

HISTORY, REORGANISATION AND GROUP STRUCTURE

HISTORY AND DEVELOPMENT

Our Company

Our Company was incorporated in the Cayman Islands on 26 April 2013 as an investment holding company. As at the Latest Practicable Date, our Company had an authorised share capital of HK\$100,000,000 divided into 10,000,000,000 Shares of par value of HK\$0.01 each, of which 1,000 Shares had been issued and allotted to the Controlling Shareholders.

Our business history

The history of our Group can be traced back to 1992 when ICO HK was founded by Mr. Lee and Mr. Yong and the other partners. The investments in our Group by Mr. Lee and Mr. Yong were financed by their own fund. Since the commencement of business in 1993 and up to 1995, our Group was engaged in IT consultancy and services. In 1995, after the establishment of ICO Technology, our business grew rapidly and we commenced the provision of IT application and solution development, and have since then expanded and diversified our services to include secondment services, maintenance and support services and IT infrastructure solutions. Until 2009, our Group stepped in the PRC and started the business in IT programming solution development and application implementation in the PRC. During the Track Record Period, our business in the PRC has become stagnant and Tian Li Shi has suspended its business as at the Latest Practicable Date.

Our business milestones

Our Group milestones since the establishment and up to the Latest Practicable Date are set out below:

Year	Major development and achievements
1992	<ul style="list-style-type: none">● ICO HK was established in Hong Kong
1995	<ul style="list-style-type: none">● ICO Technology was established in Hong Kong● We began to develop secondment services in Hong Kong
1999	<ul style="list-style-type: none">● We partnered with multinational technology and consulting corporation to develop computerised social security system for a government body
2005	<ul style="list-style-type: none">● We were awarded a tender by a government body as the main contractor
2006	<ul style="list-style-type: none">● We began to provide IT infrastructure solutions in Hong Kong
2008	<ul style="list-style-type: none">● ICO HK entered into an agreement with a global transport and logistics company for the development of its accounting control system as the main contractor

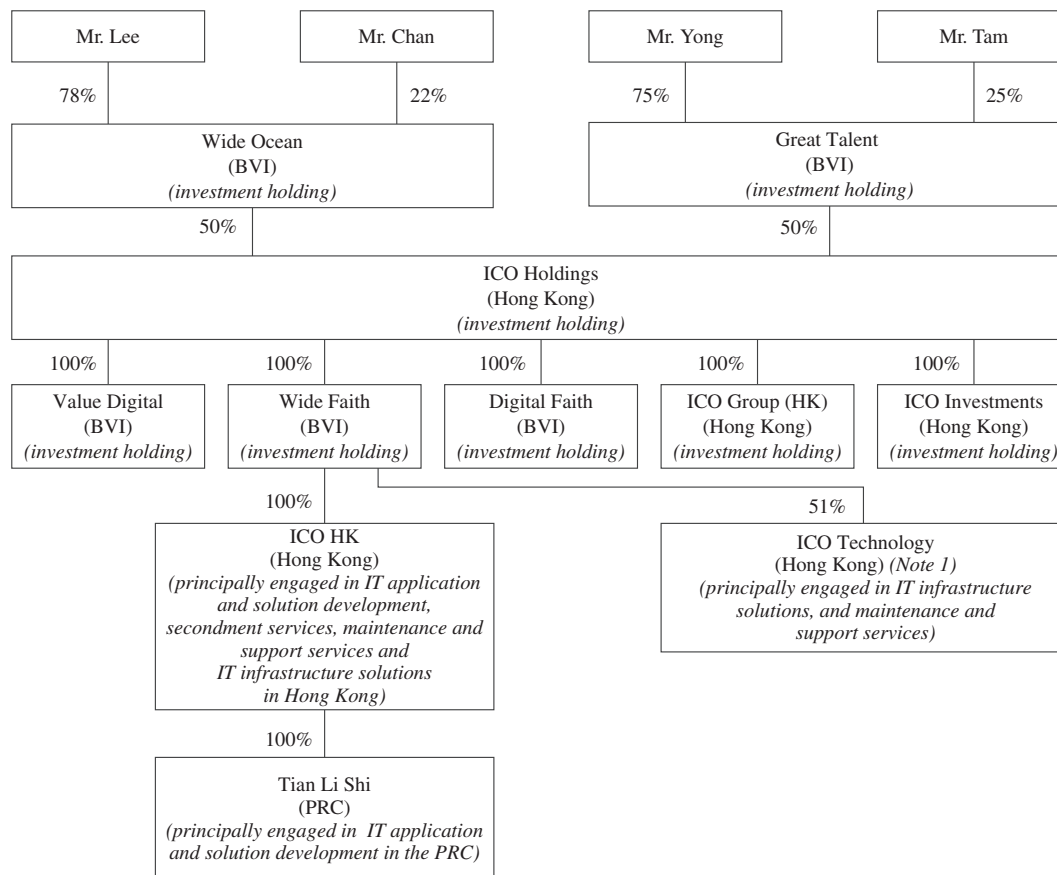
For further particulars on business strategies of our Group, please refer to the section headed "Business" to this [REDACTED].

HISTORY, REORGANISATION AND GROUP STRUCTURE

1. Corporate structure of our Group

As at the Latest Practicable Date, we had two operating subsidiaries in Hong Kong, namely ICO HK and ICO Technology, and one operating subsidiary in the PRC namely Tian Li Shi, details of which are set out in this section below.

The following chart sets out the shareholding and corporate structure, place of incorporation and principal business activities of our Group as at the Latest Practicable Date:



Note 1: As at the Latest Practicable Date, ICO Technology was held by Wide Faith and Raceline as to 51% and 49% respectively; Raceline is beneficially owned by Mr. Leung and Mr. Ho as to 60% and 40% respectively. Both Mr. Ho and Mr. Leung are directors of ICO Technology and senior management of our Group.

Wide Ocean

Wide Ocean was incorporated in the BVI with limited liability on 1 February 2000 for investment holding purposes. On 3 March 2000, 2 shares were allotted and issued to Mr. Lee and Mr. Chan equally fully paid at par. On 8 September 2006, 98 fully paid shares were allotted and issued to Mr. Lee and Mr. Chan equally at par and on the same day Mr. Chan transferred his 28 shares in Wide Ocean to Mr. Lee at a consideration of HK\$1,750,000. Since then and as at the Latest Practicable Date, Wide Ocean was owned by Mr. Lee and Mr. Chan as to 78% and 22% respectively.

HISTORY, REORGANISATION AND GROUP STRUCTURE

Great Talent

Great Talent was incorporated in the BVI with limited liability on 10 February 2000 for investment holding purposes. On 3 March 2000, two shares were allotted and issued to Mr. Yong and Mr. Tam equally fully paid at par. By a declaration of trust dated 1 April 2012 made by Mr. Tam, Mr. Tam declared that he held 50% beneficial interest in the one share of Great Talent registered in his name on trust for the benefit of Mr. Yong since 1 April 2012. On 19 November 2013, Mr. Tam and Mr. Yong cancelled the trust arrangement and Great Talent allotted and issued 74 shares of US\$1.00 each to Mr. Yong at par and 24 shares of US\$1.00 each to Mr. Tam at par, all credited as fully paid. Accordingly, Mr. Yong and Mr. Tam held the equity interest in Great Talent in proportion of 75% and 25% respectively.

ICO Holdings

ICO Holdings was incorporated in Hong Kong with limited liability on 15 March 2000 as an investment holding company with an authorised share capital of HK\$10,000 divided into 10,000 ordinary shares of HK\$1.00 each and all of which were subscribed by Wide Ocean and Great Talent equally. After the Reorganisation as set out in the paragraph "Reorganisation" in this section, ICO Holdings became an indirect wholly-owned subsidiary of our Company.

Value Digital

Value Digital is an indirect wholly-owned subsidiary of our Company and wholly owned by ICO Holdings. It was incorporated in the BVI with limited liability on 17 May 2002 for investment holding purpose. At the time of incorporation, one fully paid share was issued to its subscriber and immediately transferred to ICO Holdings on the same day.

Wide Faith

Wide Faith is an indirect wholly-owned subsidiary of our Company and wholly owned by ICO Holdings. It was incorporated in the BVI with limited liability on 5 January 2000 for investment holding purposes. At the time of incorporation, 25 fully paid shares were issued to each of Mr. Chan, Mr. Lee, Mr. Tam and Mr. Yong. On 28 March 2000, each of Mr. Chan, Mr. Lee, Mr. Tam and Mr. Yong transferred their respective shares in Wide Faith to ICO Holdings.

Digital Faith

Digital Faith is an indirect wholly-owned subsidiary of our Company and wholly owned by ICO Holdings. It was incorporated in the BVI with limited liability on 2 January 2002 for investment holding purpose. At the time of incorporation, one fully paid share was issued to its subscriber and immediately transferred to ICO Holdings on the same day.

HISTORY, REORGANISATION AND GROUP STRUCTURE

ICO Group (HK)

ICO Group (HK) is an indirect wholly-owned subsidiary of our Company and wholly owned by ICO Holdings for investment holding purpose. It was incorporated in Hong Kong with limited liability on 6 May 2013 with an authorised share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each, of which one share was subscribed by ICO Holdings at the time of incorporation.

ICO Investments

ICO Investments is an indirect wholly-owned subsidiary of our Company and wholly owned by ICO Holdings. It was incorporated in Hong Kong with limited liability on 18 April 2013 with an authorised share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each, of which one subscriber share was allotted and issued to ICO Holdings at the time of incorporation.

ICO Investments is the registered owner and applicant of all the trademarks of our Group.

ICO HK

ICO HK is an indirect wholly-owned subsidiary of our Company and beneficially wholly owned by Wide Faith. It was incorporated in Hong Kong with limited liability on 29 October 1992, with an initial authorised share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each, of which two shares were fully paid and issued to its subscribers. On 3 December 1992, ICO HK's subscriber shares were transferred equally to Technix Technology Limited (formerly known as Technix Limited) ("Technix") at par, which was then held by Mr. Lee, Mr. Yong, Mr. Chan Kwok Fai and Mr. Cheung Siu Nang Bruce in equal shares, and New Method Consultants Limited ("New Method") at par, which was then held by Mr. Shiu Wai Tat and Mr. Tam in equal shares. On 15 December 1992 the authorised share capital of ICO HK was increased from HK\$10,000 to HK\$200,000 by the creation of 190,000 new shares of HK\$1.00 each and each of Technix and New Method was allotted and issued 99,999 shares of ICO HK on 15 December 1992 at par. On 6 June 1996, Technix transferred its 100,000 shares in ICO HK to Mr. Lee and Mr. Tam in equal shares at a total consideration of HK\$100,000, and New Method transferred its 100,000 shares in ICO HK to Mr. Yong and Mr. Chan in equal shares at a total consideration of HK\$100,000. ICO HK was then directly owned as to 25% by Mr. Lee, 25% by Mr. Chan, 25% by Mr. Yong and 25% by Mr. Tam.

On 24 January 1997, the registered share capital of ICO HK was increased from HK\$200,000 to HK\$1,000,000 by the creation of 800,000 new shares of HK\$1.00 each and these 800,000 new shares were allotted and issued to Mr. Lee, Mr. Chan, Mr. Yong and Mr. Tam in equal numbers at par so as to allow each of them to maintain their 25% equity interest in ICO HK.

On 8 November 2000, Mr. Lee, Mr. Chan, Mr. Yong and Mr. Tam collectively transferred each of their shareholdings in ICO HK to Wide Faith at a total consideration of HK\$1,000,000 and Wide Faith transferred 1 share in ICO HK to Great Talent, which held the share on trust for Wide Faith. As at the Latest Practicable Date, ICO HK was a direct wholly-owned subsidiary of Wide Faith and an indirect wholly-owned subsidiary of our Company.

HISTORY, REORGANISATION AND GROUP STRUCTURE

ICO HK has been providing IT consultancy and services since 1993 and is currently engaged in (i) IT application and solution development; (ii) secondment services; (iii) maintenance and support services; and (iv) IT infrastructure solutions in Hong Kong.

Tian Li Shi

Tian Li Shi is a wholly foreign-owned enterprise incorporated in the PRC on 1 September 2009 with a registered capital of HK\$600,000. The relevant business licence was granted to Tian Li Shi on 1 September 2009. According to the business licence, the scope of business of Tian Li Shi includes IT consultancy services, computer systems integration, IT application implementation and design, etc. The paid up capital of Tian Li Shi amounted to HK\$600,000, all of which was contributed by ICO HK. As at the Latest Practicable Date, Tian Li Shi remained a direct wholly-owned subsidiary of ICO HK and an indirect wholly-owned subsidiary of our Company.

During the Track Record Period, Tian Li Shi was principally engaged in the provision of IT application and solution development in the PRC. However, its business has become stagnant since mid-2012. Tian Li Shi has suspended its business operation since April 2012. Our Directors confirm that there are no outstanding warranties from our PRC business. Our Directors will review the future business development of Tian Li Shi and its role in our Group. As at the Latest Practicable Date, our Group has no current business operation in the PRC.

ICO Technology

ICO Technology, the other operating arm of our Group, was incorporated in Hong Kong with limited liability on 26 September 1995 by Mr. Lee, Mr. Tam and Mr. Chan with an authorised share capital of HK\$500,000 divided into 500,000 shares of HK\$1.00 each of which an initial 150,000 shares were allotted and issued to Mr. Lee, Mr. Tam and Mr. Chan equally at par. On 18 July 1996, Mr. Lee and Mr. Chan transferred their respective 50,000 shares in ICO Technology to ICO HK each at a consideration of HK\$50,000 and Mr. Tam transferred his 50,000 shares in ICO Technology to Excel Systems Limited ("Excel") at a consideration of HK\$50,000. On 19 July 1996, the authorised share capital of ICO Technology was increased to HK\$1,000,000 by the creation of 500,000 new shares of HK\$1.00 each. Following the increase of its authorised share capital, on 19 July 1996, 300,000 shares were allotted and issued to ICO HK and 550,000 shares were allotted and issued to Excel by subscription. On 13 January 1998, ICO HK acquired the 600,000 shares in ICO Technology from Excel at a consideration of HK\$600,000 and transferred the entire shareholding in ICO Technology to Mr. Lee, Mr. Chan, Mr. Yong and Mr. Tam equally at a total consideration of HK\$1,000,000. ICO Technology was then directly owned as to 25% by Mr. Lee, 25% by Mr. Chan, 25% by Mr. Yong and 25% by Mr. Tam. On 8 November 2000, Mr. Lee, Mr. Chan, Mr. Yong and Mr. Tam transferred each of their entire shareholding in ICO Technology to Wide Faith at a total consideration of HK\$1,000,000 and on the same day Wide Faith transferred one share in ICO Technology to Great Talent to hold on trust for Wide Faith under a declaration of trust dated 8 November 2000.

On 5 December 2006, Wide Faith disposed of 490,000 shares in ICO Technology, representing 49% equity interest in ICO Technology, to Raceline at a consideration of HK\$490,000 and since then and as at the Latest Practicable Date, ICO Technology remained a 51% owned subsidiary of Wide Faith and an indirect subsidiary of our Company.

HISTORY, REORGANISATION AND GROUP STRUCTURE

ICO Technology is principally engaged in the provision of IT infrastructure solutions and provision of maintenance and support services in Hong Kong. By inviting the investment of Raceline, ICO Technology has drawn in the knowledge and experiences of Mr. Leung and Mr. Ho, the directors of Raceline, in providing IT infrastructure solutions.

ICO Technology (China)

ICO Technology (China) was incorporated in Hong Kong with limited liability on 13 October 2008 as an investment holding company, with an authorised share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each, of which 1,000 subscriber shares were allotted and issued to ICO Technology at par. On 21 May 2009, ICO Technology at a consideration of HK\$300 transferred 300 shares in ICO Technology (China), representing 30% equity interest in ICO Technology (China), to Smart Flow International Limited, an Independent Third Party, which on 28 June 2011 transferred the said 300 shares to Time Profit at a consideration of HK\$300. ICO Technology (China) was then owned by ICO Technology and Time Profit as to 70% and 30% respectively. ICO Technology (China) held the entire equity interest of Shenzhen Kai Gang and was disposed of to an Independent Third Party on 1 April 2013. For details, please refer to the paragraph headed "Disposal of ICO Technology (China)" below.

Shenzhen Kai Gang

Shenzhen Kai Gang was a wholly foreign-owned enterprise established by ICO Technology (China) in the PRC on 6 March 2009 with a registered capital of RMB5,000,000. The paid up capital of Shenzhen Kai Gang amounted to RMB5,000,000, all of which was contributed by ICO Technology (China). Before the disposal of ICO Technology (China), Shenzhen Kai Gang was an indirect non-wholly owned subsidiary of our Company, and its principal business activity was the provision of IT infrastructure solutions in the PRC.

2. Disposal during the Track Record Period

Disposal of ICO Technology (China)

On 1 April 2013, ICO Technology and Time Profit as vendors entered into a sale and purchase agreement to dispose of their respective 70% equity interests and 30% equity interest in ICO Technology (China) to Extendable Supports Limited ("Extendable Supports"), an Independent Third Party, at a consideration of HK\$2,800,000 by cash. Such consideration was arrived at after arm's length negotiation between the parties with reference to the unaudited net asset value of Shenzhen Kai Gang as at 31 March 2013 amounting to approximately RMB2,200,000 (equivalent to approximately HK\$2,800,000) and the unaudited accumulated loss of Shenzhen Kai Gang amounting approximately RMB2,800,000 for the year ended 31 March 2013.

Following the Disposal, ICO Technology (China) and its subsidiary, Shenzhen Kai Gang, ceased to be members of our Group.

HISTORY, REORGANISATION AND GROUP STRUCTURE

Reasons for the Disposal

ICO Technology (China) and Shenzhen Kai Gang (the "Disposal Group") were set up for the expansion of our Group's IT infrastructure solutions business in the PRC. However, the Disposal Group had been recording loss since its establishment. Our business in PRC has been further hit by the rising labour and operating costs in Guangdong, the PRC and thus our Group decided to downsize our IT infrastructure solutions business in the PRC market so that we can concentrate on our existing business in Hong Kong. Our Group believes the Disposal is in the best interest of the Shareholders and our Group as a whole.

Having taken into consideration of the fact that (i) our Group has not invested much resources in the Disposal Group at the time of establishment; (ii) the Disposal Group only contributed approximately 2.33% to the revenue of our Group for the year ended 31 March 2013; and (iii) the Disposal Group had recorded losses immediately prior to the Disposal and has been booked as loss after the Disposal for the year ended 31 March 2013, our Group considers the business of the Disposal Group and the Disposal are insignificant to our Group as a whole.

Extendable Supports is an investment holding company and its ultimate beneficial owner is an Independent Third Party. As at the Latest Practicable Date, there was no business relationship between our Group and the Disposal Group after the Disposal. The Disposal Group was engaged in the provision of IT infrastructure solutions in the PRC whereas our Group is principally engaged in the provision of IT application and solution development, secondment services, maintenance and support services and IT infrastructure solutions in Hong Kong and IT application and solution development in the PRC. According to our business plan, our Group currently has no intention to re-enter the IT infrastructure solution business in the PRC and our Directors will review the future business development of Tian Li Shi and its role in our Group. Please refer to the section "Future plans and use of proceeds" to this [REDACTED] for more details.

As our Group does not intend to focus on the IT infrastructure solution business in the PRC after the Disposal, we consider that the Disposal Group and our Group are unlikely to compete with each other.

According to our legal adviser as to Hong Kong law, the Disposal has been conducted in line with the procedures under the applicable laws and regulations of Hong Kong and all the equity transfers have been duly stamped.

3. Parties acting in concert

On [●], our ultimate Controlling Shareholders, namely Mr. Lee, Mr. Yong, Mr. Chan and Mr. Tam entered into the Confirmation Deed to acknowledge and confirm:

- (a) that among each of them that they are parties acting in concert with each of the members of our Group (the "Relevant Companies") during the Track Record Period and up to the date of the Confirmatory Deed; and

HISTORY, REORGANISATION AND GROUP STRUCTURE

- (b) that for so long as they remain the key management members of any of the Relevant Companies and/or remain interested (either directly or indirectly) in the share capital of any of the Relevant Companies:
- (i) they shall act in concert and collectively for all material management affairs and the arrival and/or execution of all commercial decisions, including but not limited to financial and operational matters, of each of the Relevant Companies;
 - (ii) they shall give unanimous consent, approval or rejection on any other material issues and decisions in relation to the business of the Relevant Companies;
 - (iii) they shall cast unanimous vote collectively for or against all resolutions in all meetings and discussions of the Relevant Companies;
 - (iv) they shall cooperate with each other to obtain and maintain the consolidated control and the management of the Relevant Companies; and
 - (v) they shall obtain written consent from all the parties to the Confirmation Deed in advance of purchasing, selling, pledging or creating any right to acquire or dispose of any securities of our Company and/or any of the Relevant Companies.

REORGANISATION

1. General

In contemplation of the [REDACTED] we underwent a reorganisation to implement a structure whereby our Company became the holding company of our Group.

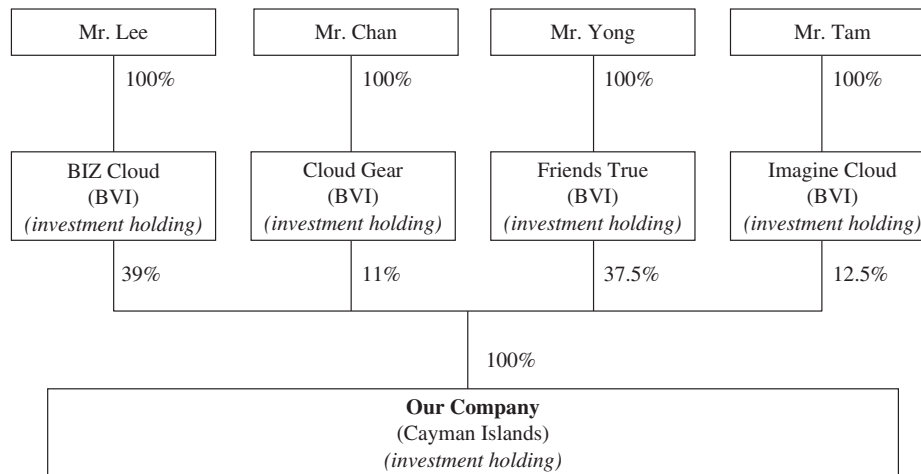
2. Incorporation of our Company

On 26 April 2013, our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with an authorised share capital of HK\$100,000,000 divided into 10,000,000,000 ordinary Shares of par value of HK\$0.01 each, of which 1,000 Shares were allotted and issued to BIZ Cloud, Cloud Gear, Friends True and Imagine Cloud, as to 390 Shares, 110 Shares, 375 Shares and 125 Shares respectively at par. As at the Latest Practicable Date, the ultimate beneficial owners of our Company were Mr. Lee, Mr. Chan, Mr. Yong and Mr. Tam as to 39%, 11%, 37.5% and 12.5% respectively.

On 30 July 2013, our Company was registered in Hong Kong as a non-Hong Kong company under Part XI of the Predecessor Companies Ordinance.

HISTORY, REORGANISATION AND GROUP STRUCTURE

The corporate structure of our Company as at the Latest Practicable Date was as follows:



3. Disposal of the Disposal Group

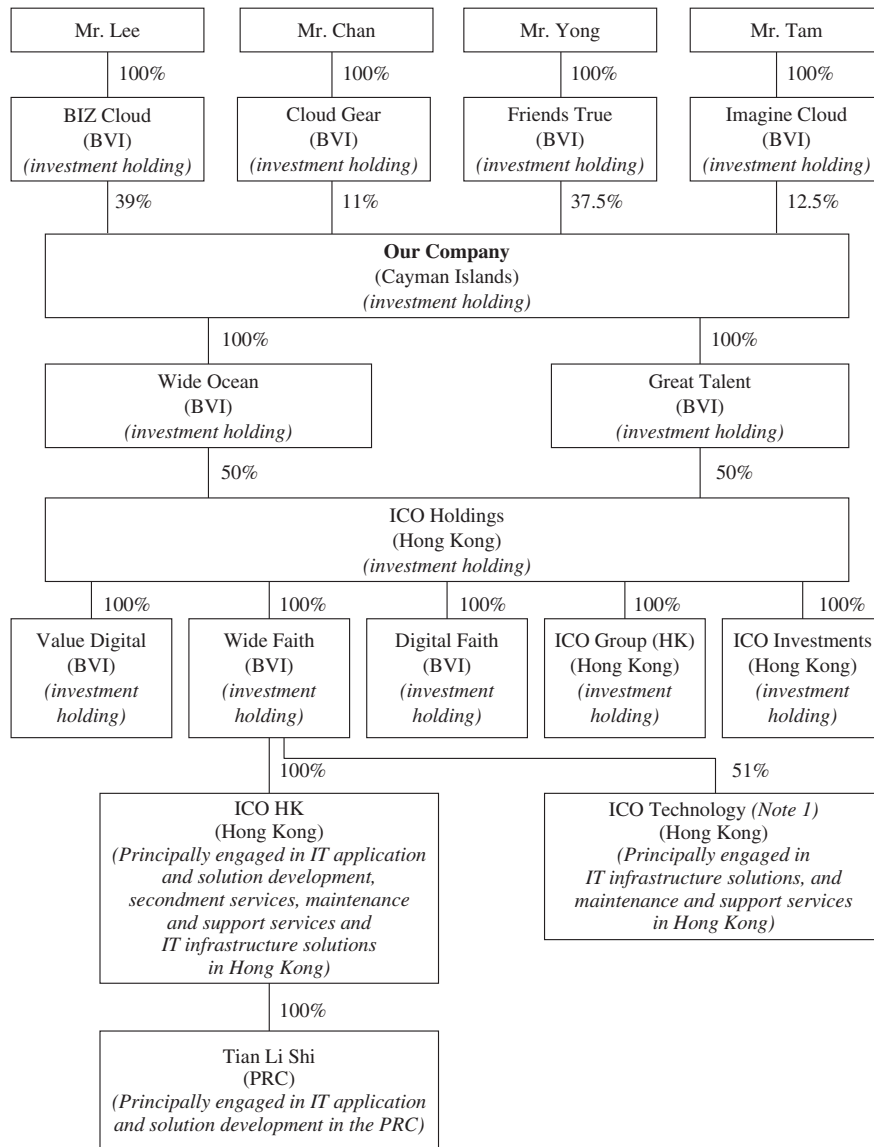
Pursuant to the sale and purchase agreement dated 1 April 2013 between ICO Technology and Time Profit as vendors and Extendable Supports as purchaser regarding the Disposal, the Disposal Group ceased to be members of our Group after the completion of the Disposal on 1 April 2013.

4. Acquisition of the entire issued share capital of Wide Ocean and Great Talent by our Company

- (a) Pursuant to the share transfer agreement dated [●] entered into among our Company, Mr. Lee and Mr. Chan, our Company acquired from Mr. Lee 78 shares of Wide Ocean with par value of US\$1.00 each at the nominal consideration of HK\$1.00 and (ii) acquired from Mr. Chan 22 shares of Wide Ocean with par value of US\$1.00 each at the nominal consideration of HK\$1.00.
- (b) Pursuant to the share transfer agreement dated [●] entered into among our Company, Mr. Yong and Mr. Tam, our Company (i) acquired from Mr. Yong 75 shares of Great Talent with par value of US\$1.00 each at the nominal consideration of HK\$1.00 and (ii) acquired from Mr. Tam 25 shares of Great Talent with par value of US\$1.00 at the nominal consideration of HK\$1.00.
- (c) By completion of paragraphs (a) and (b) above, each of Wide Ocean and Great Talent became a wholly-owned subsidiary of our Company.

HISTORY, REORGANISATION AND GROUP STRUCTURE

Set forth below is our corporate structure upon completion of the Reorganisation immediately prior to the [REDACTED] and the Capitalisation Issue.



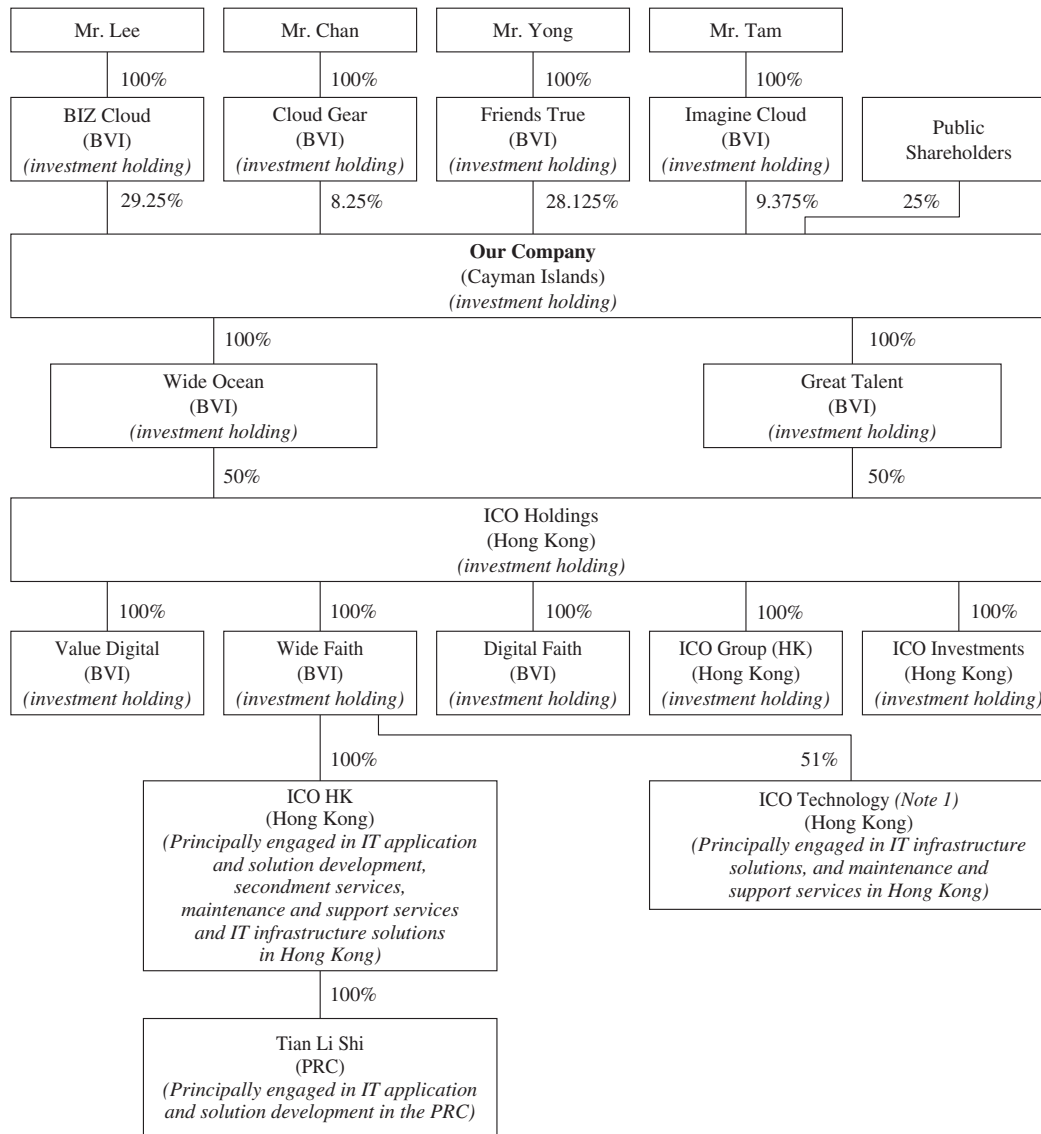
Note 1: As at the Latest Practicable Date, ICO Technology is held by Wide Faith and Raceline as to 51% and 49% respectively; Raceline is beneficially owned by Mr. Leung and Mr. Ho as to 60% and 40% respectively. Both Mr. Ho and Mr. Leung are directors of ICO Technology.

5. Capitalisation Issue

Conditional on the share premium account of our Company being credited as a result of the [REDACTED], an amount of HK\$[REDACTED], which will then be standing to the credit of the share premium account of our Company, shall be capitalised and applied to pay up in full at par a total of [REDACTED] Shares for allotment and they will be issued to BIZ Cloud, Cloud Gear, Friends True and Imagine Cloud as per their respective shareholdings of our Company.

HISTORY, REORGANISATION AND GROUP STRUCTURE

The following chart sets out our shareholding and corporate structure immediately after completion of the Capitalisation Issue and the [REDACTED]:



Note 1: As at the Latest Practicable Date, ICO Technology is held by Wide Faith and Raceline as to 51% and 49% respectively; Raceline is beneficially owned by Mr. Leung and Mr. Ho as to 60% and 40% respectively. Both Mr. Ho and Mr. Leung are directors of ICO Technology.