s independent research consists of both primary and secondary research obtained from various sources in respect of the professional sound, lighting, and stage design engineering services for events and concerts market in Hong Kong. Primary research involved in-depth interviews with leading industry participants and industry experts. Secondary research involved reviewing company reports, independent research reports and data based on Frost & Sullivan’s own research database. Projected data were obtained from historical data analysis plotted against macroeconomic data with reference to specific industry-related factors. Except as otherwise noted, all of the data and forecasts contained in this section are derived from the Industry Report, various official government publications and other publications.

In compiling and preparing the research, Frost & Sullivan assumed that the social, economic and political environments in the relevant markets are likely to remain stable in the forecast period, which ensures the steady development of the professional sound, lighting, and stage design engineering services for events and concerts market in Hong Kong.

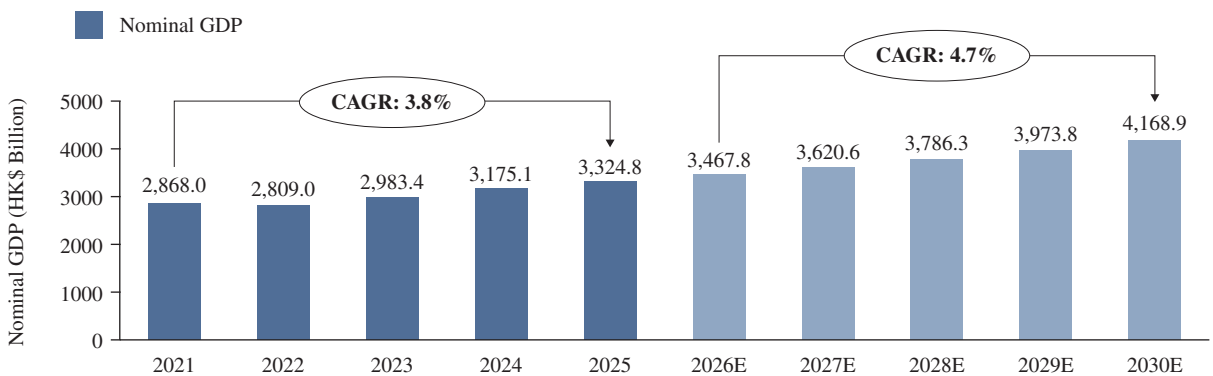
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MACRO ECONOMY OVERVIEW IN HONG KONG

Nominal GDP

Attributed to the increase in domestic demand and trade performance featured with recovery of economy in Europe and North America, the nominal GDP in Hong Kong has registered steady growth, from HK\$2,868.0 billion in 2021 to HK\$3,324.8 billion in 2025 at a CAGR of 3.8%. Moving forward, according to International Monetary Fund (“IMF”), Hong Kong’s economy is set to regain its momentum along with the recovery of tourism and consumption, the nominal GDP of Hong Kong is expected to grow from HK\$3,467.8 billion in 2026 to HK\$4,168.9 billion in 2030, representing a CAGR of approximately 4.7%.

Nominal GDP (Hong Kong), 2021–2030E

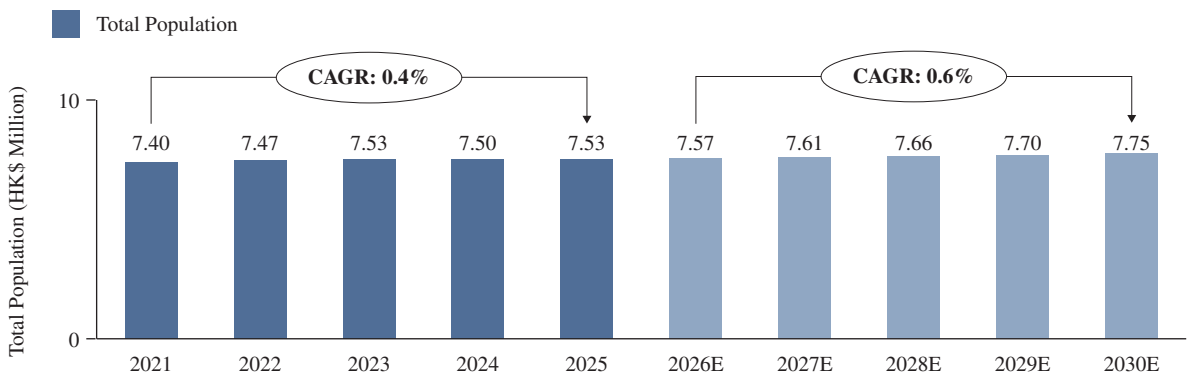


Source: International Monetary Fund (IMF), Frost & Sullivan

Total population

The population in Hong Kong has slightly increased from 7.40 million in 2021 to 7.53 million in 2025, with a CAGR of 0.4%. It is mainly due to government talent attraction schemes and labor importation programmes. With (i) the proactive approach in attracting more outside talent to settle in Hong Kong and (ii) fostering a supportive environment for raising families, the population growth is mild and is expected to maintain a CAGR of 0.6% from 2026 to 2030.

Total population (Hong Kong), 2021–2030E



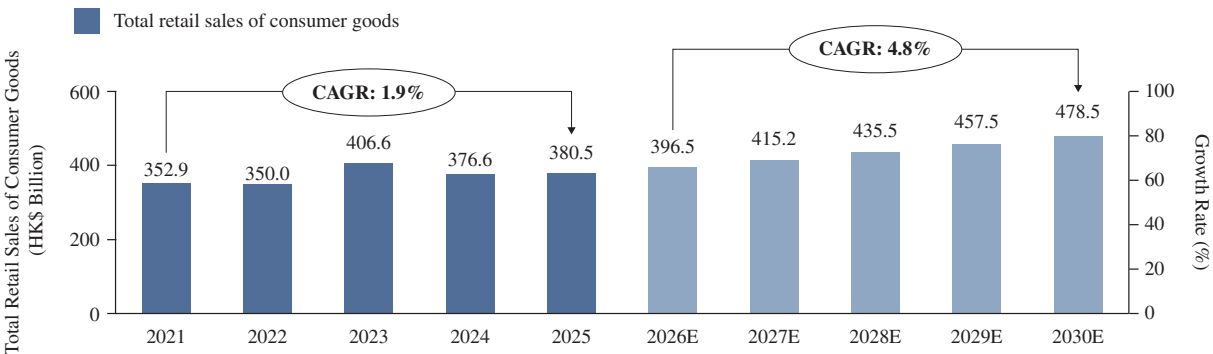
Source: International Monetary Fund (IMF), Frost & Sullivan

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Total retail sales of consumer goods

Hong Kong’s total retail sales of consumer goods grew moderately from HK\$352.9 billion in 2021 to HK\$380.5 billion in 2025, achieving a CAGR of 1.9%. The drop in total retail sales of consumer goods in Hong Kong in 2024 is primarily due to evolving consumption dynamics in the post-pandemic landscape. Key contributing factors included shifts in spending preferences among mainland Chinese visitors, who increasingly prioritised experiential, cultural, and entertainment options over traditional shopping; a relatively strong Hong Kong dollar that influenced regional price competitiveness; and greater outbound travel by local residents, including cross-border visits to nearby cities in the Greater Bay Area for leisure and purchases. These developments led to softer performance in certain discretionary categories, such as luxury goods, jewellery, and durable items. Despite significant disruptions to economic activities, particularly in offline retail due to the COVID-19 pandemic, increasing disposable income and effective government measures have driven the recovery of the consumption market. With stable economic growth and a strong rebound in the tourism sector, total retail sales of consumer goods are projected to continue rising, reaching HK\$478.5 billion by 2030, with a CAGR of 4.8% from 2026 to 2030.

Total retail sales of consumer goods (Hong Kong), 2021–2030E



Source: Census and Statistics Department of Hong Kong, Frost & Sullivan

OVERVIEW OF PROFESSIONAL SOUND, LIGHTING, AND STAGE DESIGN ENGINEERING SERVICES FOR EVENTS AND CONCERTS

Definition and classification

Professional sound, lighting, and stage design engineering services for events and concerts refer to the specialised technical expertise involved in planning, designing, installing, and operating high-quality audio, visual, and structural systems to deliver immersive live experiences. These services encompass (i) professional sound engineering to design and reinforce clear and powerful audio systems, (ii) lighting design and engineering to create dynamic visual atmospheres through precise control of intensity, colour, and movement, and (iii) stage design engineering to construct safe, functional, and aesthetically integrated performance platforms and structures. Together, they provide end-to-end technical solutions,

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including equipment supply, rigging, synchronisation, and on-site support, to ensure seamless integration of sound, light, and stage elements for concerts, music festivals, corporate events, and large-scale productions. Professional sound, lighting, and stage design engineering services for events and concerts are categorised into:

- *Professional lighting design and engineering services:* Professional lighting design and engineering focuses on creating visual atmospheres, directing audience attention, and enhancing the emotional and aesthetic impact of a performance through controlled use of light. It involves developing creative lighting concepts and plots that complement the event’s theme, music, or narrative. It also includes selecting, positioning, and programming lighting fixtures such as moving lights, LEDs, spotlights, and wash lights along with control systems, consoles, and software. Technical elements like rigging, power distribution, focusing, and synchronisation with music or cues are carefully managed. During the show, real-time operation adjusts intensity, colours, movement, and effects to create dynamic visuals. Lighting engineers and designers blend artistic vision with technical precision to transform a venue into an immersive environment, evoke moods, and highlight performers.
- *Professional stage design engineering services:* Professional stage design engineering, also referred to as event staging or production design, involves the structural planning, construction, and customisation of the physical performance area to support the show safely and aesthetically. It includes designing and building custom stages, risers, platforms, backdrops, set pieces, and multi-level structures. Rigging systems, trusses, and support for heavy equipment such as sound, lighting, video screens, and special effects are integrated. Functionality for performer movement, audience visibility, and technical requirements is ensured while meeting safety and load-bearing standards. Scenic elements, props, and theming are incorporated to align with the overall production vision. Stage design provides the foundational platform that unifies sound, lighting, and performance elements into a cohesive experience.
- *Combined services in events and concerts:* When offered together as professional sound, lighting, and stage design engineering services, these disciplines form the core of technical event production. Companies like AHM provide end-to-end solutions, including stage lighting and sound engineering for desired effects, equipment supply, installation, on-site operation, and support. The integrated approach ensures technical reliability, creative synergy, and a seamless live experience for concerts, music festivals, corporate events, sports ceremonies, and other large-scale productions.

Value chain analysis

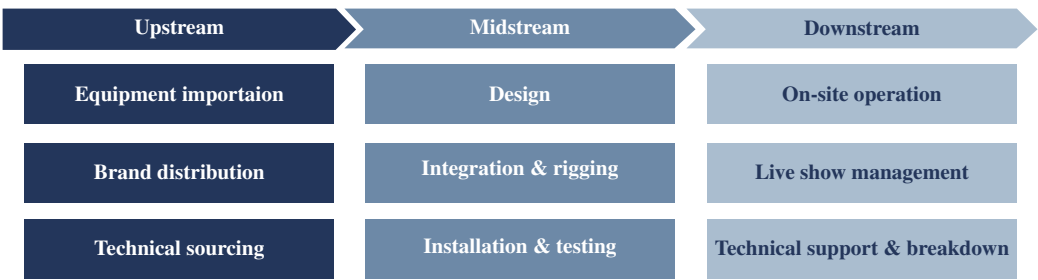
The upstream segment focuses on equipment procurement and supply, where the Group acts as a distributor to support its own projects and clients. It includes equipment importation and procurement of professional audio, lighting, video, and special effects gear from international manufacturers. It covers brand and product distribution, offering a wide range of sound systems, lighting fixtures, accessories, and related equipment for sale. It also involves technical sourcing and warehousing, maintaining inventory and spare parts to ensure quick availability for custom installations and event needs.

The midstream segment centres on design, integration, and permanent installation. It encompasses creative design, developing tailored sound, lighting, and stage solutions that match event themes, venue requirements, and client specifications. It includes integration and special effects engineering, combining audio, lighting, video, rigging, and special effects with proper synchronisation and power systems.

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Furthermore, it features venue installation and commissioning, providing professional design and installation services for theatres, sports arenas, auditoriums, conference centres, schools, malls, and hotels across Hong Kong, China, and overseas.

The downstream segment covers on-site event execution and full-service delivery, where the Group directly supports live productions. It includes on-site setup and operation, handling the rigging, setup, and live running of sound, lighting, and stage systems for concerts, festivals, corporate events, fashion shows, award ceremonies, and large-scale productions. It involves live show management and technical operation, with real-time control, mixing, cueing, and adjustments by experienced technicians to ensure flawless performance. Finally, it provides technical support, breakdown, and after-sales service, including troubleshooting during events, post-show dismantling, maintenance, and ongoing client assistance for reliability and satisfaction.



Source: Frost & Sullivan

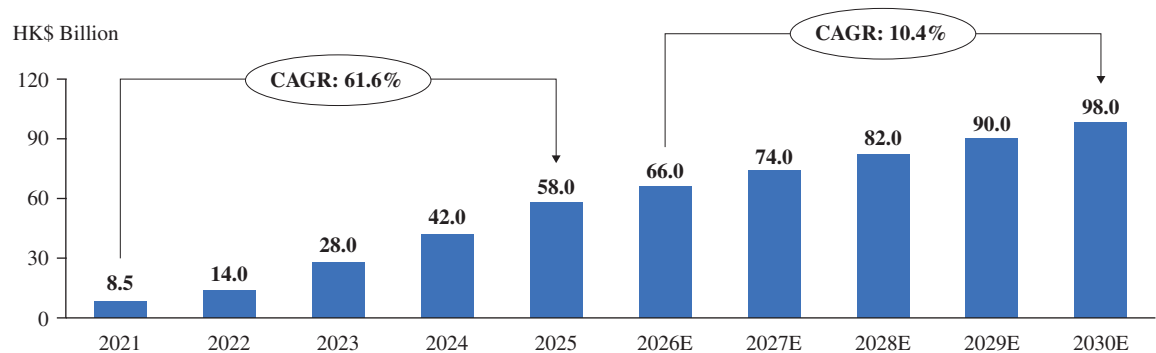
Market size of live music events in Greater Bay Area (“GBA”)

The live music events market in the Greater Bay Area experienced explosive growth between 2021 and 2025. In 2021, the market was severely suppressed at approximately HK\$8.5 billion due to strict COVID-19 restrictions and border closures across the region. A strong recovery began in 2022, with revenue rising to HK\$14.0 billion as pandemic measures eased. The market then accelerated dramatically in 2023 and 2024, reaching HK\$42.0 billion, driven by the full reopening of borders, resumption of large-scale concerts, and growing demand in Shenzhen, Guangzhou, and other GBA cities. In 2025, the market surged to around HK\$58.0 billion, fueled primarily by the opening of Kai Tak Sports Park in Hong Kong, which hosted numerous high-profile international concerts and attracted over 7 million visitors in its debut year, along with increased activity across the broader Greater Bay Area.

From 2026 to 2030, the live music events market in the Greater Bay Area is projected to grow at a CAGR of 10.4%. Revenue is expected to increase from approximately HK\$66.0 billion in 2026 to HK\$98.0 billion by 2030. This sustained growth will be supported by the full maturation of Kai Tak Sports Park, continued government “mega events” policies in Hong Kong and mainland GBA cities, deeper regional integration, and the development of new performance venues across Shenzhen, Guangzhou, and Zhuhai. Rising disposable income, growing middle-class demand for live entertainment, and the attraction of more international artists will further drive long-term expansion in the region.

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Market size of live music events (Greater Bay Area), 2021–2030E



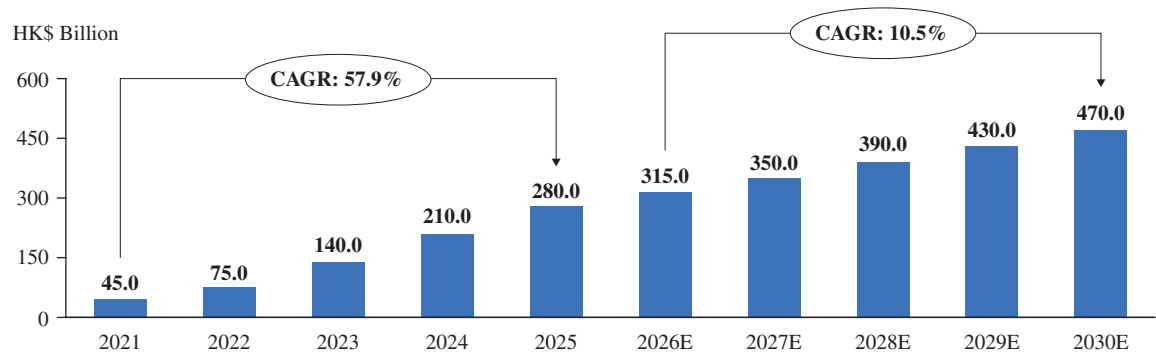
Source: Frost & Sullivan

Market size of corporate/MICE, sports, exhibitions & other events in Greater Bay Area

The corporate/MICE, sports, exhibitions & other events market in the Greater Bay Area witnessed a strong recovery between 2021 and 2025. In 2021, the market was heavily suppressed at approximately HK\$45.0 billion due to stringent COVID-19 restrictions and border closures that led to widespread event cancellations. Recovery began in 2022 with revenue reaching HK\$75.0 billion as pandemic measures were gradually relaxed. The market then accelerated sharply in 2023 and 2024, climbing to HK\$210.0 billion, driven by the full reopening of borders, resumption of large-scale exhibitions, corporate events, and sports activities. In 2025, the market grew further to around HK\$280.0 billion, supported by the opening of Kai Tak Sports Park, increased MICE visitor arrivals, and stronger demand for corporate and exhibition events across Hong Kong, Shenzhen, and Guangzhou.

From 2026 to 2030, the corporate/MICE, sports, exhibitions & other events market in the Greater Bay Area is expected to grow at a CAGR of 10.5%. Revenue is projected to increase from approximately HK\$315.0 billion in 2026 to HK\$470.0 billion by 2030. This consistent growth will be underpinned by the full operational maturity of Kai Tak Sports Park, deeper regional integration under the Greater Bay Area initiative, continuous government support for the mega events economy, and the development of new exhibition and sports venues across the region. Rising corporate activity, growing demand for incentive travel and international exhibitions, and improved connectivity between Hong Kong and mainland GBA cities will further drive long-term expansion in this segment.

Market size of corporate/MICE, sports, exhibitions & other events (Greater Bay Area), 2021–2030E



Source: Frost & Sullivan

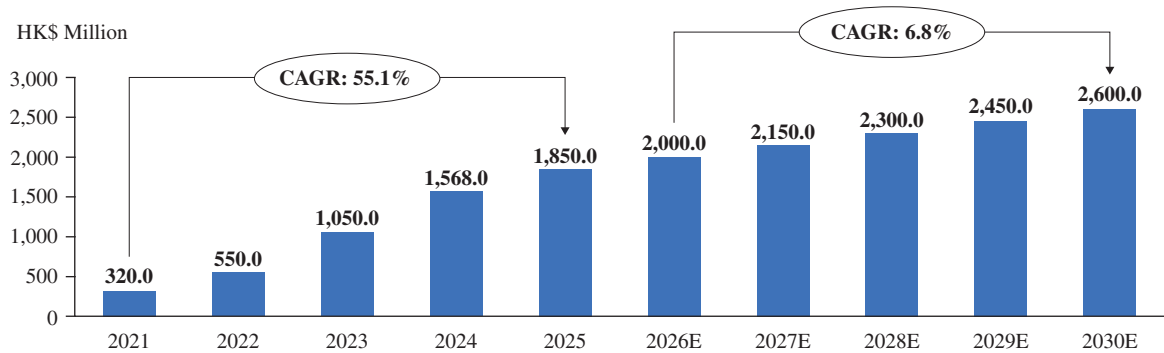
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Market size of live music events in Hong Kong

The market size of live music events in Hong Kong experienced a rapid recovery from HK\$320.0 million in 2021 to HK\$1,850.0 million in 2025 at a CAGR of 55.1%. In 2021, revenue remained extremely low due to stringent COVID-19 restrictions and border closures, which severely limited live performances. A strong rebound began in 2022 as social distancing measures were gradually relaxed. The market accelerated sharply in 2023 following the full reopening of borders, reaching approximately HK\$1,050.0 million. Growth continued steadily through 2024 and surged significantly in 2025, driven primarily by the opening of Kai Tak Sports Park in March 2025. The new venue hosted numerous large-scale concerts and attracted over 7 million visitors in its debut year, pushing market size of live music events to around HK\$1,850.0 million in 2025.

From 2026 to 2030, market size of live music events is projected to grow at a more moderate but steady pace. Revenue is expected to increase from approximately HK\$2,000.0 million in 2026 to HK\$2,600.0 million by 2030 at a CAGR of 6.8%. This sustained growth will be supported by the full operational maturity of Kai Tak Sports Park, the Hong Kong Government’s ongoing “mega events economy” policy, and Hong Kong’s positioning as a regional entertainment hub. Continued integration with the Greater Bay Area, the attraction of more international artists, and the rising frequency of large-scale concerts and music festivals will contribute to stable long-term expansion in the music events sector.

Market size of live music events (Hong Kong), 2021–2030E



Source: Frost & Sullivan

Market size of corporate/MICE, sports, exhibitions & other events in Hong Kong

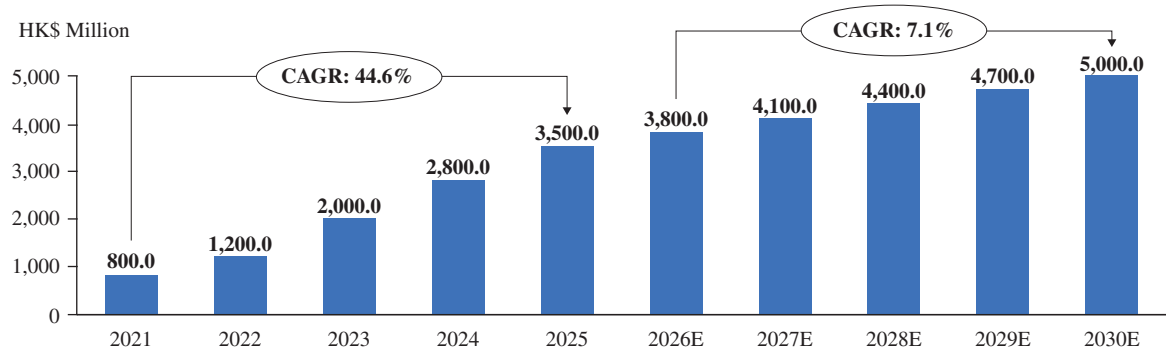
The corporate/MICE, sports, exhibitions & other events market size experienced a sharp recovery between 2021 and 2025. In 2021, activity was severely suppressed due to stringent COVID-19 restrictions, border closures, and the cancellation of most large-scale events, resulting in very low revenue. A gradual rebound began in 2022 as pandemic measures eased. The market accelerated significantly in 2023 following the full reopening of Hong Kong’s borders, with strong growth continuing into 2024. Market size reached approximately HK\$2,800.0 million in 2024, supported by the resumption of exhibitions, corporate events, and incentive programmes. The year 2025 marked a notable acceleration, driven by the opening of Kai Tak Sports Park, increased MICE visitor arrivals, and the government’s push for mega events, pushing revenue to around HK\$3,500.0 million.

From 2026 to 2030, corporate/MICE, sports, exhibitions & other events market size is expected to grow steadily at a CAGR of 7.1%. Market size is projected to rise from approximately HK\$3,800.0 million in 2026 to HK\$5,000.0 million by 2030. This sustained growth will be underpinned by the

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continued operation and maturation of Kai Tak Sports Park, the stable recovery of the MICE sector with consistent overnight visitor numbers, and the Hong Kong Government’s long-term strategy to develop the events economy. Increasing integration with the Greater Bay Area, rising demand for corporate incentive events, and the expansion of sports and cultural exhibitions will further support steady revenue growth throughout the second half of the decade.

Market size of corporate/MICE, sports, exhibitions & other events (Hong Kong), 2021–2030E



Source: Frost & Sullivan

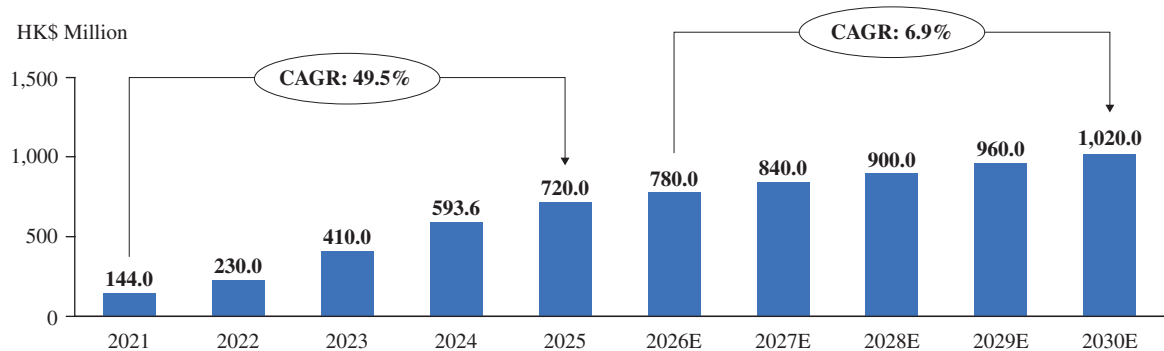
Market size of professional sound, lighting, and stage design engineering services for events and concerts in Hong Kong

The total technical services market size for professional sound, lighting, and stage design engineering services in Hong Kong grew rapidly from HK\$144.0 million in 2021 to HK\$720.0 million in 2025 at a CAGR of 49.5%. This strong upward trend was primarily driven by the sharp post-COVID recovery of the live events sector, the full reopening of borders in early 2023, and the gradual resumption of large-scale concerts and corporate events. The market experienced significant acceleration in 2024 and 2025 following the opening of Kai Tak Sports Park, which hosted over 90 major events and attracted more than 7 million visitors in its debut year, substantially increasing demand for high-quality sound, lighting, and stage engineering services.

From 2026 to 2030, the total technical services market is projected to grow steadily from HK\$780.0 million to HK\$1,020.0 million at a CAGR of 6.9%. This sustained growth is supported by the continued operation and full utilisation of Kai Tak Sports Park, the Hong Kong Government’s proactive mega events economy policy, and the ongoing recovery and expansion of the MICE sector. Increasing integration with the Greater Bay Area and the rising number of international concerts, sports events, and large-scale corporate productions are expected to drive consistent demand for professional technical services in the near future.

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Market size of professional sound, lighting, and stage design engineering services for events and concerts (Hong Kong), 2021–2030E



Source: Frost & Sullivan

Market drivers and trends

1. Kai Tak Sports Park as a catalyst for growth

The opening of Kai Tak Sports Park in March 2025 has emerged as the most powerful catalyst for the professional sound, lighting, and stage design engineering sector in Hong Kong. The world-class venue, featuring a 50,000-seat main stadium with a retractable roof and multiple indoor arenas, hosted over 90 major events and attracted more than 7 million visitors in its debut year. High-profile international concerts, including those by Coldplay and other global artists, have demanded advanced sound reinforcement systems, sophisticated moving-head and LED lighting rigs, complex stage structures, and seamless audio-visual integration. This has significantly boosted demand for technical services, particularly for large-scale productions that require precise rigging, power distribution, and real-time show control.

2. Government mega events policy and tourism strategy

The Hong Kong Government’s aggressive “mega events economy” strategy, supported by the Development Blueprint for Hong Kong’s Tourism Industry 2.0, continues to drive substantial market growth. Through financial incentives, streamlined licensing, and active promotion of international events, the government aims to establish Hong Kong as Asia’s leading events destination. This policy has not only increased the frequency of large concerts and festivals but also encouraged premium corporate and cultural productions. As a result, technical service providers are benefiting from a more consistent pipeline of high-value projects that require professional sound engineering, creative lighting design, and custom stage construction.

3. Recovery and expansion of the MICE sector

The strong recovery of the Meetings, Incentives, Conferences, and Exhibitions (MICE) sector has provided a stable and growing foundation for technical services demand. In 2024-2025, Hong Kong hosted over 350 exhibitions and conventions, attracting 9.17 million participants and approximately 1.42 million overnight MICE visitors. Many of these events, including product launches, gala dinners, award ceremonies, and trade shows, require sophisticated yet flexible sound systems, dynamic lighting, and custom stage setups. The increasing preference for hybrid and immersive formats has further elevated the need for advanced technical integration, creating steady year-round business opportunities beyond seasonal concert peaks.

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4. *Technological advancement and demand for immersive experiences*

Rapid technological advancements are reshaping client expectations, pushing the sector toward more immersive and technically sophisticated productions. There is growing demand for intelligent lighting systems, networked audio solutions with low latency, large-format LED video walls, automated rigging, and synchronised multi-element control systems. Events are increasingly designed to deliver memorable sensory experiences, requiring technical teams to deliver higher levels of creativity, precision, and reliability. This trend favors companies with strong engineering capabilities and the ability to integrate cutting-edge equipment seamlessly into both temporary and permanent installations.

Market Opportunities

1. *Greater Bay Area integration and long-term outlook*

Deepening integration with the Greater Bay Area is creating new cross-border opportunities and expanding the overall market horizon. Hong Kong’s strategic location, combined with its world-class infrastructure and international reputation, positions it as a natural hub for regional events. Looking ahead to 2030, the sector is expected to benefit from a sustained pipeline of international concerts, major sports tournaments, cultural festivals, and premium corporate events. Emphasis on sustainability, operational efficiency, and high production standards will continue to shape the competitive landscape, rewarding technically capable and innovative service providers.

2. *Growing need for technical maintenance and long-term venue partnerships*

With the increasing number of permanent and semi-permanent installations at new venues like Kai Tak Sports Park and upgraded convention facilities, there is rising demand for ongoing technical maintenance, system upgrades, and long-term service contracts. Opportunities exist in annual maintenance agreements, equipment retrofitting, staff training, and standby technical support for major venues. Companies that can provide reliable after-sales service and venue partnership models are well-placed to secure recurring revenue streams and build stable, long-term relationships with venue operators and frequent event organisers.

Market Challenges

1. *Intense competition and price pressure*

The market faces intense competition from both local and regional technical service providers, including mainland Chinese companies that offer lower-cost solutions. With many new entrants attracted by the post-pandemic recovery and Kai Tak Sports Park opportunities, price competition has become fierce, particularly for mid-to-large scale events. This pressure often squeezes profit margins and forces companies to compete aggressively on pricing rather than on quality, innovation, or technical expertise, making it difficult for established players like AHM Engineering to maintain premium positioning.

2. *Shortage of skilled technical talent*

A significant challenge is the acute shortage of experienced and qualified technical personnel, including sound engineers, lighting designers, rigging specialists, and system integration technicians. The rapid growth in large-scale events driven by Kai Tak Sports Park and the mega events policy has increased demand for skilled manpower, but the local talent pool has not grown at the same pace. Many professionals have left the industry during the COVID-19 period or moved to higher-paying markets, resulting in higher recruitment costs, increased reliance on freelance or overseas talent, and potential quality and safety risks during tight production schedules.

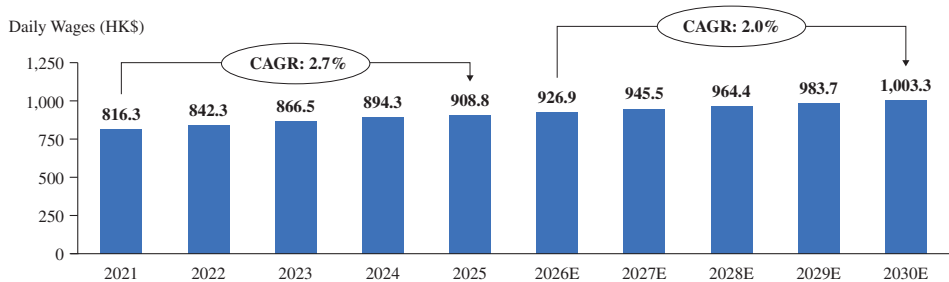
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COST ANALYSIS

Average daily wages

The average daily wages of craftsmen and operatives in Hong Kong’s professional sound, lighting, and stage design engineering services for events and concerts exhibited a steady upward trend from 2021 to 2025, rising from HK\$816.3 in 2021 to HK\$908.8 in 2025, representing a CAGR of 2.7%. This consistent wage growth was primarily driven by the strong post-COVID recovery of the live events industry, surging demand for skilled technical personnel following the full reopening of borders in 2023, and the significant boost from the opening of Kai Tak Sports Park in March 2025. The heightened complexity of large-scale productions, coupled with a persistent shortage of experienced technicians in sound, lighting, and rigging, further intensified competition for talent, pushing wages higher. Additionally, the Hong Kong Government’s “mega events economy” policy and the expansion of the MICE sector contributed to sustained demand, supporting continued wage growth through 2025. The average daily wages of craftsmen and operatives in Hong Kong’s professional sound, lighting, and stage design engineering services for events and concerts are expected to grow at a CAGR of 2.0% from 2026 to 2030, reaching HK\$1,003.3 in 2030.

Average Daily Wages of Craftsmen and Operatives (Hong Kong), 2021–2030E



Source: Census and Statistics Department of Hong Kong, Frost & Sullivan

COMPETITIVE LANDSCAPE OF PROFESSIONAL SOUND, LIGHTING, AND STAGE DESIGN ENGINEERING SERVICES FOR EVENTS AND CONCERTS MARKET IN HONG KONG

The Hong Kong market for professional sound, lighting, and stage design engineering services is moderately fragmented and competitive. It is estimated that there are more than 50 companies operating in the broader AV rental and technical production space, ranging from small operators focused on corporate events, weddings, and basic rentals to mid-sized firms handling exhibitions and mid-scale productions.

However, the segment capable of delivering large-scale concerts, stadium-level productions, such as those at Kai Tak Sports Park, and major MICE events is much more concentrated. It is estimated that only 10-15 players possess the necessary scale, extensive equipment inventories, including large speaker arrays, advanced lighting rigs, heavy rigging systems, and LED solutions, experienced technical crews, rigging expertise, and a proven track record with high-profile international and local events.

The competitive landscape features a mix of long-established local specialists and larger regional or international AV groups. Intense price pressure exists while large-scale projects are often won through demonstrated technical reliability, equipment quality, and strong relationships with venues, promoters, and event organisers. The opening of Kai Tak Sports Park in March 2025 has intensified competition, as it has increased demand for sophisticated, large-scale technical solutions while attracting more capable players.

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Our Group is the second largest professional sound, lighting, and stage design engineering services provider for events and concerts by revenue in Hong Kong in 2025, accounting for a market share of 22.8%.

Ranking and market share of top five professional sound, lighting, and stage design engineering services providers for events and concerts by revenue (Hong Kong), 2025

Ranking	Company	Revenue (HK\$ Million)	Market Share (%)
1	Company A	180.0	25.0%
2	The Group	163.8	22.8%
3	Company B	65.0	9.0%
4	Company C	55.0	7.6%
5	Company D	40.0	5.6%
	Top 5 Subtotal	503.8	70.0%
	Others	216.2	30.0%
	Total Market Size	720.0	100.0%

Source: Frost & Sullivan

Notes:

1. Company A is a Hong Kong-based provider of technical production and creative solution services for events and live performances, as well as concert organisation. It offers integrated services including stage design, audio, lighting, project management and full concert promotion.
2. Company B is a specialist distributor of professional audio, lighting and staging products for the entertainment industry. It provides sales, installation, technical services, design and consultancy, as well as full production support for concerts, festivals, theatre, television and corporate events, covering sound, lighting, visual and staging solutions for both entertainment and architectural applications.
3. Company C is a Hong Kong-based audio-visual services provider offering one-stop solutions for live and virtual events. It specialises in professional AV rental, technical production, lighting, video and related support for conferences, exhibitions, gala dinners, outdoor events, ceremonies and other occasions across Hong Kong and the region.
4. Company D is a provider of professional audio, lighting, LED wall/video and stage equipment rental and production services. It delivers high-end, customised solutions for corporate conferences, weddings, concerts, dinners and other events.

Entry barriers

1. High capital investment requirement

Entering the professional sound, lighting, and stage design engineering services market in Hong Kong demands substantial upfront capital investment. Companies must maintain a large and diverse inventory of high-end equipment, including advanced speaker arrays, moving-head and LED lighting fixtures, heavy-duty trussing and rigging systems, control consoles, and power distribution units. In addition, significant investment is required for warehousing, transportation vehicles, regular equipment maintenance, and insurance. Given the rapid pace of technological advancement, continuous capital expenditure is necessary to keep the equipment fleet current, making it difficult for new entrants with limited financial resources to compete effectively with established players.

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2. *Need for skilled technical expertise and experienced crew*

A critical entry barrier is the shortage of qualified and experienced technical personnel. Successfully delivering large-scale concerts and major events requires highly skilled sound engineers, lighting designers, rigging specialists, system integrators, and on-site crew with proven experience in complex productions. Building such a competent team takes years of training and hands-on exposure to high-pressure live environments. New entrants often struggle to attract and retain talent, especially when competing against established companies that offer better career stability, higher compensation, and access to prestigious projects such as those at Kai Tak Sports Park.

3. *Established relationships and track record requirements*

Strong relationships with venue operators, event promoters, production managers, and government licensing bodies represent another significant barrier to entry. Major clients, particularly for Kai Tak Sports Park productions and large MICE events, prefer working with companies that have a demonstrated track record of reliability, technical excellence, and successful delivery under tight deadlines. New players find it challenging to win high-profile contracts without an established reputation and long-term industry connections. Furthermore, compliance with strict safety regulations, licensing requirements, such as Places of Public Entertainment Licence, and structural certification further favors incumbents who already understand the complex regulatory landscape.

Factors of competition

1. *Equipment quality and technological capability*

One of the most critical factors of competition in Hong Kong’s professional sound, lighting, and stage design engineering market is the quality, modernity, and scale of equipment inventory. Companies that invest in state-of-the-art sound systems, intelligent lighting fixtures, large-format LED displays, automated rigging, and advanced control platforms have a distinct competitive advantage. Clients, especially for large-scale concerts at Kai Tak Sports Park and high-profile events, increasingly demand reliable, high-performance, and visually impressive technical solutions. Firms with superior and well-maintained equipment fleets are better positioned to win major projects and command premium pricing.

2. *Technical expertise and service reliability*

Technical expertise combined with consistent on-site execution and reliability forms another major competitive factor. The ability to deliver flawless sound reinforcement, precise lighting design, safe and efficient rigging, and seamless system integration under tight timelines and high-pressure conditions is highly valued. Experienced crews, strong project management capabilities, and a proven track record of successful event delivery significantly influence client decisions. Companies that can consistently provide professional, responsive, and technically excellent service tend to build long-term relationships with promoters, venue operators, and event organisers.

3. *Price competitiveness and value proposition*

Price remains a strong factor of competition, particularly in the mid-to-large event segment. While top-tier clients prioritise quality and reliability for flagship productions, many corporate, MICE, and mid-scale concert organisers are highly price-sensitive. Companies must balance competitive pricing with acceptable profit margins while offering strong value through bundled services, flexible packages, and efficient operations. The ability to provide cost-effective yet high-quality technical solutions without compromising safety or performance is essential for gaining and retaining market share in Hong Kong’s competitive environment.