

A. FURTHER INFORMATION ABOUT OUR COMPANY**1. Incorporation**

- (a) Our Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law on 3 October 2016 with its registered office situated at Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.
- (b) Our Company has established its principal place of business in Hong Kong at Flat D, 3/F, Block 2, Camel Paint Building, 62 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong and has registered with the Registrar of Companies in Hong Kong as a registered non-Hong Kong company under Part 16 of the Companies Ordinance on 31 October 2016. Dr. Ng has been appointed as the authorised representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.
- (c) As our Company was incorporated in the Cayman Islands, it is subject to the relevant laws of the Cayman Islands and its constitution documents comprising the Memorandum and Articles. A summary of certain provisions of the Memorandum and Articles and certain aspects of the Cayman Islands company law is set out in Appendix IV to this prospectus.

2. Changes in share capital of our Company

- (a) Our Company was incorporated in the Cayman Islands on 3 October 2016 with an authorised share capital of HK\$380,000 divided into 38,000,000 Shares of par value HK\$0.01 each.
- (b) On 3 October 2016, one subscriber Share was transferred to ECI Asia.
- (c) Pursuant to the Share Swap Agreement, Dr. Ng as vendor had transferred the entire issued share capital of EC Infotech to ECI International. The consideration was settled by ECI International instructing our Company to allot and issue one Share, credited as fully paid, to ECI Asia, and the one nil-paid Share held by ECI Asia was credited as fully paid at par. For further details, please refer to the section headed “History, Reorganisation and corporate structure – Reorganisation”.

- (d) On 17 February 2017, the authorised share capital of our Company had been increased from HK\$380,000 divided into 38,000,000 Shares of par value HK\$0.01 each to HK\$38,000,000 divided into 3,800,000,000 Shares of par value HK\$0.01 each by the creation of additional 3,762,000,000 new Shares of par value HK\$0.01 each, each ranking *pari passu* in all respects with the Shares in issue at the date of passing of these resolutions.
- (e) conditional on the share premium account of our Company having sufficient balance, or otherwise being credited as a result of the allotment and issue of the Offer Shares pursuant to the Share Offer, the Capitalisation Issue was approved, and our Directors were authorised to capitalise an amount of approximately HK\$12,999,998.98 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 1,299,999,998 Shares for allotment and issue to the person(s) whose names appear on the register of members or the principal share register of our Company at the close of business on 17 February 2017 (or as each of them may direct) in proportion (as nearly as possible without involving fractions so that no fraction of a Share shall be allotted and issued) to its/their then existing shareholdings in our Company, each ranking *pari passu* in all respects with the then Shares in issue, and our Directors were authorised to give effect to such capitalisation and allotment.
- (f) ECI Asia will offer 100,000,000 Sale Shares for purchase at the Offer Price under the Share Offer.
- (g) Upon the Share Offer becoming unconditional, the Company will issue and allot 300,000,000 New Shares ranking *pari passu* in all respects with the Shares credited as fully paid under the Share Offer.
- (h) Save as disclosed above, there has been no alteration in the share capital of our Company since the date of its incorporation.

3. Written resolutions of our then sole Shareholder passed on 17 February 2017

Pursuant to the written resolutions of our then sole Shareholder passed on 17 February 2017:

- (a) our Company approved and adopted the Memorandum and Articles;
- (b) our Company increased its authorised share capital from HK\$380,000 divided into 38,000,000 Shares of par value HK\$0.01 each to HK\$38,000,000 divided into 3,800,000,000 Shares of par value HK\$0.01 each by the creation of additional 3,762,000,000 new Shares of par value HK\$0.01 each, each ranking *pari passu* in all respects with the Shares in issue at the date of passing of these resolutions;
- (c) conditional on (i) the Listing Division of the Stock Exchange granting the listing of, and permission to deal in, our Shares in issue, Shares to be issued pursuant to the Capitalisation Issue and our Shares to be issued as mentioned in this prospectus (including any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme); (ii) the entering into the Price Determination Agreement between our Company (for itself and on behalf of ECI Asia) and the Joint Lead Managers (for themselves and on behalf of the Underwriters) on the Price Determination Date; and (iii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional and not being terminated in accordance with the terms therein or otherwise, in each case on or before such dates as may be specified in the Underwriting Agreement:
 - (i) the Share Offer was approved and our Directors were authorised to allot and issue the new Shares pursuant to the Share Offer;
 - (ii) the rules of the Share Option Scheme, the principal terms of which are set out in the paragraphs headed “1. Share Option Scheme” in this Appendix, were approved and adopted and our Directors were authorised to grant options to subscribe for Shares thereunder and to allot, issue and deal with the Shares pursuant to the exercise of options granted under the Share Option Scheme; and

- (d) conditional on the share premium account of our Company having sufficient balance, or otherwise being credited as a result of the allotment and issue of the Offer Shares pursuant to the Share Offer, the Capitalisation Issue was approved, and our Directors were authorised to capitalise an amount of approximately HK\$12,999,999.98 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 1,299,999,998 Shares for allotment and issue to the person(s) whose names appear on the register of members or the principal share register of our Company at the close of business on 17 February 2017 (or as each of them may direct) in proportion (as nearly as possible without involving fractions so that no fraction of a Share shall be allotted and issued) to its/their then existing shareholdings in our Company, each ranking *pari passu* in all respects with the then Shares in issue, and our Directors were authorised to give effect to such capitalisation and allotment;
- (e) a general unconditional mandate was given to our Directors to allot, issue and deal with (including the power to make an offer or agreement, or grant securities which would or might require Shares to be allotted and issued), otherwise than pursuant to a rights issue or pursuant to any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles or pursuant to the grant of options under the Share Option Scheme or other similar arrangement or pursuant to a specific authority granted by our Shareholders in a general meeting, unissued Shares with a total nominal value not exceeding 20.0% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the Share Offer (but taking no account of any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or until varied, revoked or renewed by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first;

- (f) a general unconditional mandate was given to our Directors authorising them to exercise all powers of our Company to repurchase, on the Stock Exchange or on any other approved stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, such number of Shares as will represent up to 10.0% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Capitalisation Issue and the Share Offer (without taking into account of any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or until varied, revoked or renewed by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first; and
- (g) the general unconditional mandate mentioned in paragraph (e) above was extended by the addition to the aggregate nominal value of the share capital of our Company which may be allotted or agreed conditionally or unconditionally to be allotted by our Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of our Company repurchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (f) above.

4. Reorganisation

The companies comprising our Group underwent the Reorganisation in preparing for the Listing. For information relating to the Reorganisation, please refer to the section headed “History, Reorganisation and corporate structure” of this prospectus.

5. Changes in the share capital of the subsidiaries of our Company

Our subsidiaries of our Company are referred to in the Accountants’ Report as set out in Appendix I to this prospectus. Save for the subsidiaries mentioned in the Accountants’ Report and in the section headed “History, Reorganisation and corporate structure” in this prospectus, our Company has no other subsidiaries.

Save as disclosed in the section headed “History, Reorganisation and corporate structure” in this prospectus, there has been no other alteration in the share capital of any subsidiaries of our Company within two years immediately preceding the date of this prospectus.

6. Repurchases by our Company of its own securities

(a) *Provisions of the GEM Listing Rules*

The GEM Listing Rules permit companies whose primary listing is on GEM to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(i) *Shareholders' Approval*

All proposed repurchases of securities on the Stock Exchange by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of its Shareholders, either by way of general mandate or by specific approval of a particular transaction.

Note: Pursuant to the resolutions in writing of our then sole shareholder passed on 17 February 2017, a general unconditional mandate (the “**Buyback Mandate**”) was granted to our Directors authorising the repurchase of shares by our Company on the Stock Exchange, or on any other stock exchange 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 10.0% of the aggregate nominal amount of the share capital of our Company in issue and to be issued as mentioned herein, at any time until the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next annual general meeting of our Company is required by an applicable law or the Articles to be held or when such mandate is varied, revoked or renewed by an ordinary resolution of our Shareholders in general meeting, whichever is the earliest.

(ii) *Source of funds*

The repurchase of the Shares listed on the Stock Exchange must be funded out of funds legally available for the purpose in accordance with the Articles, the Companies Law and the applicable laws of the Cayman Islands. Our Company may not repurchase the Shares on the Stock Exchange for consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, our Company may make repurchases out of the profit of our Company, out of the share premium of our Company or out of the proceeds of a fresh issue of Shares for the purpose of the repurchase, or if so authorised by the Articles and subject to the Companies Law, out of capital. Any amount of premium payable on the repurchase over the par value of the Shares to be repurchased must be out of either or both the profits of our Company or out of our Company's share premium account, before or at the time the Shares are repurchased, or if authorised by the Articles and subject to the Companies Law, out of capital.

(b) *Reasons for repurchases*

Our Directors believe that it is in the best interests of our Company and its Shareholders for our Directors to have general authority from its Shareholders to enable our Company to repurchase Shares on the Stock Exchange. Repurchases of Shares will only be made when our Directors believe that such repurchases will benefit our Company and its Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of our Company and its assets and/or its earnings per Share.

(c) *Funding of repurchases*

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws of the Cayman Islands.

It is presently proposed that any repurchases by our Company will be made out of profits of our Company, out of the share premium account of our Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, subject to the Companies Law, out of capital, and, in the case of any premium payable on the repurchase, out of either or both of the profits of our Company or our Company's share premium account, before or at the time the Shares are repurchased or, subject to the Companies Law, out of capital.

(d) *Share capital*

Exercise in full of the Buyback Mandate, on the basis of 1,600,000,000 Shares in issue immediately after the listing of our Shares (but not taking into account our Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), could accordingly result in up to 160,000,000 Shares being repurchased by our Company during the period until:

- (i) the conclusion of the next annual general meeting of our Company;
- (ii) the expiration of the period within which the next annual general meeting of our Company is required by any applicable law or the Articles to be held; or
- (iii) the date on which the Buyback Mandate is varied, revoked or renewed by an ordinary resolution of our Shareholders in general meeting, whichever occurs first.

(e) *General*

None of our Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their respective close associates (as defined in the GEM Listing Rules), has any present intention to sell any Shares to us or our subsidiaries.

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Buyback Mandate in accordance with the GEM Listing Rules, the Companies Law and other applicable laws of the Cayman Islands.

The GEM Listing Rules prohibit our Company from knowingly repurchasing securities of our Company from a “core connected person”, that is, a Director, chief executive or substantial Shareholder of our Company or any of its subsidiaries or any of their respective close associates. A core connected person shall not knowingly sell his shares to our Company on the Stock Exchange.

No core connected person (as defined in the GEM Listing Rules) has notified us that he/she/it has a present intention to sell Shares to us, or has undertaken not to do so, if the Buyback Mandate is exercised.

If as a result of any securities repurchased pursuant to the Buyback Mandate, 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, depending on the level of increase of the shareholder’s interest, 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 as a result of any such increase. Our Directors are not aware of any other consequences which may arise under the Takeovers Code if the Buyback Mandate is exercised.

If the Buyback Mandate is fully exercised immediately following completion of the Share Offer and the Capitalisation Issue (without taking into account our Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), the total number of Shares which will be repurchased pursuant to the Buyback Mandate shall be 160,000,000 Shares, being 10.0% of the issued share capital of our Company based on the aforesaid assumptions. The percentage shareholding of ECI Asia and Dr. Ng in aggregate will be increased to approximately 83.3% of the issued share capital of our Company immediately following the full exercise of the Buyback Mandate. Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than the prescribed percentage of our Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the requirements regarding the public float under Rule 11.23 of the GEM Listing Rules. However, our Directors have no present intention to exercise the Buyback Mandate to such an extent that, in the circumstances, there is insufficient public float as prescribed under the GEM Listing Rules.

B. FURTHER INFORMATION ABOUT THE BUSINESS OF OUR GROUP

1. Summary of material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the members of our Group within the two years preceding the date of this prospectus and are or may be material:

- (a) the Share Swap Agreement;
- (b) the Deed of Indemnity;
- (c) the Deed of Non-competition; and
- (d) Public Offer Underwriting Agreement.

2. Intellectual property rights

Domain name

As at the Latest Practicable Date, our Group had registered the following domain names:

Domain name	Owner	Date of registration	Expiry date
ecinfohk.com	EC Infotech	18 September 2003	18 September 2019

C. FURTHER INFORMATION ABOUT DIRECTORS, MANAGEMENT, STAFF AND SUBSTANTIAL SHAREHOLDERS

1. Directors

(a) Disclosure of interests – interests and short positions of our Directors and the chief executive of our Company in the shares, underlying shares and debentures of our Company and its associated corporations

Immediately following completion of the Capitalisation Issue and the Share Offer and without taking into account any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, the interests or short positions of our Directors or chief executives of our Company in the shares, underlying shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were 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 to be notified to our Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors once our Shares are listed will be as follows:

Long position in our Shares:

Name of Director	Capacity/nature of interest	Number of Shares held (Note 1)	Percentage of shareholding (%)
Dr. Ng	Interest of a controlled corporation (Note 2)	1,200,000,000 (L)	75%
Ms. Wong Tsz Man	Family (Note 3)	1,200,000,000 (L)	75%

Notes:

- The letter “L” denotes the person’s long position in our Shares.
- These Shares are held by ECI Asia, which is wholly-owned by Dr. Ng. Pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO, Dr. Ng is deemed to have an interest in all Shares in which ECI Asia has, or deemed to have, an interest.
- Ms. Wong Tsz Man is the spouse of Dr. Ng. Under the SFO, Ms. Wong Tsz Man is deemed to be interested in all of the Shares which Dr. Ng is interested.

(b) *Interests of the substantial Shareholders in the Shares and underlying Shares of our Company*

For information about the substantial shareholders and significant shareholders of our Company, please refer to the section headed “Substantial and significant Shareholders” in this prospectus.

2. Particulars of service agreements

Each of the Executive Directors and non-executive Directors will enter into a service contract with our Company for an initial term of three (3) years, commencing from the Listing Date, which shall be renewed as determined by the Board or the Shareholders of our Company. The appointment of the Executive Directors may be terminated by either party by giving at least three (3) months’ written notice to the other.

Each of the independent non-executive Directors will enter into a letter of appointment with our Company for an initial term of three (3) years, commencing from the Listing Date, which shall be renewed as determined by the Board or the Shareholders of our Company. The appointment of each of the independent non-executive Directors may be terminated by either party by giving at least one (1) month’s written notice to the other.

Save as disclosed above, none of the Directors has or is proposed to have a service agreement with any member of the Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation other than statutory compensation).

3. Directors' remuneration

Save as disclosed in the sub-section headed "Remuneration policy" under the section headed "Directors and senior management" in this prospectus and the Accountants' Report set out in Appendix I in this prospectus, none of our directors has received any remuneration, bonus or other benefit from our Group during the Track Record Period.

4. Agency fees or commissions received

Except as disclosed in this prospectus, within the two years preceding the date of this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any of our Company or the subsidiaries of our Company's share or loan capital.

Information on the agency fees or commissions received by the Underwriters is set out in the section headed "Underwriting" in this prospectus.

5. Disclaimers

Except as disclosed in this prospectus,

- (i) none of our directors nor chief executive of our Company has any interest in the Shares, the underlying shares or debentures of our Company or any of its associated corporation, listed or unlisted derivatives of or debentures or any of our Company's associated corporations (within the meaning of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have taken 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 to be notified to our Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules, in each case, once the Shares are listed;
- (ii) none of our directors nor any of the experts whose names are referred to in the paragraph headed "Consents of experts" in this Appendix is interested, directly or indirectly, in the promotion of our Company 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, any member of our Group or are proposed to be acquired or disposed of by or leased to any member of our Group;

- (iii) there are no existing or proposed service contracts (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)) between our directors and our Company;
- (iv) none of our directors or the experts named in the paragraph headed “Consents of experts” in this Appendix has any direct or indirect interest in the promotion of, 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 are proposed to be acquired or disposed of by or leased to our Company;
- (v) none of our directors is materially interested in any contract or arrangement subsisting as at the date of this prospectus which is significant in relation to the business of our Company taken as a whole;
- (vi) our directors are not aware of any person who immediately following the completion of the Share Offer will have an interest or a short position in the Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be 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 our Company; and
- (vii) none of the experts named in the paragraph headed “Consents of experts” in this Appendix has any shareholding in our Company or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or is an officer or servant or in employment of an officer or servant of our Company.

D. OTHER INFORMATION

1. Share option scheme

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by the resolutions in writing of our sole Shareholder passed on 17 February 2017.

(a) *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.

(b) Who may join

The Board may, at its discretion, offer to grant an option to any person belonging to any of the following classes of participants, to take up options to subscribe for the Shares:

- (i) any full-time or part-time employees, executives or officers of our Group;
- (ii) any directors (including Executive Directors, non-executive Directors and independent non-executive Directors) of our Group; and
- (iii) any suppliers, customers, consultants, agents, advisers and related entities to our Group.

(c) Maximum number of Shares

- (i) 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 our 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 the subsidiary if such grant will result in the maximum number being exceeded.
- (ii) 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 160,000,000 Shares (the "**General Mandate Limit**").
- (iii) The exercise of any Option shall be subject to our Shareholders in general meeting approving any increase in the authorised share capital of our Company. Subject thereto, our Board shall make available sufficient authorised but unissued share capital of our Company for purpose of allotment of shares upon exercise of options.

- (iv) Subject to (a) above and without prejudice to (d), our Company may issue a circular to the 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 the 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 the 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 our Group will not be counted.
- (v) Subject to (a) above and without prejudice to (c) above, our Company may issue a circular to the 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.

(d) *Maximum entitlement of each participant and connected persons*

- (i) Unless approved by the 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 the Shares in issue (the "**Individual Limit**").

- (ii) 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 the 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 the 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.
- (iii) 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 the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options).
- (iv) 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:
1. representing in aggregate more than 0.1% of the Shares in issue; and
 2. having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, such further grant of options must be approved by the Shareholders. Our Company must send a circular to the Shareholders. The grantee, his associates and all core connected persons of our Company must abstain from voting in favour at such general meeting. Any vote taken at the meeting to approve the grant of such option must be taken on a poll.

(e) Subscription Price of 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 will not be less than the highest of:

- (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

(f) Minimum period of holding an option and performance target

The 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.

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.

(g) Time of acceptance of option

An option may be accepted by a participant within 30 days from the date of the offer of grant of the option with a payment of HK\$1.00 to our Company by way of consideration to the grant.

(h) Rights on ceasing employment or death

If the grantee of an option, who is an employee of our Group at the time of the grant of the option, ceases to be an employee of our Group for any reason other than death, ill-health, injury, disability 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 the 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 the 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, 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 at the time of the grant of the option, ceases to be an employee of our Company by reason of death, ill-health, injury, disability 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, whether salary is paid in lieu of notice or not (or such longer period as the Directors may determine), failing which it will lapse.

(i) *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 concert with the offeror, our Company shall use all reasonable endeavors to procure that such offer is extended to all the option holders (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 the 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.

If a general offer is made to all the Shareholders (or all such shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes) and such offer becomes or is declared unconditional during the option period of the relevant option, the grantee of an option shall be entitled to exercise the option in full (to the extent not already exercised) at any time within 14 days after the date on which the offer becomes or is declared unconditional.

(j) *Rights on winding-up*

In the event a notice is given by our Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall forthwith give notice thereof to all option holders and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised) at any time not later than two Business Days prior to the proposed general meeting of our Company referred to above by giving notice in writing to our Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given, whereupon our Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting, allot the relevant Shares to the grantee credited as fully paid.

(k) *Ranking of Shares*

The 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.

(l) *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.

(m) *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

option holders or prospective option holders 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 the Directors or scheme administrators (if applicable) in relation to any alteration to the terms of the Share Option Scheme must be approved by the Shareholders in general meeting.

(n) *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” (the “**Supplementary Guidance**”) 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 as the case may be, shall confirm to the Board in writing that the adjustments satisfy the requirements set out in Rule 23.03(13) of the GEM Listing Rules and the notes thereto and the Supplementary Guidance and/or such other requirement prescribed under the GEM Listing Rules from time to time.

(o) Cancellation of options

The Directors may effect the cancellation of any options granted but not exercised on such terms as may be agreed with the relevant grantee, as the Directors may in their absolute discretion see fit and in a manner that complies with all applicable legal requirements for cancellation. 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.

(p) Termination of the Share Option Scheme

Our Company may by resolution in general meeting or the Board at any time terminate the Share Option Scheme and in such event no further option shall be offered but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(q) Condition of the Share Option Scheme

The Share Option Scheme is conditional on:

- (i) the Share Option Scheme being approved and adopted by the Shareholders in a general meeting;
- (ii) the granting of the approval by the Stock Exchange for the listing of, and permission to deal in, the Shares on GEM being obtained and the commencement of dealings in the Shares on GEM; and
- (iii) the Listing Division granting the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of options which may be granted under the Share Option Scheme.

(r) 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.

(s) Present status of the Share Option Scheme

As at the Latest Practicable Date, no option had 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, the Shares which may be issued pursuant to the exercise of any options granted under the Share Option Scheme, as described above.

2. 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 any taxation falling on any members of our Group resulting from or by reference to any revenue (including any form of government financial assistance, subsidy or rebate), income, profits or gains granted, earned, accrued, received or made (or deemed to be so granted, earned, accrued, received or made) on or before the Listing Date, or any event, transaction, act or omission occurring or deemed to occur on or before the Listing Date, whether alone or in conjunction with any other event, act or omission occurring or deemed to occur on or before the Listing Date, and whether or not such taxation is chargeable against or attributable to any other person, firm or company.

The Indemnifiers have also, under the Deed of Indemnity, agreed and undertaken to each of the members of our Group, on a joint and several basis, that it shall indemnify and, at all times, keep each of the member of our Group indemnified on demand from and against all sums, outgoings, fees, demands, claims, damages, losses, costs, charges, liabilities, fines, penalties, payments, suits, and expenses of whatever nature associated, incurred or suffered by our Company or any of the members of our Group, directly or indirectly, in connection with:

- (a) any litigation, arbitrations, claims (including counter-claims), complaints, demands and/or legal proceedings, whether of criminal, administrative, contractual or tortious nature, or otherwise instituted by or against our Company and/or any of the members of our Group, which was issued and/or accused and/or arising from any act, non-performance, omission or otherwise of our Company or any of the members of our Group on or before the Listing Date;

- (b) any irregularities in relation to the corporate documents of any of the members of our Group;
- (c) any non-compliance with the applicable laws, rules or regulations by our Company and/or any of the members of our Group on or before the Listing Date, except that specific provision, reserve or allowance has been made for such liabilities in the audited consolidated accounts of our Company for the Track Record Period;
- (d) the settlement of any claim under the Deed of Indemnity;
- (e) the implementation of the Reorganisation and/or disposal or acquisition of the equity interest in any members of our Group since the date of incorporation of each of the member of our Group and up to the Listing Date for any losses or liabilities payable by our Company;
- (f) any legal proceedings in which any of the members of our Group claims under or in respect of the Deed of Indemnity and in which judgement is given for any of the members of our Group; and
- (g) the enforcement of any such settlement or judgement abovementioned.

3. Litigation

As at the Latest Practicable Date, no member of our Group was engaged in any litigation or arbitration of material importance and, so far as our Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of our Group.

4. Sponsor

Kingsway Capital Limited has made an application on our behalf to the Listing Division of the Stock Exchange for the listing of, and permission to deal in, all our Shares in issue and to be issued as mentioned in this prospectus (including any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme).

The Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 6A.07 of the GEM Listing Rules.

The Sponsor's fees are HK\$4.3 million and are payable by the Selling Shareholder and our Company.

5. Preliminary expenses

The estimated preliminary expenses incurred and paid by our Company were approximately HK\$43,000.

6. Promoter

Our Company has no promoter for the purposes of the GEM Listing Rules. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Share Offer and the related transactions described in this prospectus.

7. Taxation of holders of Shares

(a) Hong Kong

The sale, purchase and transfer of Shares registered with our company's Hong Kong branch register of members will be subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and seller is 0.1% of the consideration or if higher, of the fair value of our Shares being sold or transferred. Profits from dealings in our Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax. Our Directors have been advised that no material liability for estate duty under the laws of Hong Kong would likely fall upon any member of our Group.

(b) Cayman Islands

Under the present Cayman Islands law, there is no stamp duty payable in the Cayman Islands on transfers of Shares so long as our Company does not hold any interest in land in the Cayman Islands.

(c) *Consultation with professional advisers*

Intending holders of our Shares are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in our Shares. It is emphasised that none of our Company, our Directors or the other parties involved in the Share Offer can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in Shares or exercise of any rights attaching to them.

8. Qualification of experts

The following are the qualifications of the experts who have given their opinion or advice which are contained in, or referred to in this prospectus:

Name	Qualifications
Kingsway Capital Limited	A licensed corporation for carrying on type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO
Appleby	Legal advisers to the Company as to Cayman Islands law
SHINEWING (HK) CPA Limited	Certified Public Accountants
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	Independent property valuer
Frost & Sullivan International Limited	Industry Expert
Mr. Poon Chi Kin Billy	Hong Kong barrister-at-law
Baker Tilly Hong Kong Risk Assurance Limited	Internal control advisers

9. Consents of experts

Each of the experts named in paragraph 8 of this Appendix has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or opinion and/or the references to its name included herein in the form and context in which it is respectively included.

10. Interests of experts in our Company

None of the persons named in paragraph 8 of this Appendix is interested beneficially or otherwise in any Shares or shares of any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any shares or securities in any member of our Group.

11. Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

12. Registration procedures

The principal share register of our Company will be maintained in the Cayman Islands by Estera Trust (Cayman) Limited and the Hong Kong branch share register of our Company will be maintained in Hong Kong by Tricor Investors Services Limited. Save where our Directors otherwise agree, all transfers and other documents of title to Shares must be lodged for registration with, and registered by our Company's share registrar in Hong Kong and may not be lodged in the Cayman Islands.

13. No material adverse change

Our Directors confirmed that, up to the date of this prospectus, there has been no material adverse change in financial or trading position or prospects of our Group since 31 August 2016, being the date on which the latest financial information of our Group was reported in the Accountants' Report included in Appendix I to this prospectus.

14. Miscellaneous

- (a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
 - (i) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;
 - (ii) 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) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries;
 - (iv) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries;
- (b) save as disclosed in this prospectus, no founder, management or deferred shares nor any debentures in our Company or any of our subsidiaries have been issued or agreed to be issued;
- (c) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus;
- (d) no company within our Group is presently listed on any stock exchange or traded on any trading system; and
- (e) save as disclosed in this prospectus, our Company has no outstanding convertible debt securities or debentures.

15. Particulars of the Selling Shareholder

The particulars of ECI Asia are set out below:

Name: ECI Asia Investment Limited

Address: P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands

Nature: A corporation

16. Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).