

GreaterChina Professional Services Limited

漢華專業服務有限公司*

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8193

Listing by Way of Placing

Joint Sponsors

VINC  城高
Grand Vinco Capital Limited



英皇融資有限公司
Emperor Capital Limited

**For identification purposes only*

IMPORTANT

If you are in any doubt about this prospectus, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

GREATERCHINA PROFESSIONAL SERVICES LIMITED

漢華專業服務有限公司*

(incorporated in the Cayman Islands with limited liability)

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

Number of Placing Shares : 125,000,000 Placing Shares

Placing Price : HK\$0.72 per Share (payable in full on
application, plus brokerage of 1%, SFC
transaction levy of 0.003% and Stock
Exchange trading fee of 0.005%)

Nominal value : HK\$0.01 each

Stock code : 8193

Joint Sponsors

VINCO 
Grand Vinco Capital Limited
(wholly owned subsidiary of Vinco Financial Group Limited)



英皇融資有限公司
Emperor Capital Limited

Joint Lead Managers

 **新鴻基金融集團**
SUN HUNG KAI FINANCIAL
Sun Hung Kai International Limited

VINCO 
Grand Vinco Capital Limited
(wholly owned subsidiary of Vinco Financial Group Limited)

Co-Manager



英皇證券(香港)有限公司
Emperor Securities Limited

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

A copy of this prospectus, having attached thereto the documents specified in the section headed "Documents delivered to the Registrars of Companies" in Appendix VII to this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this prospectus or any of the other documents referred to above.

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

Prospective investors of the Placing Shares should note that the Joint Lead Managers, is entitled to terminate (for themselves and on behalf of the Joint Sponsors and the Underwriters) the Underwriting Agreement by notice in writing to the Company, upon the occurrence of any of the events set forth under the paragraph headed "Grounds for termination" in the section headed "Underwriting" in this prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date. Such events include, without limitation, any act of God, war, riot, public disorder, civil commotion, economic sanctions, fire, flood, explosion, epidemic, act of terrorism, strike or lock-out.

* For identification purpose only

25 May 2011

CHARACTERISTICS OF GEM

Characteristics of the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited

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

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

EXPECTED TIMETABLE

A separate announcement will be issued if there is any change to the following expected timetable.

2011
(Note 1)

Announcement of level of indication of interests in the Placing to be published on the GEM website at www.hkgem.com and the Company's website at www.gca.com.hk on or before	30 May
Allotment of Placing Shares to placees on or before	30 May
Deposit of Share certificates into CCASS on or before (Note 2)	30 May
Dealings in Shares on GEM to commence at 9:00 a.m. on	31 May

Notes:

1. All times and dates refer to Hong Kong local times and dates. Details of the structure of the Placing, including its conditions, are set out in the section headed "Structure and conditions of the Placing" of this prospectus.
2. Share certificates for the Placing Shares allotted and issued to the placees are expected to be deposited directly into CCASS on or before 30 May 2011 for credit to the respective CCASS participants' or the CCASS investor participants' stock accounts designated by the Underwriters, the placees or their agents (as the case may be). No temporary documents or evidence of title will be issued.

All share certificates will only become valid certificates of title when the Placing has become unconditional in all respects and the Underwriting Agreement has not been terminated in accordance with its terms at or before 8:00 a.m. (Hong Kong time) on the Listing Date.

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You should rely only on the information contained in this prospectus to make your investment decision.

The Company, the Joint Sponsors, the Joint Lead Managers, the Co-Manager and the Underwriters have not authorised any person to provide you with information that is different from what is contained in this prospectus.

Any information or representation not made nor contained in this prospectus must not be relied on by you as having been authorised by the Company, the Joint Sponsors, the Joint Lead Managers, the Co-Manager and the Underwriters, any of their respective directors, officers, employees, agents, affiliates or representative of any of them, or any other person or parties involved in the Placing.

The contents on the Company's website at www.gca.com.hk, which is the website of the Group, do not form part of this prospectus.

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SUMMARY

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

There may be greater risks associated with investment in companies listed on GEM than companies listed on the Main Board. Some of the particular risks in investing in the Placing Shares are set out in the section headed “Risk factors” in this prospectus. You should read that section carefully before you decide to invest in the Placing Shares.

BUSINESS OVERVIEW

The Group provides integrated professional services to public and private companies and individual investors mainly in Hong Kong and the PRC, which services can be broadly categorised into two sectors, being (i) asset advisory services and asset appraisal and (ii) corporate services and consultancy.

Asset advisory services and asset appraisal

Asset appraisal

Asset appraisal is the core business of the Group before it expands into the other services currently provided by it. This sector of the Group’s business provides valuation services across a wide spectrum of asset classes, including real estate and other fixed assets, mineral properties, business and intangible assets, financial assets including financial instruments and derivatives. The Group provides independent valuation reports, both to public and private businesses to meet market, regulatory and fiduciary requirements for various purposes including IPOs, M&As, litigation, liquidation, financial reporting compliance and fairness opinions. Members of the Group’s professional team provide expertise in different disciplines of asset appraisals and act as independent professionals in the provision of these services.

The fee for each engagement for the Group’s appraisal services is by agreement between the Group and the client on a case by case basis, typically being a fixed fee based on the estimated time to be spent on the engagement. The agreed fee is usually payable by stage payment based on milestone agreed with clients. The Group normally issues bills according to its engagement letter. Under the Group’s standard engagement letters, the Group normally charges an up front fee which represents approximately 50% of the total fee payable when engagement is confirmed. The balance is usually payable in two stages, i.e. usually another 40% when the Group submits a draft report and usually the balance 10% when the final report is issued. However, where if the final report is issued shortly after the draft report, the Group may only issue one bill for the 40% for draft report and the 10% for issue of the final report. If there is any delay or abandonment of the underlying project and no final report is issued, under the Group’s standard engagement letters, the Group is still entitled to charge 80% of the total fee if the engagement attains the asset inspection stage, and 90% of the total fee if any draft report is submitted to the client, but the Group will not be entitled to charge the remaining 10% of the total fee. Revenue for these progressively

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billed engagements is recognised according to the percentage of completion. Apart from these progressively billed engagements, the Group may charge the fees one-off for engagements which can be completed in a relatively short duration. Revenue is usually recognised upon the issue of the final reports for these engagements.

During the Track Record Period, the Group was engaged in approximately 680 asset appraisal engagements. Most of these engagements were for listed companies in Hong Kong but the locations of the assets were widely spread, ranging from the PRC, Hong Kong, Taiwan, Macau, Mongolia, Singapore, Indonesia, the Philippines, Brunei and spanning across to countries such as Russia and Brazil.

The total revenue generated from asset appraisal during the Track Record Period amounted to approximately HK\$72.3 million.

Possible changes to the property valuation disclosure requirements for listed companies in Hong Kong

The SFC and the Stock Exchange launched a joint consultation on 3 December 2010 on proposed changes to property valuation requirements regarding IPOs and M&As. A summary of the proposed changes are set out under the paragraph headed “Possible changes to the property valuation disclosure requirements for listed companies in Hong Kong” in the section headed “Business” in this prospectus, and the relevant risks are disclosed under the paragraph headed “Possible changes to the property valuation disclosure requirements for companies listed in Hong Kong may adversely affect the Group’s business” in the section headed “Risk factors” in this prospectus.

If the proposals were approved, requirement for valuation report of real estate interest may decrease for issuers listed in Hong Kong. However, the impact to the Group is only restricted to property valuation for the purpose of IPOs or M&A transactions. Valuation reports or opinions of value on property for purposes other than IPOs and M&A transactions or on valuation of other asset classes will not be affected. Furthermore, requirements on valuation for financial reporting purposes remain unchanged. An analysis of the gross revenue and gross profit of the Group from real estate valuation and the possible loss which may be caused by the proposed changes to property valuation requirements regarding IPOs and M&As is set out under the paragraph headed “Possible changes to the property valuation disclosure requirements for listed companies in Hong Kong” in the section headed “Business” in this prospectus.

Given that real estate valuation for IPO and M&A purposes is not a significant portion of the Group’s asset appraisal services, that the Group is also engaged in real estate valuation for other purposes and valuation of other asset classes such as mineral properties, business and intangible asset as well as financial instrument and derivative, and that the Group is expanding into the asset advisory and corporate services and consultancy business, the Company believes that the possible impact of the proposed changes on the Company’s asset appraisal services described under the paragraph headed “Possible changes to the property valuation disclosure requirements for listed companies in Hong Kong” in the section headed “Business” in this prospectus would not be significant although most of the Company’s clients are listed companies.

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Asset advisory services

Capitalizing on its wide client base from the asset appraisal business, the relationship that the Directors and the senior professionals of the Group have established with the proprietors and senior management of such clients, as well as its expertise in identifying the value of different assets, the Group expanded into the provision of asset advisory services in 2007. Such services typically involve identifying potential investment or investor, undertaking due diligence and evaluation on the underlying assets and provision of procedural and strategic advice in relation to the client entering into an investment or realizing an investment. The asset advisory service business only has a relatively short operating history. Referrals from clients and other professional relationships established by the Group in its asset appraisal business is an important source of business for this sector.

The fee charged by the Group for each engagement is determined on a case-by-case basis, and made up of both fixed fees and a success-based fee. Fixed fees will be charged for work done such as due diligence investigation, viability study and evaluation of the target investment and is based on the estimated time to be spent and the complexity of the project. In addition, the Group will also charge a success-based fee which is calculated based on a percentage of the value of the underlying asset or the consideration agreed between the parties in the underlying transaction. The success-based fee is contingent upon the client's payment of or, as the case may be, receipt of consideration pursuant to the definitive agreement for such transaction. Since March 2011, the Group has established a new internal control policy in respect of invoicing, revenue recognition and debt collection in relation to its asset advisory services.

During the Track Record Period, the Group was engaged in 4 engagements in asset advisory services, with the underlying assets all located in the PRC. The total revenue generated from these 4 engagements during the Track Record Period amounted to approximately HK\$42.9 million, but the revenue and gross profit fluctuated during the Track Record Period. Please refer to the "Risk factors" section of this prospectus, in particular the paragraphs headed "Reliance on key executives in the conduct of the Group's business" and "Unpredictability of revenue and profitability".

After the Track Record Period and up to the Latest Practicable Date, the Group has signed two engagement letters relating to asset advisory services.

Please refer to the "Business" section and "Financial information" section of this prospectus for further details relating to this segment of the Group's business.

Corporate services and consultancy

In order to widen the spectrum of professional services provided by the Group, it also expanded its scope of service to corporate services and consultancy. Such services can be further subdivided into two arms.

One arm is corporate consultancy, under which the Group provides advice to corporations in areas such as corporate governance, internal control, enterprise risk management and other operational aspects with a view to enhancing corporate efficiency,

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performance and enterprise value. The fee to be charged by the Group on such services will usually be based on the improvements in results of the corporation and calculated based on a percentage amount of the target achievement. During the Track Record Period, the Group has 1 major engagement in this sector in which the Group was engaged to provide advice to a government-owned enterprise in the PRC to improve its operational results, and for which the Group received a remuneration of RMB3.0 million.

Other than this major engagement, the Group has also provided business consultancy services with gross revenue of approximately HK\$0.6 million during the Track Record Period.

Towards the end of the Track Record Period, the Group was engaged by a PRC metal product manufacturer to provide consultancy services on proposed fund raising exercise, and the Group is entitled to charge a success fee at 5% of the fund raised by this client.

The other arm can generally be described as back office administration, which includes company secretarial services for private and listed companies, human resource management and administrative services, accounting and tax services including accounting system setup and support, bookkeeping, budgeting and forecast, payroll services, tax return preparation, and financial statement preparation, for which the Group is usually engaged on annual retainer with fixed fees charged on a monthly basis. Other ad hoc services include corporate communication and marketing services such as brand building, design of marketing materials and corporate event management, for which fees will be agreed on project-by-project basis based on time expected to be spent by the Group on the project.

During the Track Record Period, the Group had entered into 6 engagements in respect of corporate services in back office administration, generating a total revenue of approximately HK\$2.2 million. After the end of the Track Record Period up to the Latest Practicable Date, the Group has further obtained two engagements for its corporate services.

For corporate consultancy, the Group has obtained 4 engagements since the end of the Track Record Period. In one of these engagements, the Group was appointed by an overseas mining operation to provide advice on pre-IPO planning work and co-ordination in the course of application for listing on the Main Board of the Stock Exchange. Major scope of services under this engagement includes (i) conducting due diligence exercise, (ii) setting up data room, (iii) assisting client in the selection of professional parties for the IPO project, (iv) coordinating professional parties engaged by the client and (v) assisting the client in collating documents for the IPO purpose. Fees payable to the Group under the engagement comprised fixed fees payable every half-year and success fee. There was also another engagement under which the Group would provide similar services regarding pre-IPO planning and coordination during the IPO process, and service fee will be charged on the basis of time spent by the Group on the project, payable to the Group monthly. For the remaining 2 engagements, the Group was engaged by 2 private companies to provide consultancy services for sourcing investors, under which the Group is entitled to charge a success fee at 2%–3% of the funds raised or received by clients.

SUMMARY

COMPETITION AND COMPETITIVE STRENGTHS

Competition

The Directors consider that the professional service industry is highly fragmented and unstructured with professional service firms with different sizes and areas of expertise where competition is mainly based on (i) quality of service provided, (ii) expertise and reputation of the firm, (iii) business network and client relationship of the key management and (iv) pricing of the services provided.

In each segment of its business, the Group will also be on the one hand faced with competition from smaller or newly established firms which often compete in terms of pricing, and on the other hand with competition from larger firms which have more human resources and better access to capital than the Group.

Competitive strengths

The Directors believe that the Group has the following competitive strengths:

- (1) the Group has built up a strong and diverse client base in the capital market from its appraisal business which are mainly performed for listed companies in Hong Kong, and has maintained long-standing relationship with clients;
- (2) it has an experienced professional team;
- (3) it being a one-stop professional service provider which provides under one roof various services essential for an investment decision and across a variety of assets; and
- (4) it has multi-disciplined credentialed professionals.

BUSINESS OBJECTIVES

The business objective of the Group is to become one of the leading providers of integrated professional services to public and private companies and individual investors including asset advisory services and asset appraisal, and corporate services and consultancy by expanding into other geographic lines in Asia. Founded and headquartered in Hong Kong, the Group intends to expand its clients network by establishing offices, acquiring professional service firms and/or establishing alliances in other places in Asia such as Singapore, Taiwan and Japan. The Group expects to capture new business opportunities in particular from the PRC, which is now a major player in the global economy.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Directors believe that the listing of the Shares on GEM will enhance the Group's profile and the net proceeds from the Placing will strengthen the Group's financial position and will enable the Group to pursue its business plans set out in the section headed "Statement of business objectives" in this prospectus.

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The net proceeds from the issue of the Placing Shares based on the Placing Price, after deducting related expenses, are estimated to amount to approximately HK\$78 million. The Directors intend to apply such net proceeds of the Placing as follows:

- as to approximately HK\$27.95 million to develop the Group's asset appraisal and corporate services businesses, approximately HK\$22.95 million of which for setting up or acquiring asset appraisal firms in Hong Kong, Taiwan, Japan and Singapore and approximately HK\$5.00 million of which for acquiring corporate service firms in Hong Kong;
- as to approximately HK\$28.25 million to develop the Group's asset advisory services by establishing or acquiring asset advisory services firms in Hong Kong and the PRC;
- as to approximately HK\$15.30 million to develop the Group's corporate consultancy business by establishing or acquiring corporate consultancy business, in Hong Kong and the PRC;
- as to approximately HK\$1.00 million to improve the public awareness of the Group's business by organizing seminars regarding the Group's services, publishing newsletters and periodicals to promote the Group and organizing promotional campaigns for the Group's business; and
- as to approximately HK\$5.50 million for human resources deployment to recruit additional staff and management team for the Group's asset advisory and corporate consultancy services.

Set out below is a breakdown of the intended use of such net proceeds of the Placing for the period from the Latest Practicable Date to 31 March 2014:

	From the Latest Practicable Date to 30 September 2011 (HK\$ million)	Six months ending 31 March 2012 (HK\$ million)	Six months ending 30 September 2012 (HK\$ million)	Six months ending 31 March 2013 (HK\$ million)	Six months ending 30 September 2013 (HK\$ million)	Six months ending 31 March 2014 (HK\$ million)	Total (HK\$ million)
Business development in asset appraisal and corporate services	—	10.10	7.65	5.10	5.10	—	27.95
Business development in asset advisory services	—	—	9.42	9.42	9.41	—	28.25
Business development in corporate consultancy business	—	—	7.65	7.65	—	—	15.30
Improvement of public awareness	0.10	0.10	0.20	0.20	0.20	0.20	1.00
Human resources deployment	0.10	0.60	1.20	1.20	1.20	1.20	5.50
Total	0.20	10.80	26.12	23.57	15.91	1.40	78.00

SUMMARY

To the extent that the net proceeds from the issue of the Placing Shares are not immediately required for the above purposes, it is the present intention of the Directors to place such proceeds on short-term interest-bearing deposits with licensed banks and/or financial institutions in Hong Kong.

In the event that any part of the business plans of the Group does not materialise or proceed as planned, the Directors will carefully evaluate the situation and may reallocate the intended funding to other purposes as indicated in the implementation plans set out in this prospectus and/or to hold the funds as short-term deposits so long as the Directors consider it to be in the best interest of the Company and its shareholders taken as a whole.

According to current estimates, the Directors expect that the net proceeds from the issue of the Placing Shares of approximately HK\$78 million, the cash in bank or on hand as at the Latest Practicable Date together with the projected cashflow from operations will be sufficient to finance the implementation of the Company's business plans up to 31 March 2014 as described in the section headed "Statement of business objectives" in this prospectus.

The estimated expenses relating to the Placing is approximately HK\$12 million. A portion of approximately HK\$0.5 million has been charged to the profit or loss for the years ended 31 March 2010 and 2011. As most of the expenses are incurred for the issue of new Placing Shares, a larger portion of approximately HK\$11.4 million would be charged to the share premium upon the success of the Placing. The remaining expenses of approximately HK\$0.1 million will be charged to the profit or loss. The Directors would like to emphasise that such amount of expenses is a current estimate for reference only and the final amount is subject to adjustment based on audit and the then changes in variables and assumptions.

SUMMARY

TRADING RECORD

The following table summarises the Group's combined turnover and results for each of the two years ended 31 March 2010 and the nine months ended 31 December 2010 prepared on the assumption that the current structure of the Group had been in place throughout the period under review. The summary should be read in conjunction with the accountants' report as set out in Appendix I to this prospectus.

		Year ended 31 March		Nine months ended 31 December	
		2009	2010	2009	2010
	Note	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Turnover	1	25,654	50,870	33,134	44,951
Cost of services		(12,563)	(8,451)	(5,062)	(8,521)
Gross profit	2	13,091	42,419	28,072	36,430
Other income		619	743	321	1,962
Marketing expenses		(200)	(297)	(308)	(52)
Administrative expenses		(7,476)	(8,185)	(5,482)	(10,185)
Other operating expenses		(725)	(1,207)	(1,146)	(714)
Profit from operations		5,309	33,473	21,457	27,441
Finance costs		—	(1)	(1)	—
Profit before tax		5,309	33,472	21,456	27,441
Income tax expense		(897)	(3,808)	(2,409)	(2,779)
Profit for the year/period		4,412	29,664	19,047	24,662
Other comprehensive income:					
Exchange differences on translating foreign operations		—	—	—	9
Total comprehensive income for the year/period		<u>4,412</u>	<u>29,664</u>	<u>19,047</u>	<u>24,671</u>
Profit for the year/period attributable to:					
Owners of the Company		2,799	26,727	16,651	24,662
Non-controlling interests		<u>1,613</u>	<u>2,937</u>	<u>2,396</u>	—
		<u>4,412</u>	<u>29,664</u>	<u>19,047</u>	<u>24,662</u>
Total comprehensive income for the year/period attributable to:					
Owners of the Company		2,799	26,727	16,651	24,671
Non-controlling interests		<u>1,613</u>	<u>2,937</u>	<u>2,396</u>	—
		<u>4,412</u>	<u>29,664</u>	<u>19,047</u>	<u>24,671</u>
Earnings per Share					
Basic (HK cents)	3	<u>0.75</u>	<u>7.13</u>	<u>4.44</u>	<u>6.58</u>

SUMMARY

Notes:

1. Turnover

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Asset appraisal services income	25,519	27,060	18,720	19,747
Asset advisory services income	—	20,197	14,400	22,674
Corporate services and consultancy income	135	3,613	14	2,530
	<u>25,654</u>	<u>50,870</u>	<u>33,134</u>	<u>44,951</u>

2. Gross profit and gross profit margin

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	Gross profit margin	Gross profit margin	Gross profit margin	Gross profit margin
Note	HK\$'000	(%)	HK\$'000	(%)
			(unaudited)	
Asset appraisal services	14,686	58%	18,609	69%
Corporate services and consultancy	(a) 135	100%	3	25%
Asset advisory services	(b) (1,730)	N/A	20,197	100%
	<u>13,091</u>	<u>51%</u>	<u>42,419</u>	<u>83%</u>
	<u>13,091</u>	<u>51%</u>	<u>28,072</u>	<u>85%</u>
	<u>13,091</u>	<u>51%</u>	<u>36,430</u>	<u>81%</u>

Note:

- (a) Please refer to the paragraph headed “Management discussion and analysis” in the section headed “Financial information” of this prospectus for the explanation of gross profit margin in this segment.
- (b) Please refer to the paragraph headed “Management discussion and analysis” in the section headed “Financial information” of this prospectus for the explanation of gross loss and gross profit margin in this segment.

3. Earnings per Share

The calculation of basic earnings per Share attributable to owners of the Company for the years ended 31 March 2009 and 2010 and the nine months ended 31 December 2010 is based on the combined profit attributable to owners of the Company for each of the reporting period and the assumption that 375,000,000 Shares of the Company are in issue and issuable, comprising 1,000 Shares in issue as at the date of this prospectus and 374,999,000 Shares to be issued pursuant to the Capitalisation Issue as more fully described in the paragraph headed “Written resolutions of the sole Shareholder” in Appendix VI to this prospectus, as if the entire Shares were outstanding throughout the entire Track Record Period.

No diluted earnings per Share are presented as the Company did not have any dilutive potential ordinary shares during the Track Record Period.

SUMMARY

TRADE RECEIVABLES

The majority of the Group's trade receivables as at 31 March 2010 were service fees due to asset advisory services and asset appraisal services. The total trade receivables of the Group increased by approximately 524.0% from approximately HK\$4.7 million as at 31 March 2009 to approximately HK\$29.4 million as at 31 March 2010. Trade receivables as at 31 March 2010 due to asset advisory services and asset appraisal services were approximately HK\$20.2 million (as compared to HK\$nil as at 31 March 2009) and approximately HK\$6.7 million (as compared to HK\$4.6 million as at 31 March 2009) respectively, whereas the trade receivables due to corporate services and consultancy were approximately HK\$2.5 million (as compared to HK\$100,000 as at 31 March 2009). Average trade receivables turnover days for the Group increased from 67 days for the year ended 31 March 2009 to 122 days for the year ended 31 March 2010. The increase in trade receivables and average trade receivables turnover days was mainly attributable to delay in payment from client in the asset advisory services segment.

The total trade receivables of the Group decreased by approximately 53.8% from approximately HK\$29.4 million as at 31 March 2010 to approximately HK\$13.6 million as at 31 December 2010 while average trade receivables turnover days for the Group increased from 122 days for the year ended 31 March 2010 to 131 days for the nine months ended 31 December 2010. The majority of such receivables were services fees due to asset advisory services and asset appraisal services, being approximately HK\$9.9 million due to asset advisory services, approximately HK\$3.5 million due to asset appraisal services and with the balance of approximately HK\$108,000 due to corporate services and consultancy. Decrease in trade receivables was mainly attributable to recovery of outstanding payment from clients of the Group while the increase in average trade receivables turnover days was due to higher trade receivables as at 31 March 2010 caused by increase in service fee from asset advisory services and asset appraisal.

Of the total trade receivables of approximately HK\$13,559,000 outstanding as at 31 December 2010, HK\$12,583,000 has been subsequently settled as at the Latest Practicable Date.

DIVIDEND POLICY

For the two years ended 31 March 2010 and the nine months ended 31 December 2010, the subsidiaries of the Company declared dividends in an aggregate amount of approximately HK\$515,000, HK\$13.3 million and HK\$11.0 million respectively.

The amount of any dividends to be declared in the future will depend on, among other things, the Company's trading results, cash flows and financial condition as well as operating and capital requirements. Subject to the said factors, the Directors expect to declare and pay dividends of not less than 30% of the net profit attributable to the equity holders of the Company for the financial year ending 31 March 2012.

SUMMARY

PLACING STATISTICS

Placing Price	HK\$0.72 per Share
Market capitalisation at the Placing Price (<i>Note 1</i>)	HK\$360 million
Historical price/earnings multiple (<i>Note 2</i>)	10 times
Unaudited pro forma adjusted net tangible asset value per Share based on the Placing Price (<i>Note 3</i>)	HK\$0.23

Notes:

1. The calculation of the market capitalisation of the Shares is based on the issued capital of 500,000,000 Shares, being the aggregate number of Shares in issue as at the date of this prospectus and the number of Shares to be issued pursuant to the Placing and the Capitalisation Issue.
2. The historical price/earnings multiple is based on the historical earnings per Share of HK7.13 cents for the financial year ended 31 March 2010 and the Placing Price of HK\$0.72 per Share.
3. The adjusted net tangible asset value per Share has been arrived at after making the adjustments referred to under the paragraph headed “Unaudited pro forma adjusted net tangible assets” in the section headed “Financial information” of this prospectus and on the basis of a total of 500,000,000 Shares in issue and to be issued as mentioned herein immediately following completion of the Placing and the Capitalisation Issue. It does not take into account any Shares which may fall to be allotted and issued pursuant to the exercise of any options which have been granted or may be granted under the Share Option Scheme, or any Shares which may be allotted and issued or repurchased by the Company pursuant to the general mandates for the allotment and issue or repurchase of Shares referred to in Appendix VI to this prospectus or otherwise.

RISK FACTORS

The Directors consider that the business of the Group is subject to a number of risk factors, which can be summarised as follows:

Risks relating to the Group

- Unpredictability of revenue and profitability
- Sustainability of gross profit margin
- Possible changes to the property valuation disclosure requirements for companies listed in Hong Kong may adversely affect the Group's business
- Reliance on key executive in the conduct of the Group's business
- Reliance on professional staff
- Fluctuations on value of underlying assets
- Dependency on performance of the property market in the PRC
- No assurance that the future plans will materialise
- Historical dividends may not be indicative of the Company's future dividends
- Reliance on major clients
- Reliance on particular services
- No assurance of future funding
- Limited experience in business operation in foreign jurisdictions
- Difficulties in seeking full payment of fee upon termination of underlying transaction or failure to attain performance target
- Delay or default in payment of fees from clients
- Risk associated with the computer hardware, network security and data storage
- Potential exposure to professional liability
- Possible adverse impact on the Group's business as a result of a loss of business reputation or negative publicity
- Risk associated with subcontracting
- Changes in accounting standards which may adversely affect the Group's business

SUMMARY

- Foreign currency risk
- Improvements to the Group's risk management and internal control systems may not be adequate or effective
- A member of the Group may be liable to taxation not fully provided

Risks relating to the industry

- Economic downturn in Hong Kong and the PRC may adversely affect the Group's business
- Competition
- Any business disruptions resulting from acts of God, acts of war, epidemics, including the recent outbreak of swine influenza, and other factors outside of the Group's control could affect its business and might result in substantial costs
- Changes in regulatory requirements relating to the business of the Group may adversely affect the Group's business

Risks relating to Hong Kong

- Economic and political factors may adversely affect the Group's business

Risks relating to the PRC

- Political, economic and social policies may adversely affect the Group's business
- Changes in laws and regulations of the PRC and their interpretation may adversely affect the Group's business

Risks relating to the Placing

- Marketability and possible price and trading volume volatility of the Shares
- Dilution of Shareholders' equity interests
- Future sales of substantial amounts of Shares in the public market after the Placing could materially and adversely affect the prevailing market price of the Shares

Risks associated with this prospectus

- No assurance as to the accuracy of statistics and facts contained in the section headed "Industry overview" in this prospectus
- Forward-looking statements included in this prospectus may not materialise
- Press reports on the Group should not be relied on

SUMMARY

SHAREHOLDING STRUCTURE

Set out below are the respective shareholding structure of the Company immediately before and after completion of the Placing and the Capitalisation Issue (but without taking into account any shares issued pursuant in the exercise of share options which may be granted under the Share Option Scheme):

Name of Shareholder	Date on which shareholding in the Group was first acquired	Number of Shares or attributable number of Shares held immediately before the Placing and the Capitalisation Issue	Approximate percentage or attributable percentage of shareholding before the Placing and the Capitalisation Issue %	Number of Shares or attributable number of Shares held immediately after the Placing and the Capitalisation Issue	Approximate percentage or attributable percentage of shareholding after the Placing and the Capitalisation Issue %	Approximate cost per Share <i>HK\$</i>
Brilliant One (<i>Note</i>)	17 May 2011	1,000	100	375,000,000	75	N/A
The Public	N/A	—	—	125,000,000	25	Placing Price
	Total:	<u>1,000</u>	<u>100</u>	<u>500,000,000</u>	<u>100</u>	

Note:

Brilliant One is wholly owned by GCA Professional Services. GCA Professional Services is owned as to 73% by Genius Ideas, 20% by Simply Joy and 7% by Famous Boom. Genius Ideas is owned as to 51% by Smart Pick, 42.88% by Easy Gain and 6.12% by Mr. Ip. Smart Pick is owned as to 58.76% by GC Holdings, 29.32% by Mr. Cheng and 11.92% by Mr. Leung. GC Holdings is wholly owned by Mr. Ip. Easy Gain is wholly and beneficially owned by Mr. Wong. Simply Joy is wholly owned by Genius Choice. Genius Choice is wholly owned by GR Investment. GR Investment is wholly owned by Accufocus Investments which in turn is wholly owned by Prosperity Investment. Famous Boom is wholly owned by Billion Great. Billion Great is wholly and beneficially owned by Mr. Ma Kwai Yuen. Brilliant One became the Controlling Shareholder pursuant to the Reorganisation.

DEFINITIONS

In this prospectus, unless the context otherwise requires, the following expressions have the following meanings:

“Accufocus Investments”	Accufocus Investments Limited, a company incorporated in the BVI on 5 July 2001 with limited liability
“Articles”	the articles of association of the Company adopted on 18 May 2011 and as amended from time to time
“Asset-Plus”	Asset-Plus Global Limited, a company incorporated in the BVI on 23 July 1997 with limited liability and an indirect wholly-owned subsidiary of the Company
“associate(s)”	having the meaning ascribed thereto under the GEM Listing Rules
“Beijing GCA”	漢華正立資本管理諮詢(北京)有限公司 transliterated as Hanhua Zhenli Zi Ben Zi Xun (Beijing) Co., Ltd., an indirect wholly-owned subsidiary of the Company incorporated on 23 February 2010 in the PRC
“Beijing Representative Office”	香港漢華評值有限公司北京代表處 transliterated as Hong Kong Greater China Appraisal Company Limited Beijing Representative Office, a representative office of Greater China Appraisal Limited established in Beijing
“Beijing Xincheng”	北京漢華信誠資產顧問有限公司 transliterated as Beijing Hanhua Xincheng Zi Chan Gu Wen Co., Ltd., a company incorporated in the PRC with limited liability
“Best Aim”	Best Aim Consultant Ltd., a company incorporated in the BVI on 2 February 2010 with limited liability and an indirect wholly-owned subsidiary of the Company
“Billion Great”	Billion Great Development Limited, a company incorporated in the BVI on 1 February 2010 with limited liability
“Board”	the board of Directors
“Brilliant One”	Brilliant One Holdings Limited, a company incorporated in the BVI on 29 July 2010 with limited liability
“Business Day”	a day (other than a Saturday or Sunday) on which licensed banks in Hong Kong are generally open for normal banking business
“BVI”	British Virgin Islands

DEFINITIONS

“Capitalisation Issue”	the issue of 374,999,000 Shares upon capitalisation of part of the share premium account of the Company referred to in the paragraph headed “Written resolutions of the sole Shareholder” under the section headed “Further information about the Company” in Appendix VI to this prospectus
“CAS”	The China Appraisal Society
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CEPA”	Mainland and Hong Kong Closer Economic Partnership Arrangement
“Co-Manager”	Emperor Securities Limited, a wholly-owned subsidiary of Emperor Capital Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 717) and a licensed corporation for Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO and one of the Underwriters
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	GreaterChina Professional Services Limited (formerly known as GCA Group Limited), a company incorporated in the Cayman Islands on 3 December 2010 with limited liability
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules and herein refers to Brilliant One, GCA Professional Services, Genius Ideas, Smart Pick, GC Holdings and Mr. Ip. Please also refer to the section headed “Controlling, substantial and significant Shareholders” in this prospectus
“Director(s)”	the director(s) of the Company
“Easy Gain”	Easy Gain Development Limited, a company incorporated in the BVI on 5 January 2010 with limited liability
“Emperor Capital”	Emperor Capital Limited, a wholly-owned subsidiary of Emperor Capital Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 717) and a licensed corporation for Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and one of the Joint Sponsors of the Listing

DEFINITIONS

“Famous Boom”	Famous Boom Group Limited, a company incorporated in the BVI on 22 August 2007 with limited liability
“Fidelia Investments”	Fidelia Investments Limited, a company incorporated in the BVI on 12 November 2010 with limited liability and a wholly-owned subsidiary of the Company
“GC Appraisal”	Greater China Appraisal Limited, a company incorporated in Hong Kong on 20 August 1997 with limited liability and an indirect wholly-owned subsidiary of the Company
“GCA Professional Services”	GCA Professional Services Group Limited (formerly known as G C Associates Limited), a company incorporated in Hong Kong on 11 January 2010 with limited liability
“GC Holdings”	GC Holdings Limited, a company incorporated in the BVI on 10 February 1998 with limited liability
“GCA Holdings”	GCA Holdings Limited, a company incorporated in Hong Kong on 20 August 2004 with limited liability and an indirect wholly-owned subsidiary of the Company
“GCCCCS”	Greater China Corporate Consultancy & Services Limited, a company incorporated in Hong Kong on 15 November 2004 with limited liability and an indirect wholly-owned subsidiary of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“GEM website”	the internet website www.hkgem.com operated by the Stock Exchange for the purposes of GEM
“Genius Choice”	Genius Choice Investments Limited, a company incorporated in the BVI on 20 April 2000 with limited liability
“Genius Ideas”	Genius Ideas International Ltd., a company incorporated in the BVI on 5 January 2010 with limited liability
“GR Investment”	GR Investment Holdings Limited, a company incorporated in Hong Kong on 10 December 1991 with limited liability
“Greater China”	the PRC, Taiwan, Hong Kong and Macau
“Group”	the Company and its subsidiaries or, where the context so requires, in respect of the period before Company became the holding company of its present subsidiaries, such subsidiaries as if they were the Company’s subsidiaries at that time

DEFINITIONS

“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“HKAS”	Hong Kong Accounting Standards
“HKFRS”	Hong Kong Financial Reporting Standards
“HKIS”	The Hong Kong Institute of Surveyors
“IFRS”	International Financial Reporting Standards
“Independent Third Party(ies)”	person(s) or company(ies) which is/are independent of and not connected with the Company and its connected person(s)
“IPO(s)”	initial public offering(s)
“Joint Lead Managers”	Vinco Capital and SHK International
“Joint Sponsors”	Vinco Capital and Emperor Capital, the joint sponsors of the Company in respect of the Listing
“Latest Practicable Date”	18 May 2011, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information referred to in this prospectus
“Linkson”	Linkson Investment Limited, a company incorporated in Hong Kong on 3 December 1999 with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing”	the listing of the Shares on GEM
“Listing Date”	the date on which the Shares first commence trading on GEM
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“M&A(s)”	merger(s) and acquisition(s)
“Macau”	the Macau Special Administrative Region of the PRC
“Main Board”	the securities market operated by the Stock Exchange under the Listing Rules prior to the establishment of GEM (excluding the options market) and which continues to be operated by the Stock Exchange in parallel with GEM and which, for the avoidance of doubt, excludes GEM
“Mr. Cheng”	Mr. Cheng Kam Por
“Mr. Ip”	Mr. Ip Kwok Kwong, the managing Director

DEFINITIONS

“Mr. Leung”	Mr. Leung Siu Hong, an executive Director
“Mr. Wong”	Mr. Wong Chi Keung
“New Valiant”	New Valiant Limited, a company incorporated in the BVI on 28 July 2010 with limited liability and a wholly owned subsidiary of the Company
“Placing”	the conditional placing of the Placing Shares by the Company for cash at the Placing Price subject to the terms and conditions stated in this prospectus
“Placing Price”	the price for each Placing Share of HK\$0.72 (excluding brokerage, SFC transaction levy and Stock Exchange trading fee)
“Placing Shares”	125,000,000 Shares being offered by the Company for subscription under the Placing
“PRC”	the People’s Republic of China which, for the purposes of this prospectus and for geographical reference only, excludes Hong Kong, Macau and Taiwan
“Prosperity Investment”	Prosperity Investment Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 310)
“Reorganisation”	the reorganisation of the Group in preparation for the Listing, particulars of which are set out in the paragraph headed “Corporate reorganisation” in Appendix VI to this prospectus
“SFC”	The Securities and Futures Commission in Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Option Scheme”	the share option scheme conditionally approved and adopted by the Company on 18 May 2011, the principal terms of which are summarised in the paragraph headed “Share Option Scheme” in Appendix VI to this prospectus
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“SHK International”	Sun Hung Kai International Limited, a licensed corporation for Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being one of the Joint Lead Managers and Underwriters

DEFINITIONS

“Simply Joy”	Simply Joy Investments Limited, a company incorporated in the BVI on 10 November 2010 with limited liability
“Smart Pick”	Smart Pick Investments Limited, a company incorporated in the BVI on 5 January 2010 with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Track Record Period”	the two years ended 31 March 2010 and the nine months ended 31 December 2010
“Underwriters”	the underwriters of the Placing whose names are set out in the paragraph headed “Underwriters” in the section headed “Underwriting” in this prospectus
“Underwriting Agreement”	the underwriting agreement dated 24 May 2011 made between the Company, the executive Directors, the Controlling Shareholders, the Joint Sponsors, the Joint Lead Managers and the Underwriters relating to the Placing, brief particulars of which are summarised in the section headed “Underwriting” in this prospectus
“US”	the United States of America
“Vinc Capital”	Grand Vinc Capital Limited, a wholly-owned subsidiary of Vinc Financial Group Limited, a company listed on GEM (stock code: 8340) and a licensed corporation for Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being one of the Joint Sponsors, Joint Lead Managers and Underwriters
“HK\$” and “cents”	the Hong Kong dollars and cents, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“US\$” or “USD”	the US dollars, the lawful currency of the US
“%”	per cent.

RISK FACTORS

Potential investors should carefully consider all of the information set out in this prospectus and, in particular, should consider the following risks and special considerations associated with an investment in the Placing Shares before making any investment decision in relation to the Placing Shares.

This prospectus contains certain forward-looking statements relating to the Group's plans, objectives, expectations and intentions, which involve risks and uncertainties. The Group's actual results could differ materially from those discussed in this prospectus. Factors that could cause or contribute to such differences include those discussed below, as well as those discussed elsewhere in this prospectus.

RISKS RELATING TO THE GROUP

Unpredictability of revenue and profitability

The Group's revenue and income are primarily generated from mandates on a project-by-project basis each of which may vary in scope, size and complexity of services to be rendered. In addition, terms and conditions of each mandate, including its payment schedule, are negotiated and determined on a project-by-project basis. For asset appraisal, fees are payable by stage payment based on milestone agreed with clients. If the underlying project does not reach any particular milestone, the Group will not be entitled to the corresponding service fee. Fees charged by the Group in respect of its asset advisory services and corporate consultancy business to a large extent are success-based or performance-based. If a project cannot be carried through to completion, or there is no successful underlying transaction, or performance target cannot be attained, or where the project is put on hold by client, the Group will not be entitled to such portion of the fees even if substantial amount of time and effort has been expended. As a result, the income and profitability of the Group may be unpredictable.

Furthermore, given that no long term contracts were signed between the Group and most of its clients, there is no assurance that a client will retain the Group to provide services in the future. Should the Group fail to be awarded new projects in the future, the Group's revenue would be adversely affected.

The Directors believe that the results of its asset advisory services depend on the continuous involvement of the key executive of the Group, Mr. Ip. In addition, obtaining engagements for asset advisory services depends to a large extent on referrals and relationships.

Therefore, a substantial portion of the revenue and income generated by the Group is non-recurring in nature and may fluctuate from time to time. Accordingly high levels of revenue in one period are not necessarily predictive or indicative of continued high levels of revenue in any future period.

RISK FACTORS

Sustainability of gross profit margin

During the Track Record Period, the Group had attained a gross profit margin of approximately 51%, 83% and 81% respectively. However, as the asset advisory service business only has a relatively short operating history, the gross profit margin attained by the Group during the Track Record Period may not be taken as a reference to estimate the Group's gross profit margin in the future. There is no assurance that the Group will be successful in meeting all challenges and addressing the risks and uncertainties as may be faced by the Group in developing its new business and the Group's gross profit margin can be maintained in the level similar to those in the Track Record Period. Should the Group fail to maintain such high gross profit margin, the Group's financial results may be adversely affected.

In addition, the corporate services and consultancy business achieved a gross profit margin of 100% for the year ended 31 March 2010 as its cost of services were shared with other segments. The Group has adopted new internal control policy for cost split between different business segments since April 2011. Therefore, the profit margin of corporate services and consultancy business achieved during the Track Record Period may not be taken as a reference to the gross profit margin for this business in the future.

Possible changes to the property valuation disclosure requirements for companies listed in Hong Kong may adversely affect the Group's business

The SFC and the Stock Exchange launched a joint consultation on 3 December 2010 regarding proposed changes to property valuation requirements regarding IPOs and M&As.

It was proposed that the property valuation requirements for a listing applicant who engages in business activities relating to property development and investments will remain unless the property has a carrying amount below 1% of the applicant's total assets, whereas for other business activities, which usually involve property for own use, property valuation will only be required if the carrying amount of a property equals to or exceeds 15% of the applicants' total assets. For companies listed in Hong Kong, the property valuation requirements for an acquisition or disposal of Hong Kong listed companies are proposed to be removed. However, property valuation requirements for an acquisition or disposal of unlisted companies will remain except when the carrying amount of the property interests amounts to less than 1% of the listed company's total assets.

If the aforesaid proposals were implemented, the demand for asset appraisal services may decrease, and the results of operations of the asset appraisal services of the Group may in turn be adversely affected.

Reliance on key executive in the conduct of the Group's business

The Group's success is, to a significant extent, attributable to the continued commitment of the Directors and senior management, particularly Mr. Ip. Mr. Ip is responsible for the overall strategic planning and administration of the Group and the management, operation and business development of the asset advisory business of the Group and he has accumulated over 20 years of extensive knowledge and experience in the

RISK FACTORS

asset appraisal industry as well as asset advisory services. The Directors believe that the Group's future prospects and the results of its operations will depend significantly on the continuous involvement of Mr. Ip, its key executive. Should Mr. Ip terminate his services with the Group and/or the Group fail to recruit new executive(s) with relevant experience from the market, the Group's operation and business may be adversely affected.

Reliance on professional staff

A core competence of the Group being a one-stop professional service provider is its multi-disciplined professional staff. The Directors, senior management and other professional staff of the Group possess professional qualifications or professional memberships in various specialties. A breakdown of number of professionals engaged in the different expertise areas for each of the year/period during the Track Record Period is set out under the paragraph headed "Multi-disciplined credentialed professionals" in the section headed "Business" in this prospectus. If the Group fails to retain these professional staff and is unable to find immediate and adequate replacement, the Group's operation and business may be adversely affected.

Fluctuations on value of underlying assets

The fees charged by the Group in respect of asset advisory services made up of fixed fees and success fee. Fixed fees will be charged for work done such as viability study and due diligence investigation while calculation of success fee is based on a percentage of the value of the underlying assets for which the Group is engaged to source or dispose. As such, the revenue generated from such services depends significantly on the value of the underlying assets, and fluctuation on value of the underlying assets will proportionately affect the success-based income of the Group. If there is a decrease in the value of the underlying assets, the revenue of the Group will be adversely affected.

Dependency on performance of the property market in the PRC

During the Track Record Period, all engagements of the Group for its asset advisory services are PRC real estate related. Therefore, the performance of the property market in the PRC may affect the income of the Group, and a property market downturn in the PRC could adversely affect the business and results of operation of the Group.

The property market in the PRC is considered to be a volatile market. It is not possible to predict with certainty whether property demand in the PRC will continue to grow in the future, as many social, political, economic, legal and other factors may affect the development of the property market. In addition, the property market in the PRC will continue to be affected by economic, monetary, fiscal or other policies and measures of the PRC government. If (i) economic conditions in the PRC deteriorate for any reason; or (ii) the PRC government continues to implement macro-economic control or other measures that aim to curtail, or have the effect of curtailing, property demand or property development in the PRC, results of operations of the asset advisory services of the Group will be adversely affected.

RISK FACTORS

No assurance that the future plans will materialise

The future business plans of the Group set out in this prospectus are based on the existing plans and current intentions of the Group and some of them are at conceptual or preliminary stages and no detailed feasibility studies have been conducted. The future business plans are based on assumptions of future events which are subject to uncertainty. In particular, the Group's intended acquisition or setting up of asset appraisal business in Japan as set out in the Group's implementation plans described in the section headed "Statement of business objectives" in this prospectus may or may not proceed, as the effect of the earthquake in March 2011 off the coast of Japan, the resulting tsunami, damage to certain nuclear power plants and the spread of radioactive material has not fully unfold.

There is no assurance that the future plans of the Group will materialise, or result in the conclusion or execution of any agreement in accordance with the planned timeframe, or that the objectives of the Group will be fully or partially accomplished. The Group's result of operation may be adversely affected in the event that the Group fails to accomplish its future plans.

Historical dividends may not be indicative of the Company's future dividends

For each of the two years ended 31 March 2010 and the nine months ended 31 December 2010, the subsidiaries of the Company declared dividends in an aggregate amount of approximately HK\$515,000, HK\$13.3 million and HK\$11.0 million respectively, representing approximately 11.7%, 44.9% and 44.6% of the net profit of the respective periods. The dividend payments were in the form of cash financed by the internal resources of the subsidiaries of the Company. There can be no assurance that dividends will be declared in the future and the dividends declared in the past should not be used as a reference for the Company's dividend policy nor should it be a basis to forecast whether and how much dividend will be declared by the Company in the future.

Reliance on major clients

For each of the two years ended 31 March 2010 and the nine months ended 31 December 2010, the Group's top five clients, in aggregate, accounted for approximately 29.7%, 56.9% and 60.0% of the Group's total revenue. For the same period, the single largest client accounted for 8.4%, 34.6% and 31.4% of the Group's total revenue respectively. Investors should be aware that the Group's business and profitability may be adversely affected if any of these major clients do not continue to use, or if any of them significantly reduces its use of the services provided by the Group and the Group is unable to obtain or secure comparable business from substitute clients.

Reliance on particular services

A significant portion of the Group's revenue during the Track Record Period is generated from the income of providing asset appraisal and asset advisory services. For each of the two years ended 31 March 2010 and the nine months ended 31 December 2010, income derived from asset appraisal and asset advisory services accounted for approximately 99.5%, 92.9% and 94.4%, respectively, of the Group's total revenue. For

RISK FACTORS

the year ended 31 March 2009, no income was generated from asset advisory services. For the year ended 31 March 2010, income generated from asset appraisal and asset advisory services amount to approximately 53.2% and 39.7% of the Group's total income respectively, and for the nine months period ended 31 December 2010, approximately 43.9% and 50.4% of the Group's total income were generated from asset appraisal services and asset advisory services respectively. Therefore, should the income from either the asset appraisal or asset advisory services drop significantly, the turnover and profit of the Group may be adversely affected.

No assurance of future funding

The Directors at present estimate that the net proceeds from the Placing will be sufficient to finance the business plans as scheduled up to 31 March 2014. In order to respond to unanticipated opportunities, including opportunities to support its expansion, development of new or enhanced services and acquisition of complementary business, the Group may need to raise additional funding through public or private financing or other arrangements after the Listing. There can be no assurance that such additional funding, if required, will be available on terms attractive to the Group, or at all. Shareholders should be aware that there will be a dilution in their shareholding in the Group in the event that the Group raises funds by way of an equity fund-raising exercise after the period of six months commencing from the Listing Date. On the other hand, debt financing, if available, may involve restrictive covenants.

In the event that the Group is unable to raise enough funds to finance its business plans for the year ending 31 March 2014, the Group's objectives may not be fully accomplished and the Group's results of operation may be adversely affected.

Limited experience in business operation in foreign jurisdictions

Although the Group has set up representative office in Beijing, the PRC since 1998, this office only functioned as the Group's liaison centre. It is not until February 2010 that the Group established Beijing GCA, a wholly foreign owned enterprise, in Beijing which can carry on business in the PRC. The Group also plans to expand into other places in Asia such as Singapore, Taiwan and Japan. The Directors and the Group have limited experience in conducting business in such locations. In addition, the Group may encounter a number of risks, such as different legal and tax systems, fluctuations in currency exchange rates and political uncertainty. There is no assurance that the Group can overcome such risks. The Group may be required to devote substantial human and financial resources in order to cope with such risks, which may adversely affect the Group's future results and profitability.

Difficulties in seeking full payment of fee upon termination of underlying transaction or failure to attain performance target

The normal payment terms of the Group's engagement relating to asset appraisal, asset advisory services, and corporate consultancy usually involves an initial service fee and either stage payments based on milestones achieved or contingency fee based on successful sourcing of investment or investor or attainment of certain performance target. Although

RISK FACTORS

the fee notes for the initial service fee and stage payments issued are due for full payment upon presentation, if the underlying target project cannot be carried through to completion, or the performance target cannot be attained, the Group may have difficulties in seeking full payment from the client pursuant to the terms of the engagement or the client may ask for a discount on the fee as agreed under the engagement. Furthermore, notwithstanding the payment schedule in the engagement letters, there may be a time lag in issuing invoices to clients for the success based fee as the Group may not be able to readily obtain confirmation from clients that they have received or, as the case may be, paid the relevant consideration in the underlying transactions. As a result, the revenue, profitability and cashflow of the Group will be adversely affected.

Delay or default in payment of fees from clients

The Group generally gives a credit period of 14 days for settlement of bills for its asset appraisal business, 30 days for settlement of bills for its asset advisory services and corporate services and 30 days for settlement of bills for its corporate consultancy services. As at 31 March 2009, 31 March 2010 and 31 December 2010, the trade receivables of the Group amounted to approximately HK\$4.7 million, HK\$29.4 million and HK\$13.6 million, out of which approximately HK\$1.4 million, HK\$13.5 million and HK\$0.8 million respectively had been outstanding for over 180 days from the time the revenue was recognised. Such outstanding balances represent approximately 29.1%, 46.0% and 6.1% of the Group's trade receivables net of allowance for doubtful debts as at the respective said dates. Average trade receivables turnover days for the Group increased from 67 days for the year ended 31 March 2009 to 122 days for the year ended 31 March 2010 and increased to 131 days for the nine months ended 31 December 2010. As at Latest Practicable Date, approximately HK\$0.8 million had been outstanding for over 180 days from the time the revenue was recognised, which represents approximately 15.0% of the Group's unaudited trade receivables net of allowance for doubtful debts as at such date. The Group's liquidity and operational cash flows may be materially and adversely affected if the trade receivable cycles or collection periods lengthen or if the Group encounters a material default of payment from clients. Should these events occur, the Group may be required to obtain working capital from other sources, such as from third-party financing, in order to maintain the Group's daily operations, and such financing from outside sources may not be available or alternatively it may be available on terms which are not favourable to the Group.

Risk associated with the computer hardware, network security and data storage

The Group is highly dependent on its information technology infrastructure to deliver services to its clients, store client and market information, implement the Group's internal control systems and manage and monitor its business operations. However, there is no assurance that the Group has sufficient ability to protect the computer hardware and data storage from all possible damages including but not limited to acts of nature, telecommunications breakdown, electricity failure or similar unexpected events which are beyond the Group's control. The Group has backup data for its key data processing systems, but the Group does not backup all data on a real-time basis and the effectiveness of the Group's business operations may be materially affected by any failure in its information technology infrastructure. If the Group's communications and information

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technology systems do not function properly, or if there is any partial or complete failure of the Group's systems, the Group could suffer financial losses, business disruption or damage to its reputation.

The Group's operations also rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. Similar to all other computer network users, the computer network system of the Group is vulnerable to attack of computer virus, worms, trojan horses, hackers or other similar computer network disruptive problems. Any failure in safeguarding the computer network system from these disruptive problems may cause breakdown of the computer network system and leakage of confidential information of the Group and its clients. Any failure in the protection of computer network system from external threat may cause disruption of the operation of the Group and may damage the reputation of the Group for any breach of confidentiality to its clients, which in turn may adversely affect the business operation and performance of the Group. In the event that client confidential information is stolen and misused, the Group may become exposed to potential risks of losses from litigation and possible liability.

Potential exposure to professional liability

Services offered by the Group involve providing professional advice to clients. A client who suffers loss resulting from reliance on the advice given by the Group might be able to claim compensation from the Group. The main business risk associated with professional services is possible claims or lawsuit arising from professional negligence and employee misconduct which may have an adverse impact on the Group's financial position and reputation.

The Group has adopted internal control measures including (i) requiring the project team to sign off the work done at each level of responsibility; (ii) restricting access to price-sensitive and/or confidential information to authorised personnel only; and (iii) establishing a whistle blower policy. However, there is no assurance that such measures can completely eliminate the risks for professional negligence and/or employee misconduct.

The Group has also taken out professional indemnity insurance to reduce the Group's exposure to adverse financial consequence arising from professional negligence claims, such professional indemnity insurance may not be adequate to cover claims that clients may bring against the Group and as a result may not be adequate to protect the Group against all liability that may arise. A claim which gives rise to liability exceeding the amount insured could have a material adverse effect on the Group's business, growth prospects, income, and results of operations and/or financial condition. Furthermore, there is no assurance that the Group can continue to maintain professional indemnity insurance or coverage to the same extent or without increased costs in the future.

Possible adverse impact on the Group's business as a result of a loss of business reputation or negative publicity

As a professional services firm, the Group's ability to secure new engagements depends heavily upon its reputation and the individual reputation of its client service professionals. Negative publicity associated with the Group or that of the Group's client service

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professionals, including not meeting client expectations or misconduct by the Group's client service professionals, could result in loss of clients or make it substantially more difficult to attract new engagements and clients. Similarly, referral by the Group's former or current clients is an important source of business, any clients that has doubts on the quality of the Group's work or that of the Group's client service professionals could impair the Group's ability to secure new engagements and clients, resulting in a material adverse effect on the Group's business, growth prospects and results of operations and/or financial condition.

Risk associated with subcontracting

The Group may subcontract part of its works to other qualified professionals or consultants due to factors including time constraint for completion of work or asset location. Such subcontracting arrangements may carry risks associated with the possibility that the relevant subcontractors may not be able to (i) meet the required schedule for delivery of work or (ii) deliver work of the requisite quality. As the Group does not have control over its subcontractors, it cannot be assured that the Group will not experience such problems with this subcontracting arrangement. Any occurrence of the said problems may have an adverse effect on the Group's business and prospects.

Changes in accounting standards which may adversely affect the Group's business

The demand for a substantial portion of the Group's asset appraisal business is generated by financial reporting requirements under IFRS and HKFRS. For example, the demand for the Group's valuation service of purchase price allocation service is primarily driven by the requirement under "Business Combination" under the HKFRS 3. In addition, the demand for the Group's financial instrument appraisal is primarily driven by the requirement under "Financial Instruments: Recognition and Measurement" under the HKAS 39 that establishes principles and situations for recognising and measuring financial assets and financial liabilities at their fair value. Therefore, the demand for the Group's asset appraisal services could change as a result of any future changes in accounting standards, which may in turn adversely affect the operational results and profitability of the Group.

Foreign currency risk

The Group has certain exposure to foreign currency risk as part of its fees are charged in RMB and USD.

Whilst Hong Kong dollar is pegged to USD and fixed within a range, the exchange rates relating to RMB are affected by, among other things, changes in the PRC's economic and political conditions. In 2005, the PRC government changed its policy of pegging the value of RMB to the USD. Under the new policy, the RMB is pegged against a basket of currencies, determined by the People's Bank of China, against which it can rise or fall within a regulated band each day. Under the current circumstances of global economic crisis and political factors, the exchange rates of RMB against the USD, the Hong Kong dollars or other foreign currency may fluctuate in an unprecedented way. Therefore fluctuations in exchange rate relating to RMB may affect the Group's operations and performances.

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The Group has not used any forward contracts, currency options or borrowings to hedge its exposure to foreign currency risk. The Group cannot predict the impact of future exchange rate fluctuations on its results of operations and may incur net foreign currency losses in the future.

Improvements to the Group's risk management and internal control systems may not be adequate or effective

The Group has established risk management and internal control systems consisting of relevant organizational framework policies, procedures and risk management methods. The Group may also adopt further or revised risk management and internal control measures from time to time. However, the Group cannot assure that such risk management and internal control systems or measures will be sufficiently effective in ensuring, among other things, prevention and detection of fraud and disaster recovery.

In addition, as some of the Group's risk management and internal control policies and procedures are relatively new, the Group may need to establish and implement additional risk management and internal control policies and procedures to further improve its systems from time to time. Moreover, since the risk management and internal control systems are implemented by the Group's employees, the Group cannot assure that such implementation will not involve any human error or mistakes. If the Group fails to timely adopt, implement and modify, as applicable, its risk management policies and procedures, its business, financial condition and results could be materially and adversely affected.

A member of the Group may be liable to taxation not fully provided

During the Track Record Period, Asset-Plus provided asset advisory services in the PRC with consultants/researchers engaged by the Group in the PRC. A Director has reviewed the work done by such personnel and provided advisory services outside Hong Kong. The Directors are of the opinion that the income derived from such services outside Hong Kong is not subject to Hong Kong profits tax. The Company's tax adviser considers that Asset-Plus has ground to treat its profits as non-Hong Kong sourced, however, based on the Director's travel itinerary, he spent around 50% of his working days in Hong Kong during the period under review, the Inland Revenue Department ("IRD") may challenge whether any services attributable to the earning of Asset-Plus's service income were rendered by such Director's working days in Hong Kong. In such case, IRD may only allow a partial offshore claim (calculated based on such Director's days in and out of Hong Kong) for Asset-Plus.

In view of the aforesaid, the Group has made a tax provision in the sum of approximately HK\$3.7 million for fees received for such services provided by the Group on the basis that 50% of Asset-Plus's profits during the Track Record Period is taxable in Hong Kong i.e. $(\text{HK\$}22,464,000 + \text{HK\$}22,674,000) \times 50\%$ (potential onshore profits) $\times 16.5\%$. No provision has been made for the periods before the Track Record Period as Asset-Plus had no income before the Track Record Period. Based on the management's confirmation and a review on Asset-Plus's operation mode, the tax adviser considers Asset-Plus has grounds to treat its profits as non-Hong Kong sourced and not subject to Hong Kong profits tax and the tax provision made for Asset-Plus is adequate. Furthermore, as

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Asset-Plus has notified the IRD of its offshore income claim in December 2010, the IRD is fully aware of Asset-Plus's income and tax position during the year ended 31 March 2010. There is no omission of income reporting for Asset-Plus in Hong Kong. Even if 50% of Asset-Plus's profits are finally considered by the IRD as taxable in Hong Kong, this will only be a matter of technical adjustment made by the IRD on the basis of the known facts fully disclosed to the IRD. The Directors believe and the tax adviser concurs that it is unlikely the IRD will impose a penalty on Asset-Plus and thus no provision for penalty has been made. Up to the Latest Practicable Date, the Group has not received any reply from the IRD.

Although Asset-Plus also performed works in the PRC, the tax adviser of the Company considered that the work performed by a Director of the Company and the operation of Asset-Plus do not constitute permanent establishment in the PRC. According to the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation on Income and the Prevention of Fiscal Evasion", the PRC tax authority may impose enterprise income tax (on the profit that is attributable to the permanent establishment) on Asset-Plus only if Asset-Plus is held to have a permanent establishment in the PRC. Since the operation of Asset-Plus does not constitute a permanent establishment in the PRC, it would not be subject to the PRC enterprise income tax.

On the other hand, the Company's tax adviser considered that since the services in connection with the earning of the service income were performed in the PRC by a Director of the Company and the PRC consultants, earning from engagements with the PRC entities, according to Article 4 of the Implementation Rules of the Business Tax law, would be subject to Business Tax of the PRC. No such Business Tax has been paid by the Group during the Track Record Period. All except one of the engagement letters with clients contain a clause that the fees received by the Group are free from applicable taxation. If any such charges do arise, the client is responsible for paying and to settle with the relevant authorities. The Group has no information as to whether the clients have settled or not yet settled the relevant tax with the relevant PRC authorities. Up to the Latest Practicable Date, the Group has not received any request or demand by any PRC government authority for payment of any such tax. The tax exposure on PRC Business Tax amounted to approximately HK\$0.6 million and possible penalty ranging from 50% to five times of the tax unpaid or underpaid, of which HK\$0.2 million together with the relevant penalty is covered by such clause. Both the Group's Hong Kong and PRC legal advisers opine that these engagement letters are legally enforceable, although the PRC legal advisers opine that the relevant PRC authority may still demand payment of such tax by Asset-Plus, who in such event will be entitled to recover the same from the relevant clients. By reason of the above and the fact that both Mr. Ip and Mr. Wong have provided indemnity for any tax liability incurred by any member of the Group at any time on or prior to the Listing Date, the Directors and the tax adviser of the Company are of the view that the Group would not be responsible ultimately for PRC Business Tax, and therefore no provision for such tax liability has been made in the accountants' report of the Group. The cash flows during the Track Record Period would not be affected as no tax payments would be required to be paid by Asset-Plus during the Track Record Period. For companies subject to Hong Kong profits tax, tax payments are usually required in January and April next year. Accordingly,

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even if Asset-Plus is ultimately assessed to be subject to Hong Kong profits tax, payment for such tax is only required to be made outside the Track Record Period. Therefore, the cash flow results of the Group during the Track Record Period are not distorted. Nevertheless, the Group's future cash flows and financial performance may be adversely affected if the tax provisions made is not sufficient to cover the tax which may be payable whether in Hong Kong or the PRC, and the Group's operation may still be adversely affected during the proceeding of any tax dispute with any tax authorities.

RISKS RELATING TO THE INDUSTRY

Economic downturn in Hong Kong and the PRC may adversely affect the Group's business

As most of the Group's earnings are generated from the provision of asset advisory services and asset appraisal to investors in Hong Kong and the PRC, its business and results of operations will be directly correlated to the overall performance of the Hong Kong and PRC economies, which may, in turn, be affected by many unpredictable factors including, among others, local and international economic and political conditions, general market sentiment, changes in the regulatory environment and fluctuations in the interest rates. In addition, the future prospects of Hong Kong are connected to the economic, social and political development of the PRC and any unfavourable disruption to such development could have a corresponding impact on the Hong Kong economy.

Competition

The entry barrier to the asset advisory services and asset appraisal industry and corporate services and consultancy industry is considered to be low as substantial capital investment is not required. The Directors believe that the market is fragmented and unstructured and the Group has to face competition from consulting and professional firms differing in size and scope of services. Competition is mainly based on quality and scope of services, market reputation, business network and pricing. In particular, the industry operates in a fast-changing business environment.

The Directors believe that competition within the industries for each of the business segments is intense and the Group has to compete with competitors which may have greater name recognition in the market, more human and financial resources, a wider range of services or longer operating history than the Group. There is also no assurance that the Group will at all times be able to recruit and retain its staff and maintain its strength and market position. As competition may lead to pressure on fee income and staff turnover, there may be adverse impact on the income and profitability of the Group.

Any business disruptions resulting from acts of God, acts of war, epidemics, including the recent outbreak of swine influenza, and other factors outside of the Group's control could affect its business and might result in substantial costs

The Group's business would be adversely affected if there are any unexpected events, including but not limited to riots, fire, power outages, natural disasters, terrorist activities, equipment or system failures, which increase the cost of the Group to conduct its business or otherwise adversely affect the Group's operations or those of its clients.

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Natural disasters, epidemics, acts of God and other disasters that are beyond the Group's control may materially and adversely affect the economy and infrastructure. Natural disasters and epidemics threaten people's lives and may materially and adversely affect their livelihoods as well as their living and consumption patterns. The occurrence of an epidemic is beyond the Group's control, and there is no assurance that another outbreak of severe acute respiratory syndrome or avian influenza will not happen. In 2009, there has been a global outbreak of H1N1 swine influenza. There is no assurance that an outbreak of this or any other disease will not become an epidemic or pandemic. Any epidemic or pandemic occurring in areas in which the Group operates, or even in areas in which it does not operate, may materially and adversely affect the Group's business, financial condition and operating results. Acts of war and terrorism may cause damage or disruption to the Group or its employees, facilities, markets or clients, any of which may materially and adversely affect the Group's revenue, cost of sales, financial condition and operating results. Potential war or terrorist attacks may also cause uncertainty and cause the Group's business to suffer in ways that it cannot currently predict. The recent earthquake in March 2011 off the coast of Japan, the resulting tsunami, damage to certain nuclear power plants and the spread of radioactive material is a combination of the above and full impact thereof is not yet fully quantifiable. The Group's business, financial condition and operating results may be materially and adversely affected as a result.

Changes in regulatory requirements relating to the business of the Group may adversely affect the Group's business

Currently the Group is not required to obtain any licence for carrying on its businesses. Should there be any changes in the regulatory requirements and the Group is not able to comply with them in a timely manner or if compliance of these requirements involved substantial costs, the business, results of operation and financial position of the Group may be adversely affected.

RISKS RELATING TO HONG KONG

Economic and political factors may adversely affect the Group's business

Hong Kong is currently one of the primary focus of the Group's business. The Hong Kong economy has experienced a downturn in 2008 and 2009 which was principally attributable to the financial tsunami and global downturn from the second half of 2008 to the first half of 2009. The long term impact of, among others, the current interest rate environment, financial and regulatory policies imposed by governments in different countries, volatility of commodity prices and exchange rates, as well as the political and social environments, still remains uncertain, and may significantly affect the global economies. If any of the above factors changes unexpectedly and unfavorably, the global financial situation may deteriorate, the PRC and other key Asian markets may begin to slow down, current liquidity levels and capital inflows into the PRC and Hong Kong markets may fall, and the economic climate in the region may deteriorate, in which case the Group's business, prospects, financial conditions and results of operation may be adversely affected.

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RISKS RELATING TO THE PRC

Political, economic and social policies may adversely affect the Group's business

The PRC economy has a long history of operating as a planned economy operated under annual, five and ten years' plans. In recent years, the PRC government has introduced substantial economic reforms which aim at transforming the PRC economy from a planned economy into a socialist market-oriented economy. These reforms intended to allow greater utilisation of market forces in the allocation of resources and greater operational autonomy for enterprises.

The Directors believe that many of the reforms are unprecedented or experimental and are expected to be refined and improved with the benefit of experience, and the interpretation of these laws and regulations under the reforms may change from time to time. Other political, economic and social factors may also lead to further readjustment of the reforms measures. Therefore, there is no assurance that any refinement and adjustment process will have a positive effect on the Group's business.

Changes in laws and regulations of the PRC and their interpretation may adversely affect the Group's business

The PRC legal system which regulates domestic and foreign investments has undergone substantial changes in the past 20 years. These laws, regulations and requirements are relatively recent and the interpretation and enforcement of existing laws, regulations and requirements may be uncertain, which may affect the Group's business in asset advisory services and corporate consultancy including potential clients base, and potential investors base for assets which the Group has been engaged to source purchasers, and may adversely affect the business and prospects of the Group.

RISKS RELATING TO THE PLACING

Marketability and possible price and trading volume volatility of the Shares

The Shares have not been traded in any open market before completion of the Placing. The Placing Price may differ from the market price thereof and may not serve as an indicator of the price of the Shares to be traded on GEM in the future. There is no assurance that an active trading market of the Shares will develop upon Listing or if it does develop, that it may be sustained on GEM.

Upon listing of the Shares on GEM, the transaction volume and market price of the Shares may be affected by various factors, including the income, profitability and cash flow of the Group, announcement of new products and/or investment plans, technology advancements, change of senior management, strategic alliance and/or acquisition, transaction volume of the Shares, development of GEM, general economic conditions and other factors. All such factors may result in significant fluctuations in the market price and/or transaction volume of the Shares. There is no assurance that such changes will not occur.

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Dilution of Shareholders' equity interests

The Group may issue additional Shares upon exercise of options which may be granted under the Share Option Scheme. In addition, the Group may need to raise additional funds to finance the future expansion of its existing operations or new acquisitions. The Company will comply with Rule 17.29 of the GEM Listing Rules, which specifies that no further Shares or securities convertible into equity securities of the Company (subject to certain exceptions) may be issued or form the subject of any agreement to be issued within six months from the Listing Date. The Group may raise such funds by way of issue of new equity or equity-linked securities of the Company other than on a pro-rata basis to existing Shareholders after six months from the Listing Date, in which case the percentage shareholding of the then Shareholders may be diluted or reduced or such new securities may confer rights and privileges that have priority over those conferred by the issued Shares.

Future sales of substantial amounts of Shares in the public market after the Placing could materially and adversely affect the prevailing market price of the Shares

The Shares beneficially owned by the existing Shareholders are subject to certain lock-up periods. There is no assurance that the Shareholders or the beneficial owners of the Shares will not dispose of their Shares following the expiration of the lock-up periods, or any Shares they may come to own in the future. Sales of substantial amounts of the Shares in the public market, or the perception that such sales may occur, could materially and adversely affect the prevailing market price of the Shares. Such sales or the perception of such sales are likely to make it more difficult for the Company to secure subscriptions of equity or equity-linked securities in the future at a time and price which the Directors deem appropriate.

RISKS ASSOCIATED WITH THIS PROSPECTUS

No assurance as to the accuracy of statistics and facts contained in the section headed "Industry overview" in this prospectus

Certain statistics and the related facts set out in the section headed "Industry overview" in this prospectus have been derived from various publications or other sources. Such information has not been independently verified by the Group, the Joint Sponsors, the Joint Lead Managers, the Co-Manager, the Underwriters, their respective directors or any other persons involved in the Placing and may not be accurate, complete or up-to-date. The Directors believe that the sources of the information are appropriate sources for such information and have no reason to believe that such information is false or misleading or that any fact has been omitted would render such information false or misleading.

The Group, the Joint Sponsors, the Joint Lead Managers, the Co-Manager, the Underwriters, their respective directors or any other persons involved in the Placing make no representation as to the correctness or accuracy of such statements and, accordingly, such information should not be unduly relied upon.

In all cases, investors should give consideration as to how much weight or importance they should attach to, or place on, such facts and statistics.

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Forward-looking statements included in this prospectus may not materialise

This prospectus contains certain forward-looking statements relating to plans, objectives, expectations and intentions of the Directors. Such forward-looking statements reflecting the current views of the Directors with respect to future events are not a guarantee of future performance and are subject to certain risks, uncertainties and assumptions, including the risk factors described in this prospectus. As a result, the forward-looking events and circumstances discussed in this prospectus might not occur in the way the Directors expect, or at all. The actual results, performance or achievements of the Group may be materially different from those expressed or implied in the forward-looking statements in this prospectus. Accordingly, prospective investors should not place undue reliance on any forward-looking information. All forward-looking statements in this prospectus are qualified by reference to this cautionary statement.

Press reports on the Group should not be relied on

The Directors wish to emphasise to prospective investors that they do not accept any responsibility for the accuracy or completeness of the information contained in any press articles or other media and information which was not sourced from or authorised by the Company. The Company makes no representation as to appropriateness, accuracy, completeness or reliability of any information contained in press articles or other media. Accordingly, prospective investors should not unduly rely on any of the information in press articles or other media.

WAIVERS AND EXEMPTION FROM COMPLIANCE WITH THE GEM LISTING RULES AND THE COMPANIES ORDINANCE

In preparation for the Listing, the Company has sought the following waivers and exemption from strict compliance with the relevant provisions of the GEM Listing Rules and the Companies Ordinance.

CONTINUING CONNECTED TRANSACTIONS

Prior to the Listing, the Group has entered into the certain transactions with certain connected persons of the Company, which will continue after the Listing and constitute continuing connected transactions (as defined under the GEM Listing Rules) of the Company. The Company has applied to the Stock Exchange for a waiver from strict compliance with the reporting and announcement requirements pursuant to Rule 20.32 of the GEM Listing Rules and the Stock Exchange has agreed to grant such a waiver to the Company from compliance with the announcement requirement in respect of such transactions. For details of such continuing connected transactions and the waiver, please refer to the section headed “Continuing connected transactions” in this prospectus.

RULES 7.03(1) AND 11.10 OF THE GEM LISTING RULES AND PARAGRAPH 27 OF PART I AND PARAGRAPH 31 OF PART II OF THE THIRD SCHEDULE TO THE COMPANIES ORDINANCE

Rules 7.03(1) and 11.10 of the GEM Listing Rules require that in the case of a new applicant, the accountants’ report must include the results of the issuer or if the issuer is a holding company, the consolidated results of the issuer and its subsidiaries covering at least the two financial years immediately preceding the issue of the listing document.

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

Paragraph 31 of Part II of the Third Schedule to the Companies Ordinance requires the Company to set out in this prospectus a report by the auditors of the Company with respect to, among other matters, the profits and losses and assets and liabilities of the Company and the rates of the dividends, if any paid by the Company in respect of each class of shares in the Company for each of the three financial years immediately preceding the issue of this prospectus.

Section 5(2) of Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice provides that where it is proposed to offer any shares in a company incorporated outside Hong Kong by prospectus issued generally and the shares have been approved by the recognised exchange company that operates GEM for listing on GEM, the prospectus is exempted from compliance with the requirements of section 342(1)(b) of the Companies Ordinance, in relation to, among other matters, paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance, if it complies with

WAIVERS AND EXEMPTION FROM COMPLIANCE WITH THE GEM LISTING RULES AND THE COMPANIES ORDINANCE

the requirements of those paragraphs as modified so that for any reference to “3 preceding years”, “3 financial years” and “3 years” in those paragraphs, there is substituted a reference to “2 preceding years”, “2 financial years” and “2 years” respectively.

The accountants’ report of the Group for each of the two years ended on 31 March 2010 and the nine months ended 31 December 2010 has been prepared and is set out in Appendix I to this prospectus and the section headed “Financial information” in this prospectus. The Company has included in the prospectus a profit estimate for the year ended 31 March 2011. As (i) the reporting accountants of the Group would have to undertake a considerable amount of work to prepare, update and finalise the accountants’ report to cover an additional three-month period from 1 January 2011 to 31 March 2011, there would not be sufficient time for the Company and the reporting accountants to finalise the audited financial statements for the year ended 31 March 2011 for the inclusion in this prospectus; (ii) such additional audit work to be done by the reporting accountants of the Group would involve additional costs and expenses; and (iii) the Directors consider that the benefits of such work to be done by the reporting accountants of the Group to the existing and prospective Shareholders may not justify the additional work, costs and expenses that would be involved, given that there has been no material adverse change in the financial position or prospects of the Group since 31 December 2010, strict compliance with Rules 7.03(1) and 11.10 of the GEM Listing Rules and paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance would be unduly burdensome for the Company and cause significant delay to the timetable for the Listing.

The Directors confirmed that after having performed sufficient due diligence, there has been no material adverse change in the financial and trading position or prospects of the Group since 31 December 2010 including the period from 1 January 2011 to 31 March 2011 and up to the date of this prospectus, and there is no event which may materially affect the information shown in the Accountants’ Report and the section headed “Financial information” in this prospectus. The Directors considered that all information that is necessary for the public to make an informed assessment of the Group’s activities and financial position has been included in this prospectus. The Directors also confirmed that the granting of a waiver to the Company from strict compliance with Rules 7.03(1) and 11.10 of the GEM Listing Rules and the exemption from strict compliance with paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance will not prejudice the interest of the investing public.

The Company has applied to the Stock Exchange for a waiver from strict compliance with Rules 7.03(1) and 11.10 of the GEM Listing Rules and the Stock Exchange has agreed to grant such a waiver to the Company subject to the grant of a certificate of exemption from similar requirements under paragraphs 27 and 31 of the Third Schedule to the Companies Ordinance by the SFC and the Listing Date of the Company being on or before 31 May 2011.

The Company has applied to the SFC for an exemption from strict compliance with paragraph 27 of Part I and paragraph 31 of Part II of the Third Schedule to the Companies Ordinance and the SFC has agreed to grant such an exemption to the Company on the condition that the particulars of such exemption are set out in this prospectus which will be issued on or before 25 May 2011.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Company Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the prospectus is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement in this prospectus misleading.

Copies of this prospectus required by the GEM Listing Rules and the Companies Ordinance are available, for information purposes only, during normal office hours from 9:00 a.m. to 6:00 p.m. at the offices of Grand Vinco Capital Limited at Units 4909–4910, 49/F., The Center, 99 Queen's Road Central, Hong Kong, Emperor Capital Limited at 28/F Floor, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong, Sun Hung Kai International Limited at 42/F., The Lee Gardens, 33 Hysan Avenue, Causeway Bay, Hong Kong and Emperor Securities Limited at 23/F–24/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong from 25 May 2011 to 27 May 2011 (both dates inclusive).

PLACING SHARES ARE FULLY UNDERWRITTEN

This prospectus is published in connection with the Placing which is sponsored by the Joint Sponsors. The Placing Shares are fully underwritten by the Underwriters pursuant to the Underwriting Agreement. For further information about the Underwriters and the placing and underwriting arrangements, please refer to the section headed "Underwriting" in this prospectus.

RESTRICTIONS ON SALE OF PLACING SHARES

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

No action has been taken in any jurisdiction other than Hong Kong to permit the offering of the Placing Shares or the distribution of this prospectus. This prospectus is not an offer or invitation in any jurisdiction in which it is not authorised, and is not an offer or invitation to any person to whom it is unlawful to make an unauthorised offer or invitation.

The Placing Shares are offered solely on the basis of the information contained and representations made in this prospectus. No person is authorised in connection with the Placing to give any information or to make any representation not contained in this prospectus, and any information or representation not contained herein must not be relied upon as having been authorised by the Company, the Joint Sponsors, the Joint Lead Managers, the Co-Manager, the Underwriters, any of their respective directors or any other persons involved in the Placing.

INFORMATION ABOUT THIS PROSPECTUS AND THE PLACING

APPLICATION FOR LISTING ON GEM

The Company has applied to the Listing Division for the listing of, and permission to deal in, the Shares in issue and which are to be issued or may be issued pursuant to the Placing and as otherwise described herein on GEM.

No part of the share or loan capital of the Company is listed, traded or dealt in on any stock exchange and save as disclosed herein, no such listing or permission to deal is being or proposed to be sought.

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

Pursuant to Rule 11.23(7) of the GEM Listing Rules, at all times, the Company must maintain the “minimum prescribed percentage” of 25% of the issued share capital of the Company in the hands of the public. A total of 125,000,000 Placing Shares representing 25% of the enlarged issued share capital of the Company will be in the hands of the public immediately following completion of the Placing and the Capitalization Issue and upon Listing.

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

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential applicants for the Placing Shares are recommended to consult their professional advisers if they are in doubt as to the taxation implications of the subscription for, holding, purchase, disposal of or dealing in the Shares or exercising their rights thereunder. It is emphasised that none of the Company, the Directors, the Joint Sponsors, the Joint Lead Managers, the Co-Manager, the Underwriters, their respective directors or any other person involved in the Placing accepts responsibility for any tax effects on, or liabilities of, holders of Shares resulting from the subscription for, holding, purchase, disposal of or dealing in the Shares or the exercise of their rights thereunder.

REGISTRATION AND STAMP DUTY

All the Placing Shares will be registered on the Hong Kong branch register of members of the Company in Hong Kong. Dealings in the Shares registered on the Company’s branch register of members maintained in Hong Kong will be subject to Hong Kong stamp duty.

STRUCTURE AND CONDITIONS OF THE PLACING

Details of the structure of the Placing, including its conditions, are set out in the section headed “Structure and conditions of the Placing” in this prospectus.

INFORMATION ABOUT THIS PROSPECTUS AND THE PLACING

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the approval of the listing of, and permission to deal in, the Shares on GEM and the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or, under contingent situation, any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements have been made for the Shares to be admitted into CCASS. If investors are unsure about the details of CCASS settlement arrangement and how such arrangements will affect their rights and interests, they should seek the advice of their stockbroker or other professional adviser.

ROUNDING

Any discrepancies in any table between totals and sums of amount listed in this prospectus are due to rounding.

COMMENCEMENT OF DEALING IN THE SHARES

Dealings in the Shares on GEM is expected to commence on 31 May 2011. Shares will be traded in board lot of 5,000 Shares each.

DIRECTORS

Name	Address	Nationality
<i>Executive Directors</i>		
Mr. Ip Kwok Kwong (葉國光)	2nd Floor, House No. 10 Chung Shan Terrace Lai Chi Kok Kowloon Hong Kong	Chinese
Mr. Leung Siu Hong (梁兆康)	Flat B, 67th Floor Vision City Tsuen Wan New Territories Hong Kong	Chinese
<i>Independent non-executive Directors</i>		
Mr. Au-Yang Cheong Yan Peter (歐陽長恩)	D2, 5th Floor Villa Monte Rosa 41A Stubbs Road Wanchai Hong Kong	British
Mr. Wan Kam To (尹錦滔)	23A, The Colonnade 152 Tai Hang Road Hong Kong	Chinese
Mr. Wu Chi Keung (胡志強)	Flat A, 9th Floor, Block 2 17 Braemar Hill Road North Point Hong Kong	Chinese

PARTIES INVOLVED IN THE PLACING

Joint Sponsors

Grand Vinco Capital Limited
Units 4909–10
49th Floor, The Center
99 Queen's Road Central
Hong Kong

Emperor Capital Limited
28th Floor
Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

Joint Lead Managers

Grand Vinco Capital Limited
Units 4909–10
49th Floor, The Center
99 Queen's Road Central
Hong Kong

Sun Hung Kai International Limited
42th Floor, The Lee Gardens
33 Hysan Avenue
Causeway Bay
Hong Kong

Co-Manager

Emperor Securities Limited
23rd–24th Floor
Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

PARTIES INVOLVED IN THE PLACING

Underwriters

Grand Vinco Capital Limited
Units 4909–10
49th Floor, The Center
99 Queen's Road Central
Hong Kong

Sun Hung Kai International Limited
42th Floor, The Lee Gardens
33 Hysan Avenue
Causeway Bay
Hong Kong

Emperor Securities Limited
23rd–24th Floor
Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

Legal advisers to the Company

As to Hong Kong Law
Michael Li & Co.
Solicitors
14th Floor
Printing House
6 Duddell Street
Central
Hong Kong

As to PRC Law
Hills & Co.
11th Floor
Central Business Building
No. 88 Fu Hua 1st Road
Fu Tian Central Business District
Shenzhen
PRC

As to Cayman Islands Law
Conyers Dill & Pearman
Cricket Square
Hutchins Drive
Grand Cayman KY1-1111
Cayman Islands

PARTIES INVOLVED IN THE PLACING

Legal advisers to the Joint Sponsors and the Underwriters	Vincent T.K. Cheung, Yap & Co Solicitors and Notaries 11th Floor Central Building 1–3 Pedder Street Central Hong Kong
Reporting accountants	RSM Nelson Wheeler <i>Certified Public Accountants</i> 29th Floor Caroline Centre Lee Gardens Two 28 Yun Ping Road Hong Kong
Property valuer	RHL Appraisal Limited Room 1010 10th Floor Star House Tsim Sha Tsui Hong Kong

CORPORATE INFORMATION

Registered office	Cricket Square Hutchins Drive PO Box 2681 Grand Cayman KY1-1111 Cayman Islands
Headquarter and principal place of business	Room 2703, 27th Floor Shui On Centre 6–8 Harbour Road Wanchai Hong Kong
Company website	www.gca.com.hk <i>(Note: contents contained in this website do not form part of this prospectus)</i>
Compliance officer	Mr. Leung Siu Hong
Company secretary	Ms. Fung Mei Ling (<i>associate member of HKICS and ICSA</i>)
Authorised representatives	Mr. Ip Kwok Kwong 2nd Floor, House No. 10 Chung Shan Terrace Lai Chi Kok Kowloon Hong Kong Ms. Fung Mei Ling Room 2703, 27th Floor Shui On Centre 6–8 Harbour Road Wanchai Hong Kong
Members of audit committee	Mr. Wu Chi Keung (<i>Chairman</i>) Mr. Au-Yang Cheong Yan Peter Mr. Wan Kam To
Members of the remuneration committee	Mr. Ip Kwok Kwong (<i>Chairman</i>) Mr. Au-Yang Cheong Yan Peter Mr. Wu Chi Keung
Members of the nomination committee	Mr. Leung Siu Hong (<i>Chairman</i>) Mr. Au-Yang Cheong Yan Peter Mr. Wu Chi Keung

CORPORATE INFORMATION

Joint compliance advisers

Grand Vinco Capital Limited
Units 4909–4910
49th Floor, The Center
99 Queen's Road Central
Hong Kong

Emperor Capital Limited
28th Floor, Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

Principal bankers

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

Wing Hang Bank Limited
161 Queen's Road Central
Hong Kong

**Principal share registrar and transfer
office**

Codan Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
PO Box 2681, Grand Cayman
KY1–1111, Cayman Islands

**Hong Kong branch share registrar and
transfer office**

Tricor Investor Services Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

INDUSTRY OVERVIEW

The information presented in this section and identified as having been extracted from publicly available documents has not been prepared or independently verified by the Company, the Joint Sponsors, the Joint Lead Managers, the Co-Manager and the Underwriters or any of their respective advisers or affiliates in connection with the Placing. The Directors believe that the sources of this information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. The Directors have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading.

The Company makes no representation to the accuracy of this information. Accordingly the information contained in this section should not be unduly relied upon.

THE INTEGRATED PROFESSIONAL SERVICES INDUSTRY IN HONG KONG

The Group provides integrated professional services to public and private companies and individual investors mainly in Hong Kong and the PRC, which services are broadly categorised into two segments, i.e. asset advisory services and asset appraisal, and corporate services and consultancy. The Directors believe that although there are professional service firms in Hong Kong which provide multi-professional services, the scope of services provided varies from firm to firm. For example, there are both local and international firms that provide integrated services in the real estate sector such as real estate agency in buy and sell, property management, leasing administration and valuation on real estate. However, there is no consolidated industry for integrated professional services as such. In view of the foregoing, industry overview on the Group's businesses will be discussed in terms of each professional service which the Group is engaged in.

THE ASSET APPRAISAL INDUSTRY IN HONG KONG

The Hong Kong economy, for the past number of decades, is heavily dependent on the real estate market and its development. Even now when Hong Kong has already been widely recognised as one of the most established and advanced financial market in the world, the real estate sector continues to be the backbone of the Hong Kong economy.

Today, many of the largest listed companies on the Stock Exchange, in terms of market capitalization, are companies engaged in real estate development. Under the Listing Rules, the GEM Listing Rules and Schedule 3 to the Companies Ordinance, companies wishing to have their shares listed on the Main Board or GEM must have their interests in properties valued by independent valuers, which in turn aided the development of the asset appraisal industry relating to real estate valuation.

On another front, large scale corporate and accounting scandals in the likes of Enron Corporation, Tyco International Ltd., Global Crossing Limited and WorldCom, resulted in changes in accounting rules which are now placing more emphasis on fair value accounting. Moreover, the recent subprime financial crisis and the collapse of financial institutions, such as Lehman Brothers Holding Inc., have further highlighted the importance and necessity of fair value, with an effort to prevent history from repeating itself.

INDUSTRY OVERVIEW

Due to corporate scandals and the public demand for more transparent and accurate financial information, accounting standards are amended, and HKFRS is gradually inclined to adopt fair value approach instead of historical cost approach for better reflection of current economic value of a business's assets and liabilities. The changes in the Listing Rules and the GEM Listing Rules have resulted in more stringent requirements for companies listed in Hong Kong, requiring valuation to be carried out by independent third party valuers under certain circumstances, for example when conducting transactions which fall under Chapter 14 of the Listing Rules or Chapter 19 of the GEM Listing Rules. The accounting requirements for reporting in fair value and changes in the Listing Rules and the GEM Listing Rules have led to new business opportunities in the valuation industry, which historically has been dominated by appraisal of fixed assets performed by professional surveyors, resulting in valuation services for business, intangible assets and financial instruments enjoying a robust growth over the last few years.

Under the Listing Rules, surveyors who perform fixed asset appraisals in Hong Kong must be members of the General Practice Division of the HKIS or The Royal Institution of Chartered Surveyors and valuers conducting valuation for Mineral Companies (as defined in the Listing Rules) must be professionally qualified and be a member of a relevant recognised professional organization. For business and intangible assets valuation, other than The Hong Kong Business Valuation Forum whose objective is to provide guidance for valuation services carried out by their members, the industry is currently not governed by any professional bodies nor uniform standards, and there is currently no requirement stipulating a person carrying out business and intangible assets valuation under the HKFRS, the Listing Rules or the GEM Listing Rules must be a member with any specific professional valuation bodies. However, valuers who provide business and intangible assets valuation services in Hong Kong generally possess one or more of the following professional credentials, including Certified Valuation Analyst, Accredited in Business Valuation of the American Institute of Certified Public Accountants, Certified Business Appraiser, and Accredited Senior Appraiser.

According to the information obtained from the HKIS, there were 72 surveying and valuation firms in Hong Kong as at 30 November 2010. These firms vary in size and the valuation services offered ranging from real estate valuation, business valuation, plant and machinery valuation to infrastructure valuation. As at 30 November 2010, there were 138 Registered Business Valuers approved by The Hong Kong Business Valuation Forum ("HKBVF"). Since there are no uniform standards in Hong Kong to regulate the business valuation practitioners, HKBVF is formed under a memorandum of understanding signed by the HKIS, the Hong Kong Society of Financial Analysts and the Royal Institution of Chartered Surveyors, with a view to provide guidance for the business valuation services conducted by the members of the HKBVF. The HKBVF established a minimum professional competence requirements for its admission of Registered Business Valuers, being a current member of either the HKIS, the Hong Kong Society of Financial Analysts or the Royal Institution of Chartered Surveyors with a minimum of 5 years working experience of which a minimum of 3 years in the field of business valuation. However, except Chapter 5 of the Listing Rules, Chapter 8 of the GEM Listing Rules and the Code on Real Estate Investment Trusts issued by the SFC which require the valuer conducting property valuation should possess membership with The HKIS or The Royal Institution of

INDUSTRY OVERVIEW

Chartered Surveyors (Hong Kong Branch), and Chapter 18 of the Listing Rules which requires valuers conducting valuation for Mineral Companies (as defined in the Listing Rules) must be professionally qualified and be a member of a relevant recognised professional organization, there is a lacking in provisions in the HKFRS, the Listing Rules and the GEM Listing Rules which relate to required qualification for performing business valuation services to Hong Kong listed companies. Therefore, there is no requirement that business valuation shall be conducted by the Registered Business Valuers, and accordingly, individuals who are not Registered Business Valuers and firms which are not valuation firms or do not have staff who are Registered Business Valuers may also provide valuation services, in particular valuation on business and intangible assets.

The entry barrier for the asset appraisal business is therefore low and the industry is therefore highly fragmented and unstructured. The Directors are also of the view that the asset appraisal industry may continue to evolve as and when there are changes to the HKFRS, the Listing Rules and the GEM Listing Rules.

ASSET ADVISORY SERVICES INDUSTRY IN HONG KONG AND THE PRC

The Group's asset advisory services mainly involve identifying potential investment or investor, undertaking due diligence and evaluation on the underlying assets and provisions of procedural and strategic advice in relation to the client entering into an investment or realizing an investment in Hong Kong or in the PRC. Again, the market in this industry is fragmented and unstructured, as there is no specific requirement on the licence, certificate or professional credential which the service provider shall possess for provision of such asset advisory services. Therefore, many other service providers such as investment banking firms, management consulting firms and accounting firms, both local and international, also provide services similar to the Group's asset advisory services.

As the Group's asset advisory services mainly involves investment in Hong Kong and in the PRC, the demand for such services will be driven by the M&A market in Hong Kong and the PRC.

The M&A markets in Hong Kong and in the PRC

According to the statistics available from Bloomberg, the M&A market in Hong Kong has been growing robustly since 2001, peaked in 2007 in terms of deal value, retracted significantly in 2008 due to the global financial crisis, but have picked up again at where they left off in 2009. The Asia Pacific M&A Bulletin for the years 2008, 2009 and the mid year 2010 indicated that the deal volume for the Hong Kong M&A market decreased by approximately 35.71% from approximately 420 for the year 2007 to approximately 270 for the year 2008. On the other hand, the deal value decreased from approximately US\$25,000 million to approximately US\$12,300 million for the same period, which indicates a significant retract in deal value of approximately 50.8% due to global financial crisis. Then, there is an increase in deal volume by approximately 22.22% when the deal volume for 2009 increased to approximately 330 whereas the deal value for the year 2009 increased to US\$20,000 million, which is an increase of approximately 62.60%. Up to the first half of 2010, the deal volume reached 356 and the deal value is approximately US\$20,689 million which indicated an upward trend in the M&A market in Hong Kong in 2010.

INDUSTRY OVERVIEW

With respect to the M&A market in the PRC, the deal volume decreased by approximately 2.22% from approximately 900 for the year 2007 to approximately 880 for the year 2008, and there is also a decrease in deal value by approximately 31.82% from approximately US\$44,000 million for the year 2007 to approximately US\$30,000 million for the year 2008. In 2009, the deal value increased slightly by approximately 5.68% to approximately 930, and the deal volume also increased by approximately 6.67% to approximately US\$32,000 million. The deal volume and the deal size in the first half of 2010 were approximately 1,498 and approximately US\$50,582 million respectively, showing that the M&A market in the PRC is also picking up during the year 2010.

It can be seen from the above statistics that although the M&A market in both Hong Kong and the PRC has recovered from its trough in 2008, it has not yet reached the peak figures in 2007. Coupled with quantitative easing, it is expected that there will continue to be robust growth in the M&A market in both Hong Kong and the PRC, which provides room for the expansion and growth of the Group's asset advisory services.

Property market in the PRC

According to the statistics obtained from the National Bureau of Statistics of China, the real estate sector is a significant component of foreign direct investment into the PRC. Accordingly, the trend of the PRC property market will have an impact on the Group's asset advisory services.

In 2010, the PRC government introduced various policies to stabilise the rapid growth in the real estate sector. In March 2010, the Ministry of Land and Resource of the People's Republic of China issued 關於加強房地產用地供應和監管有關問題的通知 (Notice on Several Issues concerning the Reinforcement on Provision and Supervision over the Land Use for Property Development) which shortens the time for payment of the land price by successful bidder of government land. In April 2010, the State Council issued 國務院關於堅決遏制部分城市房價過快上漲的通知 (Notice of Firmly Restraining the Excessive Price Hikes of Real Property in Certain Cities) to raise mortgage rates on second homes to 1.1 times the central bank's benchmark lending rate, up from the then current 80%. In September 2010, Chinese local banks in the PRC were also asked not to approve loans for third home purchases and to those who fails to provide proof of at least one year of local social security contributions or tax payments. The People's Bank of China announced on 19 October 2010 to increase the one-year benchmark lending rate by 27 basis points to 5.58%, effective on 20 October 2010. On 25 December 2010, the People's Bank of China announced that the one-year benchmark lending rate be further increased by 0.25%, increasing the lending rate for loan over five years from 6.14% to 6.40%, effective on 26 December 2010.

Notwithstanding the policies introduced to curb the real estate market, according to the statistics obtained from The National Bureau of Statistics of China, the total investment in real estate development in the PRC from January to December 2010 amounted to approximately RMB4,826.7 billion, which has increased by approximately 33.2% as compared to the total investment in real estate development in the PRC of approximately RMB3,623.2 billion for the same period in 2009. These investment amounts included investment in residential property, commercial property as well as office premises.

INDUSTRY OVERVIEW

As the PRC property market maintains a steady growth trend in 2010 despite the said policies introduced to curb the real estate market, it remains to be seen whether the PRC Central or other local governments will introduce further measures to quiet down the market. Nevertheless, the Directors remain positive that the real estate industry will continue to grow in 2011. Furthermore, as most of the policies for curtailing the property market are targeted at residential properties while the Group's asset advisory services mainly relate to commercial properties, the Directors are of the view that these measures would not have any significant adverse impact on the asset advisory services business of the Group.

MANAGEMENT CONSULTING INDUSTRY IN HONG KONG

As one of the world's leading financial markets, many internationally renowned consulting firms establish their presence in Hong Kong, and being arguably the largest international market in the Greater China Region also consolidates Hong Kong's status as one of the premier management consulting markets worldwide. Furthermore, pursuant to the CEPA Agreement, Hong Kong service suppliers may establish wholly-owned management consulting operations with a minimum registered capital of RMB30,000 in the PRC. Allowance of the entering into the PRC market has paved way for further growth prospect to the Hong Kong management consulting industry. As of 31 August 2010, 31 management consulting companies have obtained Hong Kong service suppliers certificates out of 39 applications.

According to the research conducted by Hong Kong Trade Development Council, as of December 2009, there are 4,480 consulting companies in Hong Kong. These companies provide a wide range of services and can be broadly classified into six general sectors:

1. General management — including corporate and business strategy, business process re-engineering and change management;
2. Financial management — including analysis of capital investment proposal, development of accounting and budgetary control system and business valuations;
3. Marketing management — including formulation of marketing strategy and customer service and pricing policies;
4. Production management — including logistic study, supply chain, material requirement planning, manufacturing resource planning and just-in-time production;
5. Human resources management — including actuarial, salary survey, job evaluation and pay scale assessment, performance management and training; and
6. Information technology management — strategic study and systems development (excluding technical or programming aspects in hardware and software development).

INDUSTRY OVERVIEW

In addition, amongst the consulting firms in Hong Kong the majority of them are local, small to medium-sized general management consulting firms, which are generally established by former consultants of international consulting firms or former senior executives of multinational corporations.

GENERAL

Overall, the multi-professional services industry is highly fragmented and unstructured. It can be seen that the competition faced by the Group is severe since it is competing with numerous firms with different sizes and scopes of service. The Group therefore has formulated certain business strategies in accordance with its competitive strengths with a view to differentiate itself from the competitors in this unstructured industry as set out in the section headed “Statement of business objectives” and the section headed “Business”.

REGULATORY FRAMEWORK

The Group is a multi-professional services provider, and there is no single or integrated framework to regulate the Group as such services provider. As a result, discussion on the regulatory framework for the Group's businesses will be made for each segment that the Group is engaged in.

REGULATORY ENVIRONMENT IN HONG KONG FOR ASSET APPRAISAL INDUSTRY

Asset appraisal industry in Hong Kong is generally a self regulated industry and valuation professionals are licensed or certified by professional bodies with a view to maintaining professional quality and standard. The Group's asset appraisal services are mainly provided to listed companies in Hong Kong or related to activities in the capital market and are therefore subject to various regulations and compliance requirements. For example, Part III of the Third Schedule to the Companies Ordinance provides that valuation report to be included in a prospectus shall not be made by a company which has either a paid up capital of less than HK\$1 million or the assets of which do not exceed liabilities by HK\$1 million or more as shown in the company's latest balance sheet. The Listing Rules, the GEM Listing Rules, the Takeovers Code and the Code on Real Estate Investment Trusts also impose requirements on the qualification of valuer.

The following are the major requirements on qualification of valuers pursuant to key rules and regulations for asset appraisal industry in Hong Kong, without taking into account requirement for experience:

Rules or regulations	Major requirements on qualification
Part III of the Third Schedule to the Companies Ordinance	A valuation report to be included in a prospectus shall not be made by a company with a minimum paid up capital of HK\$1 million, or the assets of which do not exceed liabilities by HK\$1 million or more ("Minimum Capital Requirement").
Chapter 5 of the Listing Rules	<p>For valuation of properties situated in Hong Kong, the valuer is a fellow or associate member of The Royal Institution of Chartered Surveyors (Hong Kong Branch) or The HKIS.</p> <p>For valuation of properties situated outside Hong Kong, the valuer has the appropriate professional qualifications in valuing properties in the same location and category to carry out the valuation.</p>
Chapter 8 of the GEM Listing Rules	For valuing properties situated in Hong Kong, the valuer is a fellow or associate member of The HKIS.

REGULATORY FRAMEWORK

Rules or regulations

Major requirements on qualification

For valuing properties situated outside Hong Kong, the valuer has the appropriate professional qualifications, such as he is subject to the discipline of The HKIS or The Royal Institution of Chartered Surveyors or a professional body of similar standing.

Chapter 18 of the Listing Rules

For the purposes of conducting valuation for Mineral Companies (as defined in the Listing Rules), the valuer must be professionally qualified, and be a member of a relevant recognised professional organization.

Practice Note 12 to the Listing Rules

For valuation of property situated in developing property market, the valuer has the appropriate professional qualifications, such as he is subject to the discipline of The Royal Institution of Chartered Surveyors or The HKIS or professional body of similar standing.

Code on Real Estate Investment Trusts issued by the SFC

A company which has key personnel who are fellow or associate members of The HKIS and who are qualified to perform valuations and meets the Minimum Capital Requirement.

Takeovers Code

For valuation of land and buildings, the valuer should normally be a professional member of The HKIS.

For valuation of other assets, it can be conducted by a suitably qualified and experienced professional valuer which the firm itself and the personnel engaged in the valuation meet the legal or regulatory requirements which apply in the circumstances in which the particular valuation is required.

Other than the aforesaid rules or regulations, the Directors confirm that there is no specific statutory or regulatory controls on the asset appraisal services provided by the Group.

REGULATORY ENVIRONMENT FOR ASSET ADVISORY SERVICES INDUSTRY

The Directors confirm that there is no specific statutory or regulatory controls on the current scope of the asset advisory services provided by the Group in Hong Kong and the PRC.

REGULATORY ENVIRONMENT FOR CORPORATE SERVICES AND CONSULTANCY INDUSTRY

The Directors confirm that there is no specific statutory or regulatory controls on the corporate services and consultancy business of the Group other than those generally applicable to companies incorporated in Hong Kong.

HISTORY AND DEVELOPMENT

The Group was founded in September 1997 following the incorporation of GC Appraisal in Hong Kong in August 1997. Mr. Ip had been one of the founding directors of GC Appraisal since September 1997. Prior to joining the Group, Mr. Ip worked as the managing director and vice president in an international valuation and related services firm.

At the commencement of its operations, the Group only comprised GC Appraisal, an asset appraisal firm, which principally engaged in businesses involving provision of traditional valuation services of fixed assets, such as plant and machinery, real estate including industrial and specialised property and commercial and residential property. Its main clients included Hong Kong listed companies with ongoing projects in the PRC. At that time, GC Appraisal had only 6 employees. In 1998, GC Appraisal opened its representative office in Beijing, the PRC such as Beijing Representative Office.

Due to the outbreak of the Severe Acute Respiratory Syndrome in early 2003 and the ensuing difficult business environment, the Group required additional funding which was met by issuing new shares of GC Appraisal to its then existing shareholders in 2004. With such new funding, from 2004 to 2005, GC Appraisal expanded its businesses and recruited additional staff to deal with its increased numbers of clients. Its staff increased gradually to 15 by 2007.

In August 2004, GCA Holdings was incorporated in Hong Kong by Mr. Ip and other shareholders of GC Appraisal, as an investment holding company which subsequently invested in GCCCS in November 2004.

GCCCS was incorporated in Hong Kong by Mr. Wong and GCA Holdings in November 2004. GCCCS is principally engaged in the business of provision of corporate services and consultancy. As part of the rationalization of the business of the Group, GCCCS was incorporated into the Group in 2010.

In about late 2003 and early 2004, a majority shareholder of a PRC asset appraisal firm, whom Mr. Ip has known professionally since early 2000, proposed co-operation for asset appraisal business in the PRC. Therefore, in late 2004, GC Appraisal entered into a 50:50 held joint venture with such asset appraisal firm to set up Beijing Xincheng with a view to tentatively exploring the PRC market for asset appraisal services. The Group was only a passive investor in Beijing Xincheng as both the legal representative and general manager were appointed by the joint venture partner. Due to the various restrictions on such industry in the PRC, the approved scope of business of Beijing Xincheng was only investment consultancy, asset management consultancy and business consultancy, and was not in active business. Beijing Xincheng ceased operation in December 2005. As Beijing Xincheng did not carry out annual inspection in accordance with the relevant regulations of the PRC after ceasing operation, its business licence was suspended by the Beijing Administration for Industry and Commerce on 22 October 2008. As the Group had fully injected its portion of the registered capital to Beijing Xincheng, therefore, as confirmed by the Company's PRC legal adviser, the Group had no outstanding liabilities towards Beijing

HISTORY AND DEVELOPMENT

Xincheng. To the best of the Directors' knowledge, information and belief, as at the Latest Practicable Date, Beijing Xincheng is not subject to any outstanding litigation, claims and penalties.

During the period from late 2005 to 2007, the Group was engaged in several prominent projects and had experienced robust growth in its appraisal and ancillary business. For example, in December 2005, the Group was appointed as a portfolio adviser to a group in preparation for listing as an authorised collective investment scheme under section 104 of the SFO, being one of the first REITs listed on the Stock Exchange. In addition, the Group was also engaged by Samling Global Limited (Stock Code: 3938), one of the first forestry companies listed on the main board of the Stock Exchange, as the valuer for its listing project in February 2007. This latter engagement consolidated the Group's position as a pioneer in the field of forestry assets valuation.

The financial reporting standards in Hong Kong underwent significant changes in 2005 which required Hong Kong listed companies to report in their financial statements fair value and impairment of its assets and investments in the financial instruments. In order to grasp new business opportunities brought about by such changes, GC Appraisal further expanded its valuation services to the area of business, intangible assets and financial instrument valuation, and GC Appraisal experienced a dramatic surge in its business development. In view of the development of the aforesaid sections of the valuation businesses, GC Appraisal recruited a team of four staff responsible for the financial instrument valuation section.

In 2007, Asset-Plus, a company which was then wholly owned by Mr. Ip, commenced developing the asset advisory services which mainly involve identifying potential investment or investor, undertaking due diligence and valuation on the underlying assets and provisions of procedural and strategic advice in relation the client entering into an investment or realizing an investment.

To rationalise the shareholding structure of the companies in the Group, in January 2010, GCA Professional Services was incorporated as an investment holding company and the entire equity interests in GC Appraisal, GCA Holdings and GCCCS were transferred to GCA Professional Services at the consideration of HK\$4, HK\$4 and HK\$1 respectively, resulting in GCA Professional Services becoming the immediate holding company of GC Appraisal, GCA Holdings and GCCCS. The consideration for each of the acquisitions of the entire equity interests in GC Appraisal, GCA Holdings and GCCCS was nominal. Such acquisitions were part of a restructuring of the Group, involving the transfer of equity interests in GC Appraisal, GCA Holdings and GCCCS by their respective shareholders to GCA Professional Services, which such shareholders or their ultimate beneficial owners hold indirect interests in. As such, such transfers of equity interests were conducted based on par value or nominal value.

After its incorporation into the Group, GCA Holdings established a wholly foreign owned enterprise, Beijing GCA in the PRC with office in Beijing which obtained its business licence on 23 February 2010. Beijing GCA, with its permitted scope of business under its business licence including capital management consultancy, international economic,

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technological and environment information consultancy, investment consultancy and corporate management consultancy, has since been providing back up to the staff in Hong Kong for projects involving or located in the PRC. With the establishment of Beijing GCA, the Group is now applying for the de-registration of the Beijing Representative Office.

Between February to March 2010, Asset-Plus and Linkson were incorporated into the Group. The only business of Linkson is to hold the lease for the Group's office premises in Hong Kong and the licensing and/or sub-leasing of surplus portions thereof. In March 2010, GCA Professional Services set up Best Aim for outsourcing service administration of the Group.

Upon completion of the above shareholding rationalization and acquisition, the Group had progressively developed from a medium sized appraisal firm to a firm which provides multi-professional services, including asset appraisal, asset advisory services and corporate services and consultancy, to public and private companies and individual investors. Information regarding such services provided by the Group is set out in the "Business" section of this prospectus.

In preparation for the Listing, the Group has undergone a Reorganisation whereby the Company has become the immediate holding company of the Group.

PAST AND PRESENT SHAREHOLDERS OF THE GROUP

Mr. Cheng Kam Por

Mr. Cheng, a certified public accountant, set up GC Appraisal in 1997 with his spouse Ms. Tao Pui Yee. As at the Latest Practicable Date, Mr. Cheng beneficially held a 10.91% effective interest in the Group.

Mr. Ip Kwok Kwong

Mr. Ip is one of the founding directors of GC Appraisal and became a shareholder of GC Appraisal in August 1998. He was introduced to Mr. Cheng in 1997 by Mr. Leung, whom Mr. Ip has known professionally since 1994. On the other hand, Mr. Ip became acquainted with Mr. Wong when they worked on a listing project in 1992. As at the Latest Practicable Date, Mr. Ip beneficially held a 26.35% effective interest in the Group.

Mr. Leung Siu Hong

Mr. Leung became a shareholder of GC Appraisal in August 1998. He became acquainted professionally with Mr. Ip since 1992. Mr. Leung also became acquainted with Mr. Cheng in 1997 through his business associates. As at the Latest Practicable Date, Mr. Leung beneficially held a 4.44% effective interest in the Group.

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Mr. Wong Chi Keung

Mr. Wong, a qualified accountant, became acquainted with Mr. Ip when they worked together in a listing project in 1992. As at the Latest Practicable Date, Mr. Wong beneficially held a 31.30% effective interest in the Group.

Ms. Tao Pui Yee

Ms. Tao Pui Yee is the spouse of Mr. Cheng and initially held a 25% effective interest in GC Appraisal. She ceased to have any shareholding in GC Appraisal in August 2002.

Ms. Kwok Sin Man Vince

Ms. Kwok Sin Man Vince is the spouse of Mr. Wong. She initially held a 26.9% effective interest in GCA Professional Services and held a 24.5% effective interest in GCCCS during the period from May 2008 to January 2010. She ceased to have any shareholding in the Group in March 2010.

Mr. Ma Kwai Yuen

Mr. Ma Kwai Yuen became acquainted with Mr. Ip since 1992 when working as colleagues and was introduced to Mr. Wong by Mr. Ip in 2005. As at the Latest Practicable Date, Mr. Ma Kwai Yuen beneficially held a 7% effective interest in the Group.

Prosperity Investment

Prosperity Investment is a company listed on the Stock Exchange (stock code: 310). It beneficially owns 20% effective shareholding in the Company since November 2010 through its wholly owned subsidiary, Simply Joy. As at the Latest Practicable Date, Prosperity Investment still beneficially held a 20% effective interest in the Group.

CHANGES IN THE SHAREHOLDING AND CORPORATE STRUCTURE

GC Appraisal

GC Appraisal was incorporated in Hong Kong on 20 August 1997 and was owned as to 50% by Mr. Cheng and 50% by Hotex Nominee (No. 1) Limited (“Hotex”), whereas Hotex was owned as to 50% by Mr. Cheng and 50% by Ms. Tao Pui Yee. On incorporation, the authorised share capital of GC Appraisal was HK\$10,000 divided into 10,000 shares of HK\$1 each, which was increased to HK\$1,000,000 by the creation of additional 990,000 shares of HK\$1 each on 23 January 1998.

On 26 August 1998, 100,000 shares of GC Appraisal were allotted to Hotex as nominee of Mr. Leung and 899,998 shares were allotted to GC Holdings all at the par value thereof. As at the date of such allotment, GC Holdings was wholly owned by Ever Kings Development Limited, which in turn was beneficially owned as to 33.3% by Mr. Cheng and 66.7% by Mr. Ip. After the allotments, GC Appraisal was beneficially owned as to 10% by Mr. Leung, 30.00008% by Mr. Cheng, 0.00005% by Ms. Tao Pui Yee and 59.99987% by Mr. Ip.

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On 31 August 1998, to rationalise the fractional shareholdings, each of Hotex and Mr. Cheng transferred 1 share (representing 0.0001% shareholding) in GC Appraisal to GC Holdings at the consideration of HK\$1 per share being the par value of such shares. GC Appraisal was then beneficially owned as to 10% by Mr. Leung, 30% by Mr. Cheng and 60% by Mr. Ip.

On 9 April 1999, Hotex as Mr. Leung's nominee transferred all of its shareholding in GC Appraisal, i.e. 100,000 shares, to Mr. Leung. GC Holdings has on the same date transferred 19,166 shares in GC Appraisal to Mr. Leung at a consideration of HK\$19,166 being the par value of such shares. After the said transfers, Mr. Leung, Mr. Cheng and Mr. Ip beneficially owned 11.92%, 29.36% and 58.72% of the shareholding in GC Appraisal.

As at 26 July 1999, Ever Kings Development Limited became owned as to 50% by Mr. Cheng and 50% by Mr. Ip. As a result, GC Appraisal was beneficially owned as to 11.92% by Mr. Leung, 44.04% by Mr. Cheng and 44.04% by Mr. Ip.

On 18 October 2000, the authorised share capital of GC Appraisal was further increased to HK\$4,000,000 by the creation of additional 3,000,000 shares of HK\$1 each but no allotment of these Shares were made yet.

GC Holdings transferred 343,438 shares in GC Appraisal to Asset-Plus at the consideration of HK\$343,438, being the par value of such shares, on 11 July 2002, and Asset-Plus was then wholly beneficially owned by Mr. Ip. On the same date, Ever Kings Development Limited transferred 1 share, being the entire issued share capital of GC Holdings, to Hotex at the consideration of US\$1, which in turn was owned as to 50% by Mr. Cheng and 50% by Ms. Tao Pui Yee. As a result, GC Appraisal became beneficially owned as to 11.92% by Mr. Leung, 26.87% by Mr. Cheng, 26.87% by Ms. Tao Pui Yee and 34.34% by Mr. Ip. The said transfers were effected and the consideration therefor were determined to reflect the contributions of Mr. Cheng and Ms. Tao in undertaking the financial and other administrative work of GC Appraisal.

On 13 July 2002, GC Holdings further transferred 293,230 shares in GC Appraisal to Lucky Ventures Resources Limited at the consideration of HK\$293,230, reducing its shareholding in GC Appraisal from 53.74% to 24.42%. After the share transfer, Lucky Ventures Resources Limited held 29.32% shareholding in GC Appraisal. At the time of such transfer, Lucky Ventures Resources Limited was wholly beneficially owned by Mr. Cheng. Therefore, GC Appraisal became beneficially owned as to 11.92% by Mr. Leung, 12.21% by Ms. Tao Pui Yee, 41.53% by Mr. Cheng and 34.34% by Mr. Ip. The consideration was based on the par value of the relevant share(s) as the transfer was effectively a transfer between Mr. Cheng and his spouse, Ms. Tao Pui Yee.

Mr. Cheng acquired 1 share in GC Holdings from Hotex at the consideration of US\$1 on 23 August 2002 and became the sole shareholder of GC Holdings. Since then, GC Appraisal became beneficially owned as to 11.92% by Mr. Leung, 53.74% by Mr. Cheng and 34.34% by Mr. Ip. Again, the consideration was based on the par value of the relevant share(s) as the transfer was effectively a transfer between Mr. Cheng and his spouse, Ms. Tao Pui Yee.

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On 2 January 2004, Lucky Ventures Resources Limited, a company wholly beneficially owned by Mr. Cheng, transferred all shares in GC Appraisal held by it, i.e. 293,230 shares, to Mr. Cheng at the consideration of HK\$293,230. Such transfer did not affect shareholdings of GC Appraisal.

On 11 October 2004, 600,000 new shares of GC Appraisal were allotted to Mr. Leung, GC Holdings, Asset-Plus and Mr. Cheng on a pro rata basis at the par value thereof.

On 12 October 2004, Mr. Cheng transferred 1 share in GC Holdings at the consideration of US\$1 to Mr. Leung Kwok Pang, Joseph (“Mr. Joseph Leung”), as nominee of Mr. Ip. As a result, GC Appraisal became beneficially owned as to 11.92% by Mr. Leung, 58.76% by Mr. Ip and 29.32% by Mr. Cheng. As between Mr. Cheng and Mr. Ip, the consideration was determined with reference to the contribution made by Mr. Ip to GC Appraisal. On the other hand, Mr. Ip intended an informal collaboration between GC Appraisal and Mr. Leung, who was and is a Chartered Surveyor and whom Mr. Ip became acquainted during participations of HKIS seminars and events in the 1990s, whereby Mr. Joseph Leung would bring in business. As an incentive to Mr. Joseph Leung, Mr. Ip nominated Mr. Joseph Leung to be the holder of the share so transferred from Mr. Cheng, with an understanding between Mr. Ip and Mr. Joseph Leung that the beneficial interest in the share would become vested in Mr. Joseph Leung if the collaboration was successful. The relationship did not turn out fruitful and Mr. Joseph Leung on 12 October 2006 transferred the share to Mr. Ip’s brother, Mr. Ip Kwok Leung, as Mr. Ip’s new nominee. Mr. Joseph Leung has never held any position in the Group, and to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, Mr. Joseph Leung has no relationship with the Group, the Directors, senior management and their respective associates.

On 1 June 2009, Mr. Ip Kwok Leung transferred such share to Mr. Ip at the consideration of US\$1. As from such date, the 58.76% shareholding in GC Appraisal beneficially held by Mr. Ip became legally vested in his name as well. The Company’s Hong Kong legal adviser confirms that the said nominee arrangements are legal and valid.

For restructuring the Group, the entire issued share capital of GC Appraisal was transferred at an aggregate nominal consideration of HK\$4 on 25 January 2010 to GCA Professional Services.

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The following table illustrates the shareholding changes of GC Appraisal since its establishment:

Date	Name of Shareholders	Shareholding percentage (%)
22 September 1997	Mr. Cheng	1 share (50%)
	Hotex <i>(Hotex was then owned as to 50% by Mr. Cheng and 50% by Ms. Tao Pui Yee)</i>	1 share (50%)
26 August 1998	Hotex <i>(Hotex was then owned as to 50% by Mr. Cheng and 50% by Ms. Tao Pui Yee. 100,000 shares in GC Appraisal were held by Hotex as nominee of Mr. Leung)</i>	100,001 shares (10.0001%)
	Mr. Cheng	1 share (0.0001%)
	GC Holdings <i>(GC Holdings was then beneficially owned as to 33.3% by Mr. Cheng and 66.7% by Mr. Ip)</i>	899,998 shares (89.9998%)
31 August 1998	Hotex <i>(Hotex at the material time held 100,000 shares as nominee of Mr. Leung)</i>	100,000 shares (10%)
	GC Holdings <i>(GC Holdings was at the material time wholly owned by Ever Kings Development Limited, which in turn was beneficially owned as to 33.3% by Mr. Cheng and 66.7% by Mr. Ip)</i>	900,000 shares (90%)
9 April 1999	Mr. Leung	119,166 shares (11.92%)
	GC Holdings <i>(GC Holdings was at the material time wholly owned by Ever Kings Development Limited, which in turn was beneficially owned as to 33.3% by Mr. Cheng and 66.7% by Mr. Ip)</i>	880,834 shares (88.08%)

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Date	Name of Shareholders	Shareholding percentage (%)
26 July 1999	Mr. Leung	119,166 shares (11.92%)
	GC Holdings <i>(GC Holdings was at the material time wholly owned by Ever Kings Development Limited, which in turn was beneficially owned as to 50% by Mr. Cheng and 50% by Mr. Ip)</i>	880,834 shares (88.08%)
11 July 2002	Mr. Leung	119,166 shares (11.92%)
	GC Holdings <i>(GC Holdings was then wholly owned by Hotex, which in turn was beneficially owned as by 50% by Mr. Cheng and 50% by Ms. Tao Pui Yee)</i>	537,396 shares (53.74%)
	Asset-Plus <i>(Asset-Plus was at the material time wholly beneficially owned by Mr. Ip)</i>	343,438 shares (34.34%)
13 July 2002	Mr. Leung	119,166 shares (11.92%)
	GC Holdings <i>(GC Holdings was then wholly owned by Hotex, which in turn was beneficially owned as by 50% by Mr. Cheng and 50% by Ms. Tao Pui Yee)</i>	244,166 shares (24.42%)
	Asset-Plus <i>(Asset-Plus was at the material time wholly beneficially owned by Mr. Ip)</i>	343,438 shares (34.34%)
	Lucky Ventures Resources Limited <i>(which was at the material time wholly beneficially owned by Mr. Cheng)</i>	293,230 shares (29.32%)

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Date	Name of Shareholders	Shareholding percentage (%)
23 August 2002	Mr. Leung	119,166 shares (11.92%)
	GC Holdings <i>(GC Holdings was at the material time wholly owned by Mr. Cheng)</i>	244,166 shares (24.42%)
	Asset-Plus <i>(Asset-Plus was then wholly beneficially owned by Mr. Ip)</i>	343,438 shares (34.34%)
	Lucky Ventures Resources Limited <i>(which was then wholly beneficially owned by Mr. Cheng)</i>	293,230 shares (29.32%)
2 January 2004	Mr. Leung	119,166 shares (11.92%)
	GC Holdings <i>(GC Holdings was then wholly owned by Mr. Cheng)</i>	244,166 shares (24.42%)
	Asset-Plus <i>(Asset-Plus was then wholly beneficially owned by Mr. Ip)</i>	343,438 shares (34.34%)
	Mr. Cheng	293,230 shares (29.32%)
11 October 2004	Mr. Leung	190,666 shares (11.92%)
	GC Holdings <i>(GC Holdings was at the material time wholly owned by Mr. Cheng)</i>	390,666 shares (24.42%)
	Asset-Plus <i>(Asset-Plus was then wholly beneficially owned by Mr. Ip)</i>	549,500 shares (34.34%)
	Mr. Cheng	469,168 shares (29.32%)

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Date	Name of Shareholders	Shareholding percentage (%)
12 October 2004	Mr. Leung	190,666 shares (11.92%)
	GC Holdings <i>(GC Holdings was then wholly owned by Mr. Ip)</i>	390,666 shares (24.42%)
	Asset-Plus <i>(Asset-Plus was then wholly beneficially owned by Mr. Ip)</i>	549,500 shares (34.34%)
	Mr. Cheng	469,168 shares (29.32%)
25 January 2010	GCA Professional Services	1,600,000 shares (100%)

Asset-Plus

Asset-Plus was incorporated in the BVI on 23 July 1997 with authorised share capital of US\$50,000 divided into 50,000 shares of US\$1 each. Mr. Ip acquired the entire issued share capital in Asset-Plus at the nominal consideration of US\$2, as it has not commenced operation, from an Independent Third Party on 21 April 1998 and transferred the same to GCA Professional Services at the consideration of US\$1 on 29 March 2010 for the purpose of restructuring the Group.

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The following table illustrates the shareholding changes of Asset-Plus since its establishment:

Date	Name of Shareholders	Shareholding percentage (%)
22 December 1997	Independent Third Party	1 share (100%)
21 April 1998	Mr. Ip	2 shares (100%)
29 March 2010	GCA Professional Services	2 shares (100%)

GCA Holdings

GCA Holdings was incorporated in Hong Kong on 20 August 2004. The authorised share capital of GCA Holdings was HK\$10,000 divided into 10,000 shares of HK\$1 each, and was increased to HK\$2,000,000 by the creation of additional 1,990,000 shares of HK\$1 each on 9 November 2004. On the same date, 1 share in GCA Holdings was transferred and 469,167 shares were allotted to Mr. Cheng, 390,666 shares were allotted to GC Holdings, 549,500 shares were allotted to Asset-Plus and 190,666 shares were allotted to Mr. Leung, all at par value. As at such date, GC Holdings and Asset-Plus were wholly beneficially owned by Mr. Ip, Mr. Ip therefore was interested in 58.76% shareholding in GCA Holdings.

The entire issued share capital of GCA Holdings was transferred to GCA Professional Services at a nominal consideration of HK\$4 on 25 January 2010.

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The following table illustrates the shareholding changes of GCA Holdings since its establishment:

Date	Name of Shareholders	Shareholding percentage (%)
9 November 2004	Mr. Cheng	469,168 shares (29.32%)
	GC Holdings <i>(GC Holdings was at the material time wholly and beneficially owned by Mr. Ip)</i>	390,666 shares (24.42%)
	Asset-Plus <i>(Asset-Plus was then wholly beneficially owned by Mr. Ip)</i>	549,500 shares (34.34%)
	Mr. Leung	190,666 shares (11.92%)
25 January 2010	GCA Professional Services	1,600,000 shares (100%)

GCCCS

GCCCS was incorporated in Hong Kong on 15 November 2004 with authorised share capital of HK\$10,000 divided into 10,000 shares of HK\$1 each. Both Mr. Wong and GCA Holdings initially held 1 share in GCCCS and Mr. Wong held 1% shareholding in GCCCS as nominee of GCA Holdings. Therefore, GCCCS was then beneficially owned as to 51% by GCA Holdings Limited and 49% by Mr. Wong. GCA Holdings in turn was beneficially owned as to 11.92% by Mr. Leung, 58.76% by Mr. Ip and 29.32% by Mr. Cheng. Therefore, GCCCS was beneficially owned as to 6.08% by Mr. Leung, 29.97% by Mr. Ip, 14.95% by Mr. Cheng and 49% by Mr. Wong. As GCCCS was initiated by Mr. Wong and was to carry out a line of business new to the Group, it was structured on public record as a jointly controlled entity instead of as a subsidiary of the Group, whilst the Group still maintained control over the company by a majority beneficial shareholding.

By around May 2008, GCCCS was not yet in active business and its prospect was uncertain. In view of this the Group and Mr. Wong decided to deploy an alternative strategy to have Mr. Wong taking over management and also to have Mr. Wong or entity controlled by him as the sole shareholder on public record, but with the Group retaining the same beneficial shareholding interest in order to capture any upside in future. On 12 May 2008, the entire issued share capital in GCCCS was transferred at nominal value of HK\$2 to BVD Corporate Consultancy & Services Company Limited (“BVD”), which in turn was beneficially owned as to 50% by Mr. Wong and 50% as to Ms. Kwok Sin Man Vince (“Ms. Kwok”), spouse of Mr. Wong. BVD held 51% interest in shares of GCCCS as a nominee of

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GCA Holdings. This resulted in Mr. Wong and Ms. Kwok beneficially holding 49% in GCCCS whilst GCA Holdings remained as beneficial owner of 51% shareholding as before such change. Therefore, GCCCS became beneficially owned as to 6.08% by Mr. Leung, 29.97% by Mr. Ip, 14.95% by Mr. Cheng, 24.5% by Mr. Wong and 24.5% by Ms. Kwok. The consideration was based on the par value of the relevant shares as the transfer was effectively a transfer from Mr. Wong's personal name to a company owned by him and his spouse.

The Company's Hong Kong legal adviser confirms that the said nominee arrangements are legal and valid.

There was no further change in the shareholding of GCCCS, whether legal or beneficial, until 25 January 2010 when BVD on 25 January 2010 transferred the entire issued share capital in GCCCS to GCA Professional Services at nominal value of HK\$1, and GCCCS became a wholly owned subsidiary of GCA Professional Services.

The following table illustrates the shareholding changes of GCCCS since its establishment:

Date	Name of Shareholders	Shareholding percentage (%)
29 November 2004	GCA Holdings <i>(GCA Holdings was then beneficially owned as to 29.32% by Mr. Cheng, 11.92% by Mr. Leung and 58.76% by Mr. Ip)</i>	1 share (50%)
	Mr. Wong <i>(Mr. Wong held 1% shareholding in GCCCS as nominee of GCA Holdings)</i>	1 share (50%)
12 May 2008	BVD <i>(BVD was then owned as to 50% by Mr. Wong and 50% by Ms. Kwok, and 51% interest in the shareholding of GCCCS was held by BVD as nominee of GCA Holdings. GCA Holdings was then in turn beneficially owned as to 29.32% by Mr. Cheng, 11.92% by Mr. Leung and 58.76% by Mr. Ip)</i>	2 shares (100%)
25 January 2010	GCA Professional Services	2 shares (100%)

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Linkson

Linkson was incorporated in Hong Kong on 3 December 1999, and the entire issued share capital of which was acquired by GCA Professional Services on 23 February 2010 at nominal value of HK\$2 from Prosperity Investment. The consideration was determined based on the fact that Linkson does not have any business or asset other than holding the lease of the Property.

GCA Professional Services

GCA Professional Services was incorporated on 11 January 2010 by Mr. Wong with authorised share capital of HK\$10,000 divided into 10,000 shares of HK\$1 each. On 20 January 2010, 269 shares and 730 shares in GCA Professional Services were issued and allotted to Famous Boom and Genius Ideas at par value, being HK\$1 each, respectively. At the material time, Smart Pick and Easy Gain each held 50% shareholding interest in Genius Ideas. On such date, Smart Pick was held as to 34.34% by Asset-Plus, 29.32% by Mr. Cheng, 24.42% by GC Holdings and 11.92% by Mr. Leung whereas both Asset-Plus and GC Holdings were in turn wholly beneficially owned by Mr. Ip. As a result, Mr. Ip held 58.76% interest in Smart Pick as at 20 January 2010. On the other hand, the entire issued share capital in Easy Gain was wholly owned by Mr. Wong on such date. Genius Ideas therefore was then beneficially owned as to 50% by Mr. Wong, 5.96% by Mr. Leung, 14.66% by Mr. Cheng and 29.38% by Mr. Ip. In respect of Famous Boom, it was wholly owned by Ms. Kwok at the material time. In view of the aforesaid, GCA Professional Services became beneficially owned approximately as to 21.45% by Mr. Ip, 10.70% by Mr. Cheng, 4.35% by Mr. Leung, 36.6% by Mr. Wong and 26.9% by Ms. Kwok as 20 January 2010.

Mr. Wong transferred 1 share in GCA Professional Services to Famous Boom at par value, being HK\$1 per share on 22 January 2010. As a result, GCA Professional Services became beneficially owned approximately as to 21.45% by Mr. Ip, 10.70% by Mr. Cheng, 4.35% by Mr. Leung, 36.5% by Mr. Wong and 27% by Ms. Kwok as at 22 January 2010. The consideration was based on the par value of the relevant share as the transfer was effectively transfer between Mr. Wong and his spouse, Ms. Kwok.

On 25 January 2010, by the transfer of the entire equity interests in GC Appraisal, GCA Holdings and GCCCS to GCA Professional Services, such companies were incorporated under the Group and became subsidiaries of the Group.

On 18 March 2010, in view of the past contribution of Mr. Ma Kwai Yuen (“Mr. Ma”) to the Group in form of referrals of business and certain financial assistance, in the form of cash advances to the Group from time to time, which Mr. Ma would be providing to the Group upon him acquiring an interest in the Group, as well as the close personal relationship between certain directors of the Group with Mr. Ma, Ms. Kwok, the spouse of Mr. Wong, transferred 1 share in Famous Boom to Billion Great and 99 shares were also issued and allotted to Billion Great on the same date, both at par value i.e. US\$1 per share. At the material time, Billion Great was wholly owned by Mr. Ma. GCA Professional Services therefore become beneficially owned as to 21.45% by Mr. Ip, 10.7018% by Mr. Cheng, 4.35% by Mr. Leung, 36.5% by Mr. Wong and 27% by Mr. Ma.

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Asset-Plus on 26 March 2010 transferred all shares in Smart Pick held by it to GC Holdings at US\$1 whereas both Asset-Plus and GC Holdings were wholly owned by Mr. Ip.

50 shares and 48 shares in Genius Ideas were issued and allotted to Smart Pick and Easy Gain at par value respectively on 29 March 2010, and Genius Ideas as a result became owned as to 51% and 49% by Smart Pick and Easy Gain. After the said share allotment, GCA Professional Services became approximately beneficially owned as to 21.88% by Mr. Ip, 10.91% by Mr. Cheng, 4.44% by Mr. Leung, 35.77% by Mr. Wong and 27% by Mr. Ma.

On 9 November 2010, 612 shares, 5,049 shares and 4,239 shares in Genius Ideas were issued and allotted to Mr. Ip, Smart Pick and Easy Gain at par value respectively. As a result, Genius Ideas became owned as to 6.12% by Mr. Ip, 51% by Smart Pick and 42.88% by Mr. Wong. GCA Professional Services therefore at the material time became approximately beneficially owned as to 26.35% by Mr. Ip, 10.91% by Mr. Cheng, 4.44% by Mr. Leung, 31.30% by Mr. Wong and 27% by Mr. Ma. These allotments resulted in an increase of the effective interest in GCA Professional Services of Mr. Ip by 4.47% and a corresponding reduction of the effective interest of Mr. Wong. This reallocation of shareholding reflected the understanding of Mr. Wong, Mr. Ip, Mr. Cheng and Mr. Leung that the effective shareholding of Mr. Ip should be increased when it is shown that the asset advisory business started up by Mr. Ip is viable.

Pre-IPO investment

A wholly owned subsidiary of Prosperity Investment (which is also a licensed money lender) entered into a loan agreement to provide a loan to Famous Boom on 20 May 2010. In consideration of the granting of such loan to Famous Boom, Billion Great (which holds 100% of the issued shares of Famous Boom) agreed to grant to Prosperity Investment a call option (as supplemented by the supplemental agreement dated 28 June 2010) over 200 issued shares in GCA Professional Services at an option fee of HK\$1.00. On 9 September 2010, Prosperity Investment exercised the call option at the aggregate exercise price of HK\$5,000,000, which represents approximately 90.74% discount to the Placing Price. The shares in GCA Professional Services were transferred to Simply Joy, an indirect wholly owned subsidiary of Prosperity Investment, on 24 November 2010. The Company has not granted any special rights not generally available to other shareholders to Simply Joy. Each of Prosperity Investment, Accufocus Investments, GR Investment, Genius Choice and Simply Joy has entered into a non-disposal undertaking, whereby it shall not and shall procure the relevant registered holder(s) shall not in the period commencing from the date of the prospectus and ending on the date which is six months from the Listing Date dispose of nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which it is shown by this prospectus to be the beneficial owner. As a result, GCA Professional Services became beneficially owned as to 26.35% by Mr. Ip, 10.91% by Mr. Cheng, 4.44% by Mr. Leung, 31.30% by Mr. Wong, 7% by Mr. Ma and 20% by Prosperity Investment.

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The following table illustrates the shareholding changes of GCA Professional Services since its establishment:

Date	Name of Shareholders	Shareholding percentage (%)
11 January 2010	Mr. Wong	1 share (100%)
20 January 2010	Mr. Wong	1 share (0.1%)
	Famous Boom <i>(Famous Boom was then wholly beneficially owned by Ms. Kwok)</i>	269 shares (26.9%)
	Genius Ideas <i>(Genius Ideas was then beneficially owned as to 50% by Mr. Wong, 5.96% by Mr. Leung, 14.66% by Mr. Cheng and 29.38% by Mr. Ip)</i>	730 shares (73%)
22 January 2010	Famous Boom <i>(Famous Boom was then wholly beneficially owned by Ms. Kwok)</i>	270 shares (27%)
	Genius Ideas <i>(Genius Ideas was then beneficially owned as to 50% by Mr. Wong, 5.96% by Mr. Leung, 14.66% by Mr. Cheng and 29.38% by Mr. Ip)</i>	730 shares (73%)
18 March 2010	Famous Boom <i>(Famous Boom was then wholly beneficially owned by Mr. Ma Kwai Yuen)</i>	270 shares (27%)
	Genius Ideas <i>(Genius Ideas was then beneficially owned as to 50% by Mr. Wong, 5.96% by Mr. Leung, 14.66% by Mr. Cheng and 29.38% by Mr. Ip)</i>	730 shares (73%)

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Date	Name of Shareholders	Shareholding percentage (%)
29 March 2010	Famous Boom <i>(Famous Boom was wholly beneficially owned by Mr. Ma Kwai Yuen)</i>	270 shares (27%)
	Genius Ideas <i>(Genius Ideas was then beneficially owned as to 49% by Mr. Wong, 6.08% by Mr. Leung, 14.95% by Mr. Cheng and 29.97% by Mr. Ip)</i>	730 shares (73%)
20 May 2010	Billion Great, the holding company of Famous Boom agreed to grant to Prosperity Investment a call option (as supplemented by the supplemental agreement dated 28 June 2010) over 200 issued shares in GCA Professional Services	
9 November 2010	Famous Boom <i>(Famous Boom was wholly beneficially owned by Mr. Ma Kwai Yuen)</i>	270 shares (27%)
	Genius Ideas <i>(Genius Ideas was beneficially owned as to 42.88% by Mr. Wong, 6.08% by Mr. Leung, 14.95% by Mr. Cheng and 36.09% by Mr. Ip)</i>	730 shares (73%)
24 November 2010	Famous Boom <i>(Famous Boom was wholly beneficially owned by Mr. Ma Kwai Yuen)</i>	70 shares (7%)
	Genius Ideas <i>(Genius Ideas was beneficially owned as to 42.88% by Mr. Wong, 6.08% by Mr. Leung, 14.95% by Mr. Cheng and 36.09% by Mr. Ip)</i>	730 shares (73%)
	Simply Joy <i>(Simply Joy was an indirect wholly owned subsidiary of Prosperity Investment)</i>	200 shares (20%)

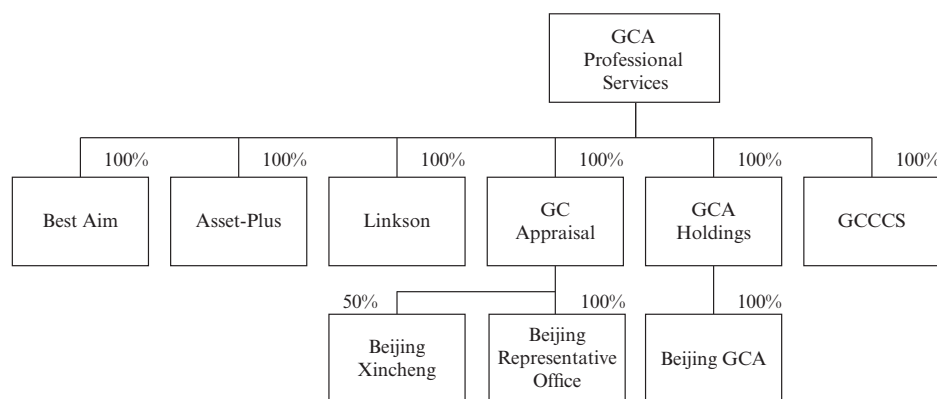
HISTORY AND DEVELOPMENT

Best Aim

Best Aim was incorporated in BVI on 2 February 2010, with authorised share capital of US\$50,000 divided into 50,000 shares of US\$1 each. The entire issued share capital of which was allotted to GCA Professional Services on 8 March 2010 at nominal value of US\$1.

Reorganisation

The following diagram shows the shareholding and corporate structure of the Group as it existed immediately before the Reorganisation:



The companies comprising the Group underwent the Reorganisation in preparation for the listing of the Shares on GEM. The Reorganisation involved the following steps:

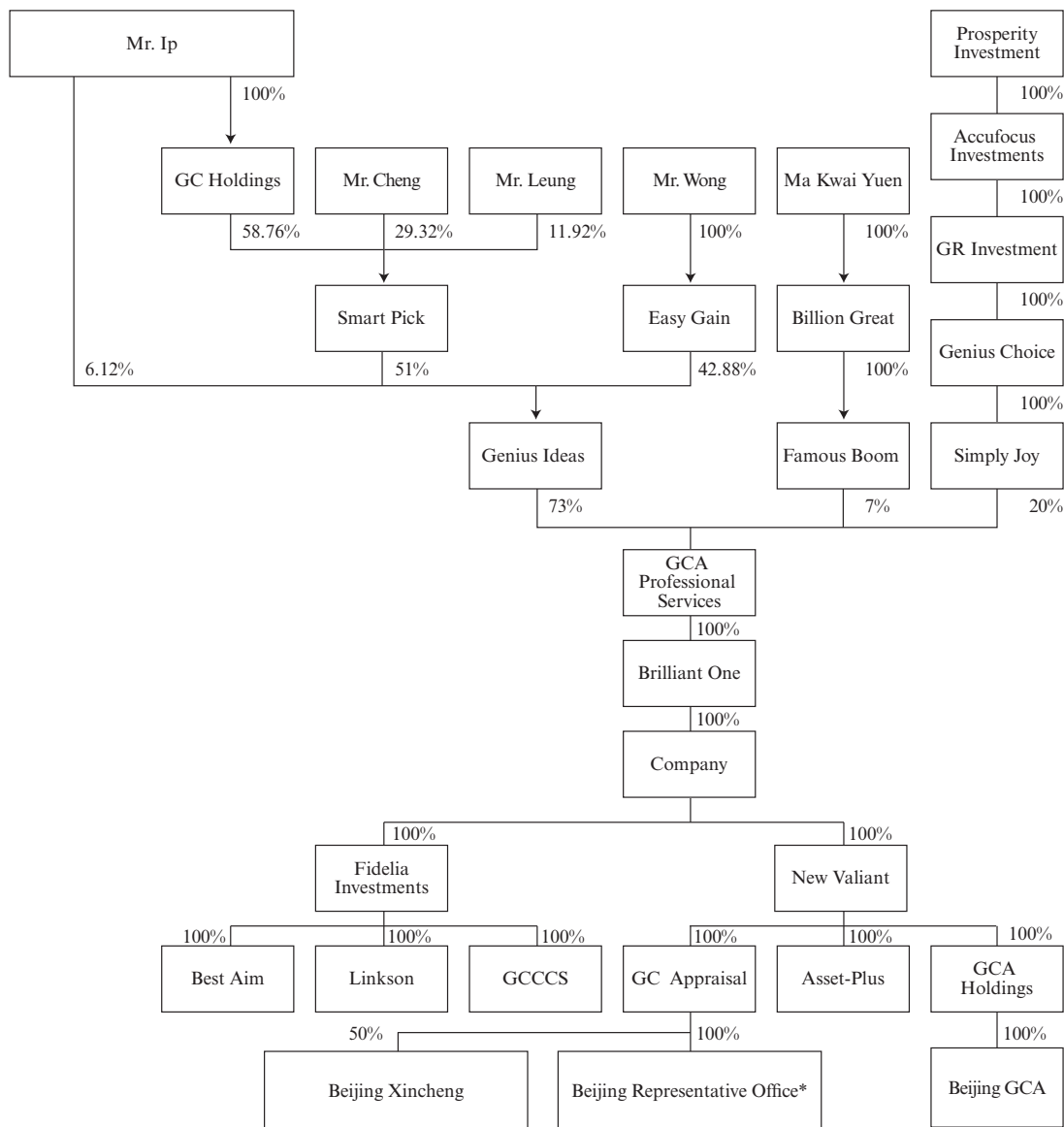
- (a) incorporation of New Valiant on 28 July 2010 with an authorised share capital of US\$50,000 divided into 50,000 ordinary shares of US\$1.00 each, one ordinary share was allotted and issued to GCA Professional Services at US\$1.00;
- (b) incorporation of Brilliant One on 29 July 2010 with an authorised share capital of US\$50,000 divided into 50,000 ordinary shares of US\$1.00 each and 100 ordinary shares were allotted and issued, credited as fully paid to Genius Ideas at US\$1.00 each;
- (c) incorporation of Fidelia Investments on 12 November 2010 with an authorised share capital of US\$50,000 divided into 50,000 ordinary shares of US\$1.00 each, one ordinary share was allotted and issued to GCA Professional Services at US\$1.00;
- (d) incorporation of the Company on 3 December 2010 in the Cayman Islands, one share was allotted and issued, credited as fully paid to Codan Trust Company (Cayman) Limited and transferred from Codan Trust Company (Cayman) Limited to Brilliant One at a consideration of HK\$0.01 on the same date;

HISTORY AND DEVELOPMENT

- (e) transfer of 100 shares in the issued share capital of Brilliant One on 17 May 2011 from Genius Ideas to GCA Professional Services at the consideration of US\$1.00 per share;
- (f) acquisition of the entire issued share capital of Best Aim, Linkson and GCCCS by Fidelia Investments on 17 May 2011 in consideration of the allotment and issued of an aggregate three ordinary shares of Fidelia Investments of US\$1.00 each, credited as fully paid to GCA Professional Services;
- (g) acquisition of the entire issued share capital of GC Appraisal, Asset-Plus and GCA Holdings by New Valiant on 17 May 2011 in consideration of the allotment and issued of an aggregate three ordinary shares of New Valiant of US\$1.00 each, credited as fully paid to GCA Professional Services;
- (h) acquisition of the entire issued share capital of Fidelia Investments and New Valiant by Brilliant One on 17 May 2011 in consideration of the allotment and issue of 100 ordinary shares of Brilliant One of US\$1.00 each, credited as fully paid to GCA Professional Services;
- (i) increase of the authorised share capital of the Company from HK\$380,000 to HK\$20,000,000 by the creation of an additional 1,962,000,000 Shares; and
- (j) acquisition of the entire issued share capital of Fidelia Investments and New Valiant by the Company on 18 May 2011 in consideration of the allotment and issue of 999 Shares, all credited as fully paid to Brilliant One.

HISTORY AND DEVELOPMENT

The following diagram shows the shareholding and corporate structure of the Group immediately after the Reorganisation:

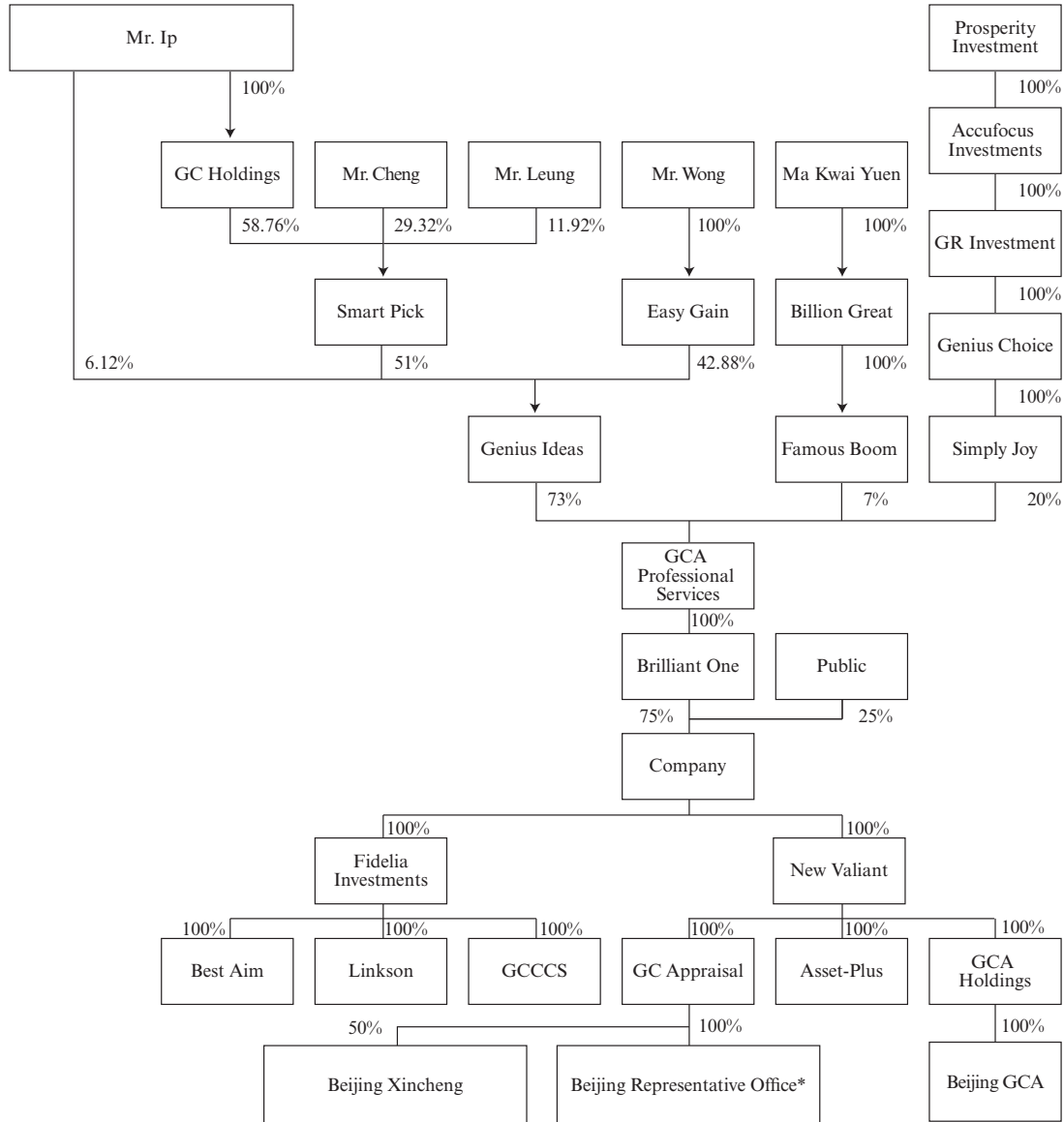


* in the process of de-registration

HISTORY AND DEVELOPMENT

Shareholding and corporate structure after the Placing and the Capitalisation Issue

The following diagram shows the shareholding and corporate structure of the Group immediately after completion of the Placing and the Capitalisation Issue:



* in the process of de-registration

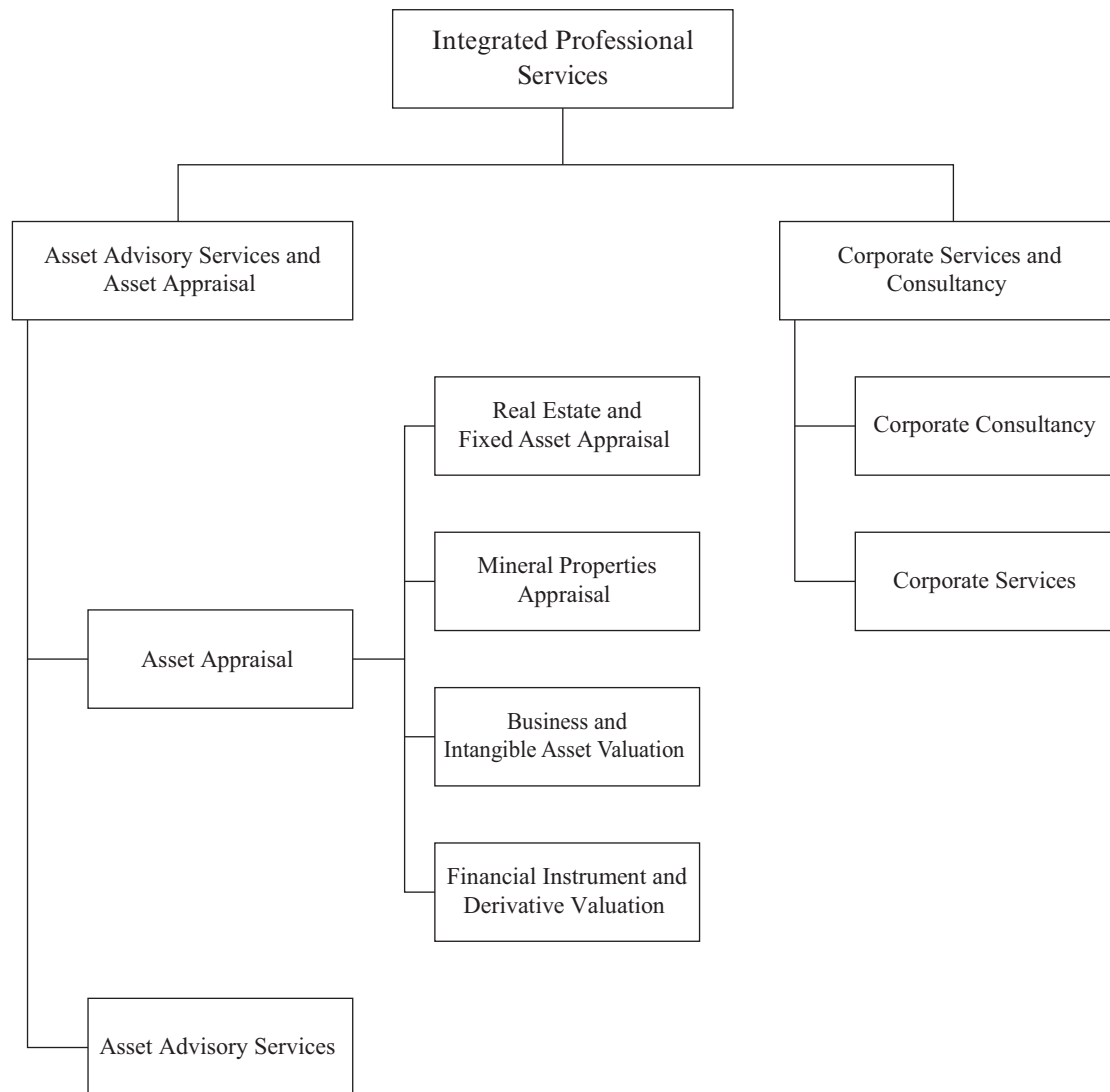
DESCRIPTION OF BUSINESS

The Group provides integrated professional services to public and private companies and individual investors mainly in Hong Kong and the PRC, which services can be broadly categorised into two sectors, being (i) asset advisory services and asset appraisal and (ii) corporate services and consultancy. These services range from sourcing and identifying investment targets for clients seeking investment opportunities, conducting evaluation on various assets and potential investments, undertaking due diligence and viability study on the targeted investments, and after clients have made an investment, or for clients with existing investments, the Group can provide corporate consultancy such as performance enhancement as well as back office administration service, and for clients wishing to realize their investments, provide strategic advice on disposal and identify potential new investors.

The Group is able to provide an integrated, multi-disciplined professional service to its clients with its multi-disciplined professional team. For the same reason, the Group is also able to provide advisory services across a multitude of assets.

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The following chart provides an overview of the various services the Group provides:



Asset advisory services and asset appraisal*Asset appraisal*

Asset appraisal is the core business of the Group before it expands into the other services currently provided by it. This sector of the Group's business provides valuation services across a wide spectrum of asset classes, including real estate and other fixed assets, mineral properties, business and intangible assets, financial assets including financial instruments and derivatives. In its engagements, the Group is required to provide independent valuation reports, both to public and private businesses to meet market, regulatory and fiduciary requirements for various purposes including IPOs, M&As, litigation, liquidation, financial reporting compliance and fairness opinions. Members of the Group's professional team provide their expertise in different disciplines of asset appraisals and act as independent professionals in the provision of these services.

Set out below are the different categories of appraisal services which the Group can provide and description of the assets for valuation in each category:

Appraisal Services	Assets
Real estate and fixed asset appraisal	<ol style="list-style-type: none">1. real estate;2. plant and machinery;3. work-in-progress; and4. inventory.
Mineral properties appraisal	<ol style="list-style-type: none">1. exploration areas;2. pre-development projects;3. development projects; and4. operating mines.

Business and intangible asset valuation	1.	business enterprise or interest
	2.	intangible asset <ol style="list-style-type: none">marketing related: trademarks, trade names, service marks, collective marks, certification marks, internet domain names, trade dress, newspaper mastheads and non-competition agreements;customer related: customer lists, order or production backlog, customer contracts and the related customer relationship which meet contractual-legal criterion and non-contractual customer relationships which meet the separability criterion;artistic related: plays, operas, ballets, books, magazines, newspapers, other literary works, video and audiovisual materials, musical works, pictures and photographs which meet contractual or legal rights criterion;contract-based: licensing, royalty and standstill agreements, advertising, construction, management, service or supply contracts, leased agreements, franchise agreements, operating and broadcasting rights, use rights such as drilling, water, air, mineral, timber-cutting, servicing contracts such as mortgage service contracts and employment contracts; andtechnology-based: patented and unpatented technology, computer software, databases and trade secrets such as secret formulas, process or recipes.
Financial instrument and derivative valuation	1.	equity related: share options, employee shares options, pre-IPO shares options, restricted shares, warrants, convertible bonds, equity-linked notes, accumulators, convertible preference shares and other exotic options;
	2.	interest rate related: callable and/or putable corporate bonds, interest rate options, interest rate swaps and other structured interest rate related products;
	3.	currency related: non-delivery forwards, currency forwards, currency swaps, currency options; and
	4.	credit risk related: financial guarantee valuation.

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Set out below is the revenue attributable to each category of appraisal services provided by the Group for each of the years/period during the Track Record Period:

	For the year ended 31 March 2009 (HK\$'000)	For the year ended 31 March 2010 (HK\$'000)	For the nine months period ended 31 December 2010 (HK\$'000)
Real estate and fixed asset appraisal	7,889	10,600	4,707
Mineral properties appraisal	1,827	3,085	5,407
Business and intangible asset valuation	11,182	9,117	5,993
Financial instrument and derivative valuation	<u>4,621</u>	<u>4,258</u>	<u>3,640</u>
Total	<u><u>25,519</u></u>	<u><u>27,060</u></u>	<u><u>19,747</u></u>

Set out below is the range of fees charged for each category of appraisal services provided by the Group for each of the years/period during the Track Record Period:

	For the year ended 31 March 2009 (HK\$)	For the year ended 31 March 2010 (HK\$)	For the nine months period ended 31 December 2010 (HK\$)
Real estate and fixed asset appraisal	1,000– 1,720,000	1,800– 1,700,000	1,500– 880,000
Mineral properties appraisal	40,000– 1,080,000	30,000– 2,200,000	80,000– 780,000
Business and intangible asset valuation	8,000– 894,000	30,000– 1,000,000	10,000– 460,000
Financial instrument and derivative valuation	8,000– 146,000	4,000– 110,000	2,000– 300,000

Although fees for the engagements can differ widely, engagements with fees below HK\$100,000 accounted for approximately 79% of the total number of engagements for asset appraisal services of the Group.

After confirming engagement by a client, the client is usually required to pay an upfront fee and the Group will assign a professional team with relevant experience and professional qualifications (e.g. member of the Royal Institution of Chartered Surveyors for property valuation and Certified Valuation Analyst for business valuation) to perform the valuation. Based on the scope of work defined in the engagement, the professional team begins the appraisal process, which may include site visit, market research, building

valuation model, performing financial analysis, application of appropriate valuation methodologies and drafting of valuation report. Generally, an invoice for the second stage fee will be issued by the Group when a draft report is ready. The Group will review the valuation result and the draft report with the client. Upon finalization of the draft report and client's confirmation, the qualified professional staff who supervises the preparation of the valuation report and accepts the responsibility for it will sign off and issue the valuation report to the client, and the Group will invoice client for the balance of the fee.

The fee for each engagement for the Group's appraisal services is by agreement between the Group and the client on a case by case basis, typically being a fixed fee based on the estimated time to be spent on the engagement. The agreed fee is usually payable by stage payment based on milestone agreed with clients. The Group normally issues bills according to its engagement letter. Under the Group's standard engagement letters, the Group normally charges an up front fee which represents approximately 50% of the total fee payable when engagement is confirmed. The balance is usually payable in two stages, i.e. usually another 40% when the Group submits a draft report and usually the balance 10% when the final report is issued. However, where if the final report is issued shortly after the draft report, the Group may only issue one bill for the 40% for draft report and the 10% for issue of the final report. If there is any delay or abandonment of the underlying project and no final report is issued, under the Group's standard engagement letters, the Group is still entitled to charge 80% of the total fee if the engagement attains the asset inspection stage, and 90% of the total fee if any draft report is submitted to the client, but the Group will not be entitled to charge the remaining 10% of the total fee. Revenue for these progressively billed engagements is recognised according to the percentage of completion. Apart from these progressively billed engagements, the Group may charge the fees one-off for engagements which can be completed in a relatively short duration. Revenue is usually recognised upon the issue of the final reports for these engagements.

The time required for completing each asset appraisal engagement varies, one of the factors being whether site visits requiring substantial traveling time are involved. Real estate and fixed asset appraisal services and mineral properties appraisal services often require inspection of the physical assets. On the other hand, site visits of business and intangible asset valuation are optional as valuation of such assets mainly focus on financial statement analysis, market research and industry overview. Valuation of financial

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instrument and derivatives does not require any site visit as the valuation is principally based on the terms in the contract of the financial instrument and derivatives and market data. Set out below is a summary of time and number of staff typically involved in each category of appraisal services:

Appraisal service	Number of staff involved for engagements with fees below HK\$100,000	Number of staff involved for engagements with fees above HK\$100,000	Staff involved	Time involved (day) for engagements with fees below HK\$100,000	Time involved (day) for engagements with fees above HK\$100,000	Site visit
Real estate and fixed asset appraisal	2	2-6	professional with authority to sign report, project manager, site inspector, analyst and researcher	1-14	15-60	Required
Mineral properties appraisal	2	2-3	professional with authority to sign report, project manager, analyst and researcher	14-21	22-60	Required
Business and intangible asset valuation	2	2-3	professional with authority to sign report, project manager, analyst and researcher	14-21	22-60	Optional
Financial instrument and derivative valuation	2	2	professional with authority to sign report and analyst	1-3	2-5	Not required

Due to factors including time constraint on completion of the valuation or asset location, the Group may subcontract to other qualified professionals part of the valuation process such as physical inspection, collection of information, establishing calculation models or report writing. Under the typical engagement letter of the Group, no prior consent is required to be obtained from clients for subcontracting.

The Group selects subcontractors based on their professional qualifications, experience, fee charged and availability. After the subcontractor is selected in each case, the Group will enter into a subcontracting agreement with the subcontractor. The standard form subcontracting agreement of the Group provides that the subcontractor should comply with the professional standards of the relevant professional institution and provide work product in a timely manner within the parameters outlined by the Group. Charges to subcontractor is payable within 30 days of the Group's receipt of an invoice for services satisfactorily performed by such subcontractor or within 10 days following receipt by the Group from its client of fees relating to the work performed by the subcontractor, whichever is later. The subcontracting agreement can be terminated by either party upon notice. Therefore, if an engagement is cancelled prior to the issuance of the valuation report, the Group is not obliged to pay the subcontracting charges until it receives the relevant revenue from client.

Despite the flexibility provided under the engagement letters with clients, the Group does not rely on subcontractors for performance of its services. For the two years ended 31 March 2010 and the nine months period ended 31 December 2010, the Group has only engaged 5, 7 and 4 subcontractors respectively for a total of 68 subcontracting jobs. The

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subcontracting charges incurred by the Group in its asset appraisal business for the year ended 31 March 2009 and 31 March 2010 and for the nine months ended 31 December 2010 were approximately HK\$1.88 million, HK\$1.08 million and HK\$216,000 (before write back of overprovision in prior year) respectively. The subcontracting charges were agreed on a fixed basis before confirmation of subcontracting. Since the professionals of the Group will monitor the progress of work done, review the calculation models as well as the draft valuation reports prepared by the subcontractor, and the contractors themselves being professionals are subject to relevant professional standards and guidelines, the Group believes that such subcontracting would not affect the Group's quality of work delivered to clients.

During the Track Record Period, the Group was engaged in approximately 680 asset appraisal engagements. Most of these engagements were for listed companies in Hong Kong, but the locations of these assets were wide ranging, from the PRC, Hong Kong, Taiwan, Macau, Mongolia, Singapore, Indonesia, the Philippines, Brunei and spanning across to countries such as Russia and Brazil.

The underlying assets being appraised by the Group during the Track Record Period also included a wide variety of assets, as demonstrated by the following examples:

Time of engagement/ announcement/ report	Client*	Asset appraised	Purpose for which appraisal was undertaken
Real estate and fixed asset appraisal			
March 2009	A listed group principally engaged in property development	Property	Financial reporting
June 2009	Hing Lee (HK) Holdings Limited (stock code: 396)	Property	IPO
December 2009	Perception Digital Holdings Limited (stock code: 8248)	Property	IPO
March 2010	A listed group principally engaged in property development	Property	Financial Reporting
March 2010	A listed group principally engaged in manufacturing and sales of knitted fabrics and dyed yarns	Property	Financial reporting
April 2010	A listed group principally engaged in pharmaceutical business	Property	Financial reporting
Mineral asset appraisal			
October 2009	North Asia Resources Holdings Limited (formerly known as Green Global Resources Limited) (stock code: 61)	Mining right of an iron mine	Very substantial acquisition

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Time of engagement/ announcement/ report	Client*	Asset appraised	Purpose for which appraisal was undertaken
May 2010	CST Mining Group Limited (formerly known as China Sci-Tech Holdings Limited) (stock code: 985)	Business valuation of a copper mining company	Very substantial acquisition
Business and intangible asset valuation			
April 2009	A listed group principally engaged in information technology	Business and intangible assets	Financial reporting
April 2009	A listed group principally engaged in agriculture	Biological assets	Financial reporting
June 2009	Sustainable Forest Holdings Limited (formerly known as Bright Prosperous Holdings Limited) (stock code: 723)	Concession rights of forests	Very substantial acquisition
November 2009	A listed group principally engaged in property development	Business valuation	Restructuring
March 2010	A listed group principally engaged in medical services	Business and intangible assets	Financial reporting
Financial instrument and derivative valuation			
March 2009	An investment company listed on the Main Board of the Stock Exchange	Accumulator, equity-linked note and convertible bond	Financial reporting
July 2009	A listed company principally engaged in manufacture and distribution of chemicals	Financial guarantee contract	Financial reporting
August 2009	An investment company listed on the Main Board of the Stock Exchange	Warrant, convertible bonds, callable perpetual bonds, guaranteed notes, accumulators	Financial reporting
January 2010	A private company principally engaged in investment holding	Interest rate swap	Financial reporting
March 2010	A listed group principally engaged in manufacturing of printed circuit board	Non-deliverable forward	Financial reporting

* *Note:* Due to confidentiality issues, the Company considers that it is not appropriate to disclose identities of the clients.

The total fee received for the above engagements were approximately HK\$6.25 million.

The total revenue generated from asset appraisal during the Track Record Period amounted to approximately HK\$72.3 million.

After the end of the Track Record Period up to the Latest Practicable Date, the Group had 122 engagements for its asset appraisal services with a total fee of HK\$10.3 million, HK\$8.3 million of which has been billed between 1 January 2011 to the Latest Practicable Date. Majority of these engagements are for financial reporting purpose and are therefore expected to be completed around end of May 2011.

Possible changes to the property valuation disclosure requirements for listed companies in Hong Kong

As mentioned above, most of the engagements undertaken by the Group during the Track Record Period were for listed companies in Hong Kong. In December 2010, the SFC and the Stock Exchange issued a joint consultation paper on proposed changes to property valuation requirements regarding IPOs, acquisition and disposal transactions, which may have an adverse impact on the asset appraisal business of the Group.

Currently, a listing applicant is required to obtain property valuation reports and disclose valuation information for all property interests of its property activities. The consultation paper proposed that property interests with a carrying amount below 1% of the applicant's total assets will not need to be valued, although the total carrying amount of property interests not valued must not exceed 10% of the listing applicant's total assets. For applicant conducting non-property activities, it was proposed that such applicant will only be required to obtain property valuation reports for property interests of its non-property activities for each property interest with a carrying amount of 15% or more of its total assets. On the other hand, for M&A transactions of listed issuers, it was proposed that (i) requirement on property valuation will be removed if a company being acquired or disposed of is listed on the Stock Exchange, except where it is a connected transaction; (ii) the valuation requirement for listed issuer's existing property interests for a very substantial acquisition be removed; and (iii) for acquisition or disposal of an unlisted company, requirement for conducting a valuation be removed if the carrying amount of a property interest is below 1% of the total asset of the listed company while the total carrying amount of the property interests not requiring valuation must not exceed 10% of its total assets. Valuation of property interests ancillary to mining activities was also proposed to be removed where the circular includes a valuation report by an independent professionally qualified valuer of the associated mineral or petroleum assets or resources.

If the proposals were approved, requirement for valuation report of real estate interest may decrease for issuers listed in Hong Kong. However, the impact to the Group is only restricted to property valuation for the purpose of IPOs or M&A transactions. Valuation reports or opinions of value on property for purposes other than IPOs and M&A transactions or on valuation of other asset classes will not be affected. Furthermore, requirements on valuation for financial reporting purposes remain unchanged.

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An analysis of the gross revenue and gross profit from real estate valuation and the possible loss which may be caused by the proposed changes to property valuation requirements regarding IPOs and M&As is as follows:

Turnover:

Period	Total turnover of asset appraisal services HK\$'000	Turnover from real estate valuation business HK\$'000	Turnover from IPOs or M&As HK\$'000	Possible loss if the proposed changes HK\$'000	Percentage of possible loss to total turnover HK\$'000
For the year ended 31 March 2009	25,519	7,889	1,740	518	2.0%
For the year ended 31 March 2010	27,060	10,600	1,471	1,089	4.0%
For the nine months ended 31 December 2010	19,747	4,707	1,263	188	1.0%

Gross profit:

Period	Total gross profit of asset appraisal services HK\$'000	Gross profit from real estate valuation business HK\$'000	Gross profit from IPOs or M&As HK\$'000	Possible loss if the proposed changes HK\$'000	Percentage of possible loss to total gross profit HK\$'000
For the year ended 31 March 2009	14,686	4,540	1,001	298	2.0%
For the year ended 31 March 2010	18,609	7,290	1,012	749	4.0%
For the nine months ended 31 December 2010	12,518	2,719	789	96	0.8%

In terms of revenue, the bulk of the gross revenue of the Group's asset appraisal business during the Track Record Period was derived from non-real estate valuation. For the years ended 31 March 2009 and 2010 and the nine months period ended 31 December 2010, the turnover arising from real estate valuation were approximately HK\$7.89 million, HK\$10.6 million and HK\$4.71 million respectively. Out of such business, only a small portion was derived from real estate valuation for IPOs and M&As for listed issuers which would have been affected by the proposed changes in the Listing Rules. During such periods, only approximately HK\$0.52 million, HK\$1.09 million and HK\$188,000 were generated from property valuation in such areas. Such turnover accounted for only approximately 2.0%, 4.0% and 1.0% respectively of the turnover from asset appraisal services during the corresponding periods. Gross profits arising from real estate valuation business amounted to approximately HK\$4.54 million, HK\$7.29 million and HK\$2.72

million for the years ended 31 March 2009 and 2010 and the nine months period ended 31 December 2010, and only approximately HK\$298,000, HK\$749,000 and HK\$96,000 were attributable to real estate valuation performed for IPO and acquisition or disposal purposes for Hong Kong listed issuers which would have been affected by the proposed changes in the Listing Rules. Such gross profits accounted for approximately 2.0%, 4.0% and 0.8% of the gross profits generated from asset appraisal services during the corresponding periods.

Given that real estate valuation for IPO and M&A purposes is not a significant portion of the Group's asset appraisal services as demonstrated above, that the Group is also engaged in real estate valuation for other purposes and valuation of other asset classes such as mineral properties, business and intangible asset as well as financial instrument and derivative, and that the Group is expanding into the asset advisory and corporate services and consultancy business, the Company believes that the possible impact of the proposed changes described above on the Company's asset appraisal services would not be significant although most of the Company's clients are listed companies.

Asset advisory services

Capitalizing on its wide client base from the asset appraisal business, the relationship that the Directors and the senior professionals of the Group have established with the proprietors and senior management of such clients, as well as its expertise in identifying the value of different assets, the Group expanded into the provision of asset advisory services in 2007. Such services typically involves identifying potential investment or investor, undertaking due diligence and evaluation on the underlying assets and provision of procedural and strategic advice in relation to the client entering into an investment or realizing an investment.

The asset advisory services business has only a short operating history. Referrals from clients and other professional relationships established by the Group in its asset appraisal business is an important source of business for this sector. For all the engagements in asset advisory services carried out by the Group during the Track Record Period, the clients were referred to the Group by senior executives of the Group's clients. During the course of providing asset appraisal services, the Group would also have gained an understanding of various clients and their businesses and investments which would be a source of potential targets when the Group has received engagement for its asset advisory services.

For client looking for investment opportunities, after the potential client contacts the Group, the Group will discuss with the potential client (i) the intended area of investment including asset type, for example whether it is real estate and of which type such as residential or commercial and whether completed or pending development etc., natural resources such as gas, oil, coal and forestry, or minerals, (ii) the territorial preference and (iii) the intended investment amount. Once the Group has a thorough understanding of the potential client's investment plan, the Group will discuss with the potential client to tailor made the Group's scope of service. When the terms of engagement have been agreed and the engagement letter signed, then the Group will seek to track and identify potential investment targets in the asset type that the client is interested in, within the parameters provided by client. In this process, the Group's asset-advisory services department will first

approach the head of asset appraisal services department for potential sources of investment or investor of which their department might be aware or may contact. The Group may also approach other professionals of which the Group has established relationships for referrals. Once a potential project has been identified, the Group will, or engage consultants in the location where the potential investment is situated to, carry out a preliminary analysis, such as conducting market research, to determine whether there is any reasonable prospect of concluding the underlying transaction. When the client is affirmative of the potential investment target, the Group will assign its professionals with expertise in the relevant area to where the potential investment is located, or where appropriate further engage relevant consultants or researchers to conduct site visit and evaluation on the target investment, liaise with client's legal and other advisers for coordination of due diligence exercise and undertake viability study. The Group therefore is able to gather information and data relating to the underlying investment and to gain an in-depth understanding of such investment. With comprehensive information, the Group will then be able to advise its client on the structure and procedures of the underlying transaction. The Group may also provide advice to client on strategy on negotiation of terms relating to the underlying transaction. Once the definitive agreement for the underlying transaction is entered into between the client and the counterparty(ies), the Group will be entitled to receive the success-based fee when clients pay the relevant consideration pursuant to the underlying transaction.

In respect of client who wishes to realize an investment, when the potential client reaches the Group, the Group will ask the potential client to provide information on the investment intended to be realized, financial information relating to the investment such as performance history and operation history, status of development if such investment is in progress of development, and expected return on the investment. With such information, the Group will discuss with the potential client to tailor make the scope of services to be provided by the Group. After the Group and the potential clients reach agreement over the proposed terms of engagement and engagement letter signed, the Group will commence work on studying market positioning, development planning and operational aspects in preparation for the disposal. The Group will then identify the appropriate time and opportunity for realization and to search for and identify potential purchaser(s) for the project, make recommendations on the structure and procedures of the disposal and will also provide advice on negotiation of the terms relating to the underlying transaction. Again, when the definitive agreement for the underlying transaction is entered into between the client and the counterparty(ies), the Group will be entitled to receive the success-based fee when client receives the relevant consideration under the definitive agreement. The fixed fee will be charged once the relevant work has been completed, whether or not the underlying transaction has been completed on time or at all.

The fee charged by the Group for each engagement is determined on a case-by-case basis, and made up of both fixed fees and a success-based fee. Fixed fees will be charged for work done such as due diligence investigation, viability study and evaluation and is based on the estimated time to be spent and the complexity of the project. Fixed fee revenue is billed when the relevant report incidental to the transactions, such as due diligence investigation, viability study and evaluation of the target investment, is issued. In addition, the Group will also charge a success-based fee which is calculated based on a percentage of

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the value of the underlying asset or the consideration agreed between the parties in the underlying transaction. The success-based fee is contingent upon the client's payment of or, as the case may, receipt of consideration pursuant to the underlying definitive agreement for such transaction. The Group will usually issue bill for the success-based fee after client confirms that it has paid or received such consideration. As the Group may not be able to readily obtain confirmation from clients that they have received or, as the case may be, paid the relevant consideration in the underlying transaction, there may be a time lag, amounting to an average of 3 months, in issuing invoices to clients notwithstanding the payment schedule in the engagement letters. In order to facilitate timely issue of invoices, the Group contacts clients and their counterparties to the underlying transactions regularly and check information from available public sources wherever applicable to monitor the progress of the engagements. Despite the time lag in issuing invoices, revenue recognition for the invoices issued during the Track Record Period is not affected, as the finance department recognised the revenue in the appropriate period according to the pre-set accounting policy.

For each engagement, the Group will usually either be engaged by a client looking for potential investment (or purchaser), or a client looking to dispose of its interest in an investment (or vendor). The Group has not been engaged by both the purchaser and the vendor in the same transaction so far. If there should be any opportunity in future where the Group may be engaged by both the vendor and the purchaser in the same transaction, the Group will assess whether there is any potential conflict of interest and will avoid putting the Group into such a position.

During the Track Record Period, the Group was engaged in 4 engagements and for the period immediately after the Track Record Period up to the Latest Practicable Date, the Group was appointed for another 2 engagements in asset advisory services, with the underlying assets all located in the PRC.

Set out below is a table summarizing the asset advisory services engagements undertaken by the Group since the commencement of the Track Record Period and up to the Latest Practicable Date:

Engagement number	Time of engagement	Approximate size of underlying investment	Services provided by the Group	Fee chargeable by the Group	Status	Fee recognised or to be recognised
1.	August 2007	RMB200 million	Sourcing of investor or purchaser and incidental work	US\$80,000 fixed fee and 3% success fee	Disposal of underlying investment was completed and invoices for fees payable to the Group have been issued and fully paid	(A) recognised during the Track Record Period approximately HK\$9.5 million (B) to be recognised for the year ended 31 March 2011 nil (C) to be recognised after 31 March 2011 nil

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Engagement number	Time of engagement	Approximate size of underlying investment	Services provided by the Group	Fee chargeable by the Group	Status	Fee recognised or to be recognised
2.	December 2008	RMB350 million	sourcing of investment and incidental work	US\$120,000 fixed fee and 3% success fee	Acquisition of investment was completed and invoices for fees payable to the Group have been issued and fully paid	(A) recognised during the Track Record Period approximately HK\$13 million (B) to be recognised for the year ended 31 March 2011 nil (C) to be recognised after 31 March 2011 nil
3.	July 2009	RMB461.25 million	sourcing of investor or purchaser and incidental work	US\$50,000 fixed fee and 3% success fee	Disposal of 80% interest the underlying investment was completed, invoices for fees payable to the Group have been issued and fully paid. The disposal of the remaining 20% interest has not yet commenced	(A) recognised during the Track Record Period approximately HK\$13.1 million (B) to be recognised for the year ended 31 March 2011 not known yet (C) to be recognised after 31 March 2011 not known yet
4.	August 2009	RMB180 million	advisory work on investment, after making of the targeted investment, sourcing purchaser, and incidental work	US\$170,000 fixed fee, 3% success fee for the investment made and 3% success fee for disposal of the underlying investment	Investment was completed, invoices for fees payable to the Group have been issued and fully paid. The second phase of the engagement in relation to client realizing the investment has not yet commenced	(A) recognised during the Track Record Period approximately HK\$7.1 million (B) to be recognised for the year ended 31 March 2011 not known yet (C) to be recognised after 31 March 2011 not known yet
5.*	February 2011	Preliminarily estimated at approximately HK\$700 million	Sourcing of investor or purchaser and incidental work	3% success fee	The Group has commenced market research for the transaction	(A) recognised during the Track Record Period nil (B) to be recognised for the year ended 31 March 2011 not known yet (C) to be recognised after 31 March 2011 not known yet
6.*	February 2011	Preliminarily estimated at approximately HK\$120 million	Sourcing of investor or purchaser and incidental work	US\$80,000 fixed fee and 3% success fee	The Group has commenced market research for the transaction	(A) recognised during the Track Record Period nil (B) to be recognised for the year ended 31 March 2011 not known yet (C) to be recognised after 31 March 2011 not known yet

- * Since the Company is still conducting market research and due diligence exercise on the relevant projects, the approximate size of the underlying investment is only a preliminary estimation made by the Company. The estimated size of the underlying transaction is subject to revision and the feasibility of the underlying project is yet to be ascertained depending on the findings from the due diligence exercise and market research. Furthermore, as disclosed in the risk factor “Dependency on performance of the property market in the PRC” in the “Risk factors” section of this prospectus, the property market in the PRC is considered to be a volatile market and the value of the project may fluctuate due to a number of factors such as social, political, economic and legal factors.

During the Track Record Period, the Group has undertaken four engagements in asset advisory services, the terms of which are as follows:

Engagement 1

The Group was engaged by sellers intending to dispose of their effective interest in a commercial development project which has a site area of approximately 5,000 sq.m. in Suzhou, the PRC through share sale. Although the engagement letter was signed in August 2007, the project was put on hold until late 2009 due to the sub prime crisis and financial tsunami in 2008 and 2009.

Time of engagement : August 2007

Description of client : a private limited liability company incorporated in the PRC which is principally engaged in real estate development and its shareholders, who are Independent Third Parties

Approximate size of underlying investment : The consideration for the transaction agreed between the client and the purchaser was approximately RMB200 million

Major terms of engagement : *(A) scope of work provided by the Group*
conducting market research, providing procedural and strategic advice, sourcing investor or purchaser, assisting in negotiation and completion of the transaction
(B) service fee chargeable by the Group
(i) fixed fees totaling approximately US\$80,000 for market research, due diligence exercise and development planning; and
(ii) a success fee being 3% of total enterprise value of the asset disposed

- Status and actual/expected completion date** : For fixed fee services, a due diligence report and a viability study report were issued in March 2010. Definitive agreement for first disposal for a 30% interest at the consideration of RMB60 million was signed in March 2010 which was subsequently terminated by mutual agreement between client and the counterparty. Definitive agreement for second disposal for 100% interest at the consideration of RMB200 million was signed in June 2010. The Group is entitled to success fee on the amount client received under the first disposal although it was terminated. Therefore invoices for success fee were issued for consideration received by client under both sets of definitive agreements in the total sum of approximately HK\$8.95 million, approximately HK\$4.1 million of which has been paid during the Track Record Period and the balance, which related to the second disposal and issued only in December 2010, was settled in February 2011
- Breakdown of revenue recognised** : (i) fixed fee of HK\$0.6 million recognised in the year ended 31 March 2010 after issue of the due diligence report and viability report in March 2010 and settled in July 2010
- (ii) success fee of HK\$8.9 million recognised in the nine months ended 31 December 2010 upon issue of invoices after client received the corresponding portion of the consideration during the same period, of which HK\$4.1 million settled in October 2010 and HK\$4.8 million settled in February 2011

Engagement 2

The Group was engaged by the purchaser seeking potential investment in a commercial real estate project in Zhejiang, the PRC. The development invested has a site area of approximately 68,000 sq.m.

- Time of engagement** : December 2008
- Description of client** : a private limited company incorporated in Hong Kong which is principally engaged in investment holding, an Independent Third Party
- Approximate size of underlying investment** : the enterprise value of the investment ultimately successfully sourced amounting to approximately RMB350 million

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Major terms of engagement	<p>: (A) <i>scope of work provided by the Group</i></p> <p>identifying potential investment, conducting market research, undertaking due diligence and evaluation of the underlying assets, studying viability of the targeted investment, providing procedural advice and assisting in negotiation and completion of the transaction</p> <p>(B) <i>service fee chargeable by the Group</i></p> <p>(i) fixed fees totaling approximately US\$120,000 for due diligence exercise, property and/or business evaluation in respect of the transaction, market research and viability study; and</p> <p>(ii) a success fee being 3% of total enterprise value of the investment acquired</p>
Status and actual/expected completion date	: For fixed fee services, a due diligence report and a market research report were issued in June 2009. The definitive agreement for acquisition was signed in July 2009, invoices for fees payable to the Group have been issued and fully paid
Breakdown of revenue recognised	<p>(i) fixed fee of HK\$0.9 million recognised in the year ended 31 March 2010 after issue of the due diligence report and market research report and settled in July 2010</p> <p>(ii) success fee of HK\$12.1 million recognised in the year ended 31 March 2010, after client paid the consideration during the same period, and was settled by client in July 2010</p>

Engagement 3

The Group was engaged by the client in Engagement 2 intending to dispose of its interest in the commercial real estate project acquired under Engagement 2.

Time of engagement	: July 2009
Description of client	: a private limited company incorporated in Hong Kong which is principally engaged in investment holding, an Independent Third Party
Approximate size of underlying investment	: corresponding to the acquisition completed under Engagement 2, with the total enterprise value of the asset disposed amounting to RMB461.25 million

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Major terms of engagement	<p>: (A) <i>scope of work provided by the Group</i></p> <p>providing procedural and strategic advice, sourcing investor or purchaser and assisting in negotiation and completion of the transaction</p> <p>(B) <i>service fee chargeable by the Group</i></p> <p>(i) fixed fee of US\$50,000 for advising on market positioning, development planning and operational aspect of the underlying project; and</p> <p>(ii) a success fee being 3% of total enterprise value of the asset disposed</p>
Status and actual/expected completion date	<p>: For fixed fee services, a viability study report was issued in December 2009. The definitive agreement for the disposal of 80% interest in the real estate project was signed in December 2009, invoices for fees payable to the Group have been issued and fully paid. This is an ongoing engagement where the Group will continue to identify potential buyer for disposal of the remaining 20% interest at appropriate time.</p>
Breakdown of revenue recognised	<p>: (i) fixed fee of HK\$0.4 million recognised in the year ended 31 March 2010 after issue of the viability study report and settled in August 2010</p> <p>(ii) success fee of HK\$4.1 million and HK\$8.6 million recognised in the year ended 31 March 2010 and the nine months ended 31 December 2010 respectively according to the period when client received relevant amount of consideration following which the invoice for the relevant fee was issued. Among the success fee of HK\$4.1 million, HK\$0.6 million and HK\$3.5 million were settled in August 2010 and November 2010 respectively. Among the success fee of HK\$8.6 million, HK\$3.8 million and HK\$4.8 million were settled in December 2010 and January 2011 respectively.</p>

Engagement 4

The Group was engaged by an investor seeking investment in a commercial real estate development project in Shanghai, the PRC and thereafter realizing the same or its underlying assets. The project invested has a site area of approximately 26,000 sq.m.

Time of engagement : August 2009

Description of client : a private limited company incorporated in Hong Kong which is principally engaged in investment, an Independent Third Party

Approximate size of underlying investment : amount ultimately contributed by client to the project successfully identified by the Group amounting to approximately RMB180 million

Major terms of engagement : *(A) scope of work provided by the Group*

conducting market research, undertaking due diligence and evaluation of the underlying assets, studying viability of the targeted investment, providing procedural and strategic advice for investment in the target, after making of the targeted investment, sourcing purchaser, and assisting in negotiation and completion of the relevant transactions

(B) service fee chargeable by the Group

- (i) fixed fees totaling approximately US\$170,000 for due diligence exercise, property and/or business evaluation in respect of the transaction, market research, viability study, market positioning, development planning and operational aspects of the underlying project;
- (ii) a success fee being 3% of total enterprise value of the investment made; and
- (iii) a success fee being 3% of the total amount of consideration received by client in the disposal of the investment or underlying assets

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Status and actual/expected completion date : For fixed fee services, a due diligence report, a viability study report and a market research report were issued in October 2009. The definitive agreement for investment was signed in November 2009, and invoices for fixed fee of US\$120,000 and success fee of HK\$6.2 million have been issued and fully settled. The second phase of the engagement in relation to client realizing the investment has not yet commenced pending completion of construction of the development. Out of the fixed fee of US\$170,000, US\$50,000 is for work on market positioning, development planning and operational aspects of the project, but as the underlying project is still at construction stage, such work has not yet been commenced

Breakdown of revenue recognised : (i) fixed fee of HK\$0.9 million recognised in the year ended 31 March 2010 after issue of the due diligence report, market research report and viability study report and settled in November 2010.

(ii) success fee of HK\$1.0 million and HK\$5.2 million recognised in the year ended 31 March 2010 and the nine months ended 31 December 2010 respectively according to the time when client paid the relevant investment amount following which the relevant invoice was issued. For the success fee of HK\$1.0 million, client paid the investment amount in March 2010, and settled the fee in November 2010, while for the success fee of HK\$5.2 million, client paid investment amounts in April 2010, July 2010 and September 2010, and settled the relevant invoices in November 2010 and December 2010.

The total revenue generated from these four engagements during the Track Record Period amounted to approximately HK\$42.9 million.

After the Track Record Period and up to the Latest Practicable Date, the Group has signed two engagement letters relating to asset advisory services, the terms of which are summarised below:

- 1.* The Group was engaged by the seller intending to dispose of its interest in a hotel and commercial property project in Beijing, the PRC.

Time of engagement : February 2011

Description of client : a private limited liability company incorporated in the PRC which is principally engaged in property development, an Independent Third Party

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Approximate size of underlying investment : the preliminary estimation of the consideration for the disposal of the entire interest in such project is approximately HK\$700 million

Major terms of engagement : *(A) scope of work to be provided by the Group*
 identifying appropriate time for realization and potential purchaser or investor, providing procedural and structural advice and assisting in negotiation and completion of the transaction
(B) service fee charged by the Group
 a success fee being 3% of the total consideration of each transaction

Status : the Group is conducting market research for the transaction

* Since the Company is still conducting market research and due diligence exercise on the relevant project, the approximate size of the underlying investment is only a preliminary estimation made by the Company. The estimated size of the underlying transaction is subject to revision and the feasibility of the underlying project is yet to be ascertained depending on the findings from the due diligence exercise and market research. Furthermore, as disclosed in the risk factor “Dependency on performance of the property market in the PRC” in the “Risk factors” section of this prospectus, the property market in the PRC is considered to be a volatile market and the value of the project may fluctuate due to a number of factors such as social, political, economic and legal factors.

2.* The Group was engaged by the seller intending to dispose of its interest in certain residential properties in Beijing, the PRC.

Time of engagement : February 2011

Description of client : a private limited liability company incorporated in the PRC which is principally engaged in printing media, an Independent Third Party

Approximate size of underlying investment : the preliminary estimation of consideration for the disposal of the entire interest in such project is approximately HK\$120 million

Major terms of engagement : *(A) scope of work to be provided by the Group*
 conducting market research and analysis, identifying appropriate time for realization and potential purchaser or investor, providing procedural and structural advice and assisting in negotiation and completion of the transaction

(B) service fee charged by the Group

- (i) fixed fees totaling approximately US\$80,000 for conducting market research and analysis and advising on disposal strategy and marketing of the underlying project; and
- (ii) a success fee being 3% of the total consideration of each transaction

Status : the Group is conducting market research for the transaction

* Since the Company is still conducting market research and due diligence exercise on the relevant project, the approximate size of the underlying investment is only a preliminary estimation made by the Company. The estimated size of the underlying transaction is subject to revision and the feasibility of the underlying project is yet to be ascertained depending on the findings from the due diligence exercise and market research. Furthermore, as disclosed in the risk factor “Dependency on performance of the property market in the PRC” in the “Risk factors” section of this prospectus, the property market in the PRC is considered to be a volatile market and the value of the project may fluctuate due to a number of factors such as social, political, economic and legal factors.

Corporate services and consultancy

In order to widen the spectrum of professional services provided by the Group, it also expands its scope of service to corporate services and consultancy. Such service can be further subdivided into two arms.

One arm is corporate consultancy. Unlike asset advisory services which mainly concern sourcing of investments, undertaking evaluation of the underlying assets and provision of procedural and strategic advice in relation to an investment or realization of an investment, corporate consultancy business focuses on provision of advice to corporations in areas such as corporate governance, internal control, enterprise risk management and other operational aspects with a view to enhancing corporate efficiency, performance and enterprise value. The fee to be charged by the Group on such services will usually be based on the improvements in results of the corporation and calculated based on percentage on target achievement. During the Track Record Period, the Group has 1 major engagement in this sector in which the Group was engaged to provide corporate consultancy services to a government-owned enterprise in the PRC. The Group engaged a PRC consultant, who has tertiary education majoring in industrial enterprise management (工業企業管理) and has practical experience in business management in the PRC, to station at the client’s office, and under the guidance of a director as well as a professional of the Group, the consultant liaise on a day-to-day basis for the provision of consultation to the client based on the analysis of the responsible director and professional, including advising on enhancement of operation procedures, setting up business strategy and modelling, advising on suppliers control, budgeting, cash flow management and financing, until its amount of turnover accumulated to specified target. Remuneration of the consultant was determined with reference to the nature of service, expected time to be spent by him on the project as well as negotiation on an arm’s length basis, and the remuneration was recorded in the Group’s

financial statements as sub-contracting charges. The responsible director and professional also from time to time visited the client's office and monitor the progress of work. This project had been ongoing for almost two years until the target was met by the end of 2009. The consultant was not a staff of the Group at the material time but became an employee of the Group in August 2010. The Group received a remuneration of RMB3.0 million under this engagement. The services were subject to PRC Business Tax of approximately HK\$173,000 and a possible penalty ranging from 50% to five times of this amount. The services were not subject to PRC enterprise income tax due to no permanent establishment in the PRC. Revenue was recognised when the turnover of the customers met the specified targets.

Other than this major engagement, the Group has also provided business consultancy services with gross revenue of approximately HK\$0.60 million during the Track Record Period.

Towards the end of the Track Record Period, the Group was engaged by a PRC metal product manufacturer to provide consultancy services on proposed fund raising exercise, and the Group is entitled to charge a success fee at 5% of the fund raised by this client.

The other arm can generally be described as back office administration, which includes company secretarial service for private and listed companies, human resource management and administrative services, accounting and tax services including accounting system setup and support, bookkeeping, budgeting and forecast, payroll services, tax return preparation, and financial statement preparation, for which the Group is usually engaged on annual retainer with fixed fees charged on a monthly basis. The Group can also provide other ad hoc services include corporate communication and marketing services such as brand building, design of marketing materials and corporate event management, for which fees will be agreed on project-by-project basis based on time expected to be spent by the Group on the project.

During the Track Record Period, the Group had entered into 6 engagements in respect of corporate services in back office administration, generating a total revenue of approximately HK\$2.2 million. Three of such engagements were entered with connected persons of the Group, being GCA Professional Services, the substantial shareholder of the Group, and Greater China Capital Limited ("GC Capital") and Prosperity Investment, associates of substantial shareholders of the Group. During the Track Record Period, revenue derived from appointments by GCA Professional Services, GC Capital and Prosperity Investment were HK\$360,000, HK\$420,000 and HK\$720,000 respectively.

As this business segment is at initial stage of development, the Group unavoidably first sought work from related parties and promote itself within its existing clients. The contents of the Group's website have since been enhanced, containing detailed description of services which the Group may provide under this segment. The Directors also believe that the Group's profile and public awareness will be significantly enhanced after Listing which should further widen the client base of the Group. After the end of the Track Record Period up to the Latest Practicable Date, the Group has further obtained two engagements for its corporate services.

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For corporate consultancy, the Group has obtained 4 engagements since the end of the Track Record Period. In one of these engagements, the Group was appointed by an overseas mining operation to provide advice on pre-IPO planning work and co-ordination in the course of application for listing on the Main Board of the Stock Exchange. Major scope of services under this engagement includes (i) conducting due diligence exercise, (ii) setting up data room, (iii) assisting client in the selection of professional parties for the IPO project, (iv) coordinating professional parties engaged by the client and (v) assisting the client in collating documents for the IPO purpose. Fees payable to the Group under the engagement comprised fixed fees payable every half-year and success fee. There was also another engagement under which the Group would provide similar services regarding pre-IPO planning and coordination during the IPO process, and service fee will be charged on the basis of time spent by the Group on the project, payable to the Group monthly. For the remaining 2 engagements, the Group was engaged by 2 private companies to provide consultancy services for sourcing investors, under which the Group is entitled to charge a success fee at 2%–3% of the funds raised or received by clients.

Revenue distribution

The breakdown of the Group's turnover by business activity for the two years ended 31 March 2010 and the nine months ended 31 December 2010 is summarised as follows:

	Year ended 31 March		Nine months ended
	2009	2010	31 December 2010
	HK\$'000	HK\$'000	HK\$'000
Asset appraisal services income	25,519	27,060	19,747
Asset advisory services income	—	20,197	22,674
Corporate services and consultancy income	<u>135</u>	<u>3,613</u>	<u>2,530</u>
	<u><u>25,654</u></u>	<u><u>50,870</u></u>	<u><u>44,951</u></u>

No major business disruption

During the Track Record Period, the Company has not experienced any: (i) material failure relating to computer hardware, network security and data storage; (ii) professional liability claims; (iii) misconduct of the Company's client service professionals and therefore to the Company's knowledge any loss of business reputation; and (iv) business disruption resulting from acts of God, acts of war, epidemics and other factors outside of the Company's control.

COMPETITION AND COMPETITIVE STRENGTHS

Competition

The Directors consider that the professional service industry is highly fragmented and unstructured with professional service firms with different sizes and areas of expertise where competition is mainly based on (i) quality of service provided by the professional staff; (ii) expertise and reputation of the firm; (iii) business network and client relationship of the key management; and (iv) pricing of the services provided.

The barrier of entry into the professional service industry to provide single specialty professional service (e.g. asset appraisal or asset advisory services or corporate consultancy or corporate services) is considered by the Directors to be low as it does not require substantial capital investment. The Group may face competition with smaller or newly established professional firms which often compete in terms of pricing. Any increase of competition from new professional service firms or competition based on pricing may have an adverse impact on the Group's market share and financial performance.

On the other hand, professional service firms which provide multi-disciplined professional services comparable to the Group are usually international firms which have more human resources and better access to capital than the Group.

The Group holds different market position in its different lines of business. For the Group's asset appraisal services, as at November 2010, there were 72 surveying and valuation firms in Hong Kong which vary in size and with different business models. Some of which provide single specialty service while others may provide more than one areas of services other than asset valuation such as leasing administration and property management. On the other hand, the Group's asset appraisal business mainly serves Hong Kong listed issuers. For the year ended 31 March 2009, the Group had provided asset appraisal services to 108 out of 1,266 listed issuers on the Stock Exchange, and for the year ended 31 March 2010, the Group was engaged by 102 out of 1,332 listed issuers on the Stock Exchange for its asset appraisal services.

For asset advisory services, since such line of business is relatively newly developed, the Group only has a small market share. Similarly, for corporate services and consultancy business, it is only at a start up stage and short of operating history, the Group's market share is also insignificant. In addition, the Group also has to compete in terms of the number of market players in this line of business. The research of the Trade Development Council showed that by December 2009, there were 4,480 consulting companies in Hong Kong which are engaged in business similar to the Group's corporate services and consultancy business. Therefore, the competition faced by the Group in respect of each line of service is intense.

Although the industry is fast-changing and the competition is intense, the Directors believe that the Group has its unique competitive strengths, e.g. the wide client base having served more than 100 listed companies during the Track Record Period and the reputation

established from its asset appraisal business and multi-disciplined professional services, which will enable the Group to compete successfully with its competitors and maintain its market niche in the Greater China region.

Competitive strengths

The Directors are of the view that the Group, having been established for more than a decade, has developed a diverse client base and reputation in the industry. The Directors believe the following are the Group's competitive strengths.

1. Long-standing client relationship and diverse client base in the capital market

The Group has built an entrenched relationship with clients from its asset appraisal business. Clients rely on the Group's expertise and independent advice to make investment decisions with the size up to billions of Hong Kong dollars. Although the Group serves mainly listed companies in Hong Kong, many of these companies have assets and businesses in the PRC and are engaged in very diversified businesses including property development, infrastructure, mining, information technology, biotechnology and health care, automobile, banking and finance, entertainment, manufacturing, retailing and more. During the Track Record Period, the Group served more than 100 listed companies in Hong Kong. There are at least 4 listed companies which have been clients of the Group for more than 10 years, and revenue contributed by these 4 clients accounted for approximately 13.2% of the total revenue generated from asset appraisal services during the Track Record Period.

2. Experienced professional team

The key executive, Mr. Ip, has extensive experience in the asset advisory industry. Mr. Ip has over 20 years of experience in providing asset appraisal services and has extensive experience in providing advice on investment, planning and development strategies of real estate. Besides Mr. Ip, as GC Appraisal started as an all round property asset appraisal company since its inception, it always maintains a multi-talented team of staff members including Chartered Valuation Surveyor, which was a main stream in the early days due to the emphasis on real estate valuation, a Certified Valuation Analyst for business valuation while a member of The American Society of Appraisers for plant & machinery valuation.

In order to cope with the changing needs of the market and various changes of valuation requests, GC Appraisal started expanding its talents pool in both number and professional disciplines significantly in 2007. The Group recruited an increased number of Certified Public Accountants and other professionals including Certified Valuation Analyst for business and intangible assets valuation, Financial Risk Managers, bachelor degree holder in financial engineering, Qualified Actuary for financial assets valuation and financial model review and build-up. These professionals of the Group have extensive experience in the relevant industry as well and maintain good relationships with other professionals (e.g. accountants, lawyers, financial advisors, investment bankers, and other professionals in the financial industry) from whom the Group also receives referral business.

3. One-stop professional service provider

The Group, as a one-stop professional service provider, offers a full range of multi-disciplined and value-added professional services across a multitude of asset classes including real estate, goodwill, mineral properties, trademarks and financial instruments.

The Group's different professional teams in different areas of expertise work collaboratively to provide multi-disciplined and customised advice to the Group's clients for their investment and strategic decisions while the corporate service team provides support to the client's operation by providing other valued-added professional services, such as general back office administration services. A breakdown of number of professionals engaged in the different expertise areas for each of the years/periods during the Track Record Period is set out under the paragraph "Multi-disciplined credentialed professionals" in this section. With such collaborative culture, the Group can provide one-stop service to the client. In a typical example of a potential acquisition of asset by a client, the Group can have its asset advisory team to source and identify targets for the client, to conduct evaluation on the potential investments and to undertake due diligence and viability study on the targeted asset, the corporate consultancy team to provide advice for operation and performance enhancement while the corporate service team can provide support to the client in human resources functions such as payroll and company secretarial duties. The Directors believe that the integrated approach of the Group in providing a full range of comprehensive professional services will benefit its clients in saving their time to source and communicate with different professional service providers. The Group can also diversify its services to reduce the risk of reliance on a single service and to benefit from cross-promoting of new professional service to the Group's existing clients. The one-stop model also enables the Group to diversify its revenue model with stable fixed fee on one hand, and success-based fee on the other.

4. Multi-disciplined credentialed professionals

Another core competence of the Group as a one-stop professional service provider is its multi-disciplined professional staff. The Directors, senior management and other professional staff of the Group possess professional qualifications, professional memberships or professional licenses in various specialties including asset appraisal, surveying, mineral properties appraisal, business valuation, intangible asset valuation, financial assets valuation, financial risk management, accounting, actuarial science and company secretary. Holders of these professional qualifications (some of them are trained overseas and internationally recognised) or licenses must meet relevant education and experience requirements of the respective professional associations and regulatory authorities. The Directors believe that with a team of professionals having different areas of expertise and disciplines, the Group has a competitive edge against those competitors who only specialise in a single professional service area as the Group will be able to serve its client better by drawing solutions from various areas of expertise. The Group itself can also benefit from better utilization of its professionals by cross-staff such professionals across multiple segments. Set out

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below is a breakdown of number of professionals engaged in the different expertise areas and their qualifications for each of the years/periods during the Track Record Period, and the headcount in an area of expertise may overlap with another since some professionals possess multi-disciplined qualifications:

For the year ended 31 March 2009

Professional service	Number of professionals	Professional credential
Real estate and fixed asset appraisal	3	Member of the Royal Institution of Chartered Surveyors, Member of The Hong Kong Institute of Surveyor, Certified Public Valuer of The China Appraisal Society and Member of the American Society of Appraisers
Mineral properties appraisal	1	Associate Member of the American Institute of Minerals Appraisers
Business and intangible asset valuation	2	Certified Valuation Analyst and Registered Business Valuer of HKBVF
Financial instrument and derivative valuation	1	Bachelor of Business and Administration in Financial Engineering
Asset advisory services	2	Member of the Royal Institution of Chartered Surveyors, Member of The Hong Kong Institute of Surveyors and Certified Public Valuer of The China Appraisal Society
Corporate consultancy	1	Chartered Certified Accountant

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For the year ended 31 March 2010

Professional service	Number of professionals	Professional credential
Real estate and fixed asset appraisal	3	Member of the Royal Institution of Chartered Surveyors, Member of The Hong Kong Institute of Surveyors, Certified Public Valuer of The China Appraisal Society and Member of the American Society of Appraisers
Mineral properties appraisal	1	Associate Member of the American Institute of Minerals Appraisers
Business and intangible asset valuation	4	Certified Valuation Analyst, Registered Business Valuer of HKBVF and Accredited Business Valuer of the American Institute of Certified Public Accountants
Financial instrument and derivative valuation	4	Member of Institute of Actuaries of Australia, Master of Philosophy in Mathematics and Financial Risk Manager
Asset advisory services	2	Member of the Royal Institution of Chartered Surveyors, Member of The Hong Kong Institute of Surveyors and Certified Public Valuer of The China Appraisal Society
Corporate consultancy	3	Chartered Certified Accountant, Certified Merger and Acquisition Advisor, Member of Institute of Actuaries of Australia

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For the nine months period ended 31 December 2010

Professional service	Number of professionals	Professional credential
Real estate and fixed asset appraisal	3	Member of the Royal Institution of Chartered Surveyors, Member of The Hong Kong Institute of Surveyors, Certified Public Valuer of The China Appraisal Society and Member of the American Society of Appraisers
Mineral properties appraisal	1	Associate Member of the American Institute of Minerals Appraisers
Business and intangible asset valuation	5	Certified Valuation Analyst, Registered Business Valuer of HKBVF and Accredited Business Valuer of the American Institute of Certified Public Accountants
Financial instrument and derivative valuation	4	Member of Institute of Actuaries of Australia, Master of Philosophy in Mathematics and Financial Risk Manager
Asset advisory services	2	Member of the Royal Institution of Chartered Surveyors, Member of The Hong Kong Institute of Surveyors and Certified Public Valuer of The China Appraisal Society
Company secretarial services	1	Member of The Institute of Chartered Secretaries and Administrators and Member of The Hong Kong Institute of Company Secretaries
Accounting services	1	Certified Public Accountant
Corporate consultancy	3	Chartered Certified Accountant, Certified Merger and Acquisition Advisor and Member of Institute of Actuaries of Australia

LICENSES**Asset appraisal services**

The Directors and the legal advisers to the Company as to the laws of Hong Kong confirm that the Group is not required to obtain any licence or permits for conducting of asset appraisal business from any governmental bodies in Hong Kong.

The Directors and the legal advisers to the Company as to the laws of the PRC confirm that the current business conducted by the Group does not fall within the Measures for the Administration of the Examination and Approval of Asset Appraisal Institutions (資產評估機構審批管理辦法) and the Group is not required to obtain any licence or permits for conducting such business from any governmental bodies in the PRC.

The staff of the Company signing a valuation report is required to have certain qualifications of valuers pursuant to key rules and regulations for asset appraisal industry in Hong Kong. For further details of such requirements, please refer to paragraph headed “Regulatory environment in Hong Kong for asset appraisal industry” under the section headed “Regulatory framework” of this prospectus. Set out below is a breakdown of number of professionals in the employment of the Group qualified to sign valuation reports in the different expertise areas and their qualifications as at the Latest Practicable Date, and the headcount in an area of expertise may overlap with another since some professionals may possess multi-disciplined qualifications to sign on different types of valuation reports:

Type of valuation report	Number of signing professionals	Professional credential
Real estate and fixed asset appraisal	1	Member of the Royal Institution of Chartered Surveyors, Member of The Hong Kong Institute of Surveyor
Mineral properties appraisal	1	Associate Member of the American Institute of Minerals Appraisers
Business and intangible asset valuation	3	Registered Business Valuer of HKBVF, Certified Valuation Analyst
Financial instrument and derivative valuation	1	Financial Risk Manager

Asset advisory services

The Directors and the legal advisers of the Company confirm that the Group is not required to obtain any licence or permits for conducting its asset advisory services, in its current scope, from any governmental bodies both in Hong Kong and the PRC. Since the Group is not issuing any valuation reports under its asset advisory services engagements, the Company's employees handling these engagements are not required to obtain any licenses or permits from any government bodies in Hong Kong or the PRC or to hold any professional qualifications.

Corporate services and consultancy

The Directors and the legal advisers of the Company confirm that the Group is not required to obtain any licence or permits for conducting its corporate services and consultancy business, in its current scope, from any governmental bodies both in Hong Kong and the PRC.

Beijing GCA

The Directors and the legal advisers of the Company as to PRC laws confirm that Beijing GCA is not required to obtain any licence or permits for conducting business in its current scope from any governmental bodies in the PRC.

CLIENTS

For the two years ended 31 March 2010 and the nine months ended 31 December 2010, the five largest clients accounted for approximately 29.7%, 56.9% and 60.0% of the Group's total turnover respectively.

For the year ended 31 March 2009, all five largest clients engaged the Group for its asset appraisal services, and for the year ended 31 March 2010, three of the five largest clients engaged the Group for its asset advisory services whereas the other two were attributed to the Group's asset appraisal business. For the nine months ended 31 December 2010, the Group undertook asset advisory services for two of its five largest clients, and the remaining three clients engaged the Group for its asset appraisal services.

For each of the two years ended 31 March 2010 and nine months ended 31 December 2010, the largest client accounted for approximately 8.4%, 34.6% and 31.4% of the Group's total turnover respectively. The largest client for the year ended 31 March 2009 engaged the Group for its asset appraisal services, and the largest client for the year ended 31 March 2010 and nine months ended 31 December 2010 engaged the Group for its asset advisory services.

To the best of the knowledge of the Directors, none of the Directors, their respective associates and substantial shareholders of the Company had any interest in any of the Group's five largest clients for the Track Record Period.

During the Track Record Period, the Group's clients were mainly located in Hong Kong and the PRC. All of the Group's services rendered to its clients are charged in Hong Kong dollars, USD and RMB and are normally settled in cash.

INTERNAL CONTROL PROCEDURES

The Group has integrated its internal control system into its organizational structure, with all operation departments responsible for the implementation of the control measures based on the established policies and procedures; and the internal audit manager being responsible for testing various controls and to make recommendations to the management on improvement of the system.

Upon Listing, an executive Director, Mr. Leung, will perform the role of compliance officer. Mr. Leung will be supported by the Company Secretary, Ms. Fung Mei Ling to ensure that the internal control procedures are being followed. The head of internal audit will report to the audit committee which comprises of only independent non-executive Directors, making the internal audit function completely independent from the management.

Some of the guidelines and policies which the Group has put in place in relation to certain important internal control areas such as confidentiality, conflict of interest and maintenance of professional standard are highlighted below.

Chinese wall

As a professional services provider with a diversified range of businesses, the Group inevitably faces conflict of interests where two or more interests exist legitimately but which are competitive in nature. The Group recognises the importance of managing such conflict of interests. Hence, Chinese walls are established within the Group to prevent and control possible areas of conflicts and disclosure of price sensitive or confidential information by controlling the flow of non-public material information and handling of documents, hence preserving the integrity of the Group's operations.

To enforce the Chinese wall policy on an administrative level, the Group has established physical segregation and password-protected access between departments and functional units. In addition, the Group has adopted a policy on its information technology system security emphasizing on employee's responsibilities regarding information security. It specifies that confidential information shall be stored in systems which are restricted to authorised personnel only, and such policy is incorporated into the Group's staff handbook which has been issued to all employees.

Professional Independence

Independence is so critical to the business of the Group. It is the Group's policy to ensure that:

- a. staff shall at all the times act with integrity and avoid any actions or situations which are inconsistent with their professional obligation;

- b. there is an adequate level of staff awareness of the issues relating to conflict of interests; and
- c. conflict of interests is properly disclosed and handled.

Therefore, at the commencement of a project, all staff involved is required to assess his or her independence and objectivity by completing an independence checklist which will be reviewed by a Director. If any potential conflict of interest is identified, that staff must consult the department head or a Director for resolution or remedy of such threats to an acceptable level.

Under all circumstances, the Group will ensure that the interest of staff should be subordinated to those of clients where conflict of interests arises with clients.

Project Review Process

For employment of staff, the Group will make necessary inquiries to the relevant professional body for validity of qualification of such staff, and the staff is required to produce original certificate before confirmation of employment. In terms of signing of valuation report, the Group has an approved list of the professional staff who are authorised to sign the different types of valuation reports. The responsible team for each appraisal engagement will be headed by a professional with authority to sign the relevant report.

The Group has adopted standardised client information request checklist, report template for different valuation purposes or standards and valuation model template which control the valuation process and in turn facilitate review of the whole valuation process by the responsible officer of the report. For each asset appraisal project, the responsible team is also required to sign off on a project monitoring form upon completing each of the five stages in an appraisal project, such stages include signing of the proposal, physical inspection, reviewing draft report, submitting draft report and issuing the final report. With this policy, the progress of each case can be closely monitored through the recordings on such form.

In respect of asset advisory services, new project review procedure was established in March 2011. After confirmation of the engagement, the Director will assign a project manager and case worker(s) to handle the project. If preparation and issuance of report is required under the engagement, the draft reports and final reports will have to be reviewed by the project manager before issuance.

These processes ensure the adequacy and quality of work so as to minimise the chance of professional fault which may result in financial loss and reputation damage.

Finance department will be informed with the project status which allows the Finance Department to issue invoices in accordance with the payment term as agreed with client. This ensures healthy cash flow of the Group.

INTELLECTUAL PROPERTY RIGHTS

The Group does not hold any trademark in Hong Kong. The Group is the registered owner of several domain names. The Directors confirmed that, during the Track Record Period and up to the Latest Practicable Date, the Group has not infringed any intellectual property rights belonging to third parties. The Directors have further confirmed that, to the best of their knowledge, the Group has not received any notice of such infringement up to the Latest Practicable Date.

Details of the intellectual property rights of the Group are set out in the section headed “Intellectual property rights of the Group” in Appendix VI to this prospectus.

INSURANCE

The Group maintained policies which cover potential losses or damages in respect of its operations. These policies cover, inter alia, losses in respect of office contents and losses arising from business interruption. Travel insurance policies are taken out for some of the Group’s employees who were required to travel on business trips. The Group also held insurance policy relating to employees’ compensation under the Employees’ Compensation Ordinance (Cap. 282) of the Laws of Hong Kong.

The typical engagement letters for asset appraisal business included a clause limiting the Group’s liability in connection with the engagement to the amount of fee received for such engagement. Despite such limitation of liability clause, the Group has also taken out professional indemnity insurance policy covering the liability for any loss or damage suffered by the client arising from negligent acts and omissions of GC Appraisal and its employees. Please refer to the subparagraph headed “Potential exposure to professional liability” under the paragraph headed “Risk relating to the Group” in the section headed “Risk factors” in this prospectus. The Group’s insurance coverage on professional liability may not be adequate to cover claims that clients may bring against the Group and as a result may not be adequate to protect the Group against all liability that may arise. Based on the Group’s experience in operating its business and its understanding of the prevailing industry practice, the Group believes that the level of professional liability insurance coverage is adequate for its current operations. As engagements are entered into between the Group and the clients, the responsible officer will not be directly and personally liable for any claims from the clients.

The Group had not made any material claim in insurance since the commencement of the Track Record Period and up to the Latest Practicable Date.

LEGAL COMPLIANCE

The Directors, the legal advisers as to Hong Kong laws and the legal advisers as to the laws of PRC confirm that, as at the Latest Practicable Date, the Group has complied with all applicable laws and regulations in the jurisdictions in which it operates and has obtained all necessary permits, certificates and licences for its operation since the commencement of the Track Record Period.

STATEMENT OF BUSINESS OBJECTIVES

BUSINESS OBJECTIVES

The business objective of the Group is to become one of the leading providers of integrated professional services to public and private companies and individual investors including asset advisory services, asset appraisal, and corporate services and consultancy by expanding into other geographic lines in Asia. Founded and headquartered in Hong Kong, the Group intends to expand its client network by establishing offices, acquiring professional service firms and/or establish alliances in other places in Asia outside of Hong Kong, such as Singapore, Taiwan and Japan. The Group expects to capture new business opportunities in particular from the PRC, which is now a major player in the global economy.

BUSINESS STRATEGIES

The Directors have developed the following business strategies:

Providing one-stop professional services

The Group intends to differentiate itself from its competitors by providing one-stop professional services to both corporate and private investors. Capitalizing on its existing clients of the asset appraisal segment, the Group has introduced new lines of value-added professional services including asset advisory services, as well as corporate services and consultancy. The Directors are of the view that the expansion into these new service lines will give rise to an opportunity for the increase in the Group's revenue as well as the expansion of client base in the financial market. Therefore, the Group intends to focus on its existing business but expand laterally into other geographical markets to capture new clientele and further strengthen its client base. However the Group may introduce other professional or financial market services having synergy with the existing business if suitable opportunities arise. By cross-selling within the Group, the Directors believe that the clients can be better served with services tailor-made for their needs.

Maintaining and enhancing its professional expertise

The key to the success of the Group as an integrated professional service firm is the expertise of its Directors and professional staff. The executive Directors and the team of professionals of the Group possess professional qualifications, professional memberships or professional licenses in various specialties including asset appraisal, surveying, minerals appraisal, business valuation, intangible asset valuation, financial risk management, accounting, actuarial science and company secretary. The Directors believe that the staff of the Group is a very important asset and will continue to retain and train its professional team and recruit suitable professional staff to enhance its professional competence and support the growth of the Group.

STATEMENT OF BUSINESS OBJECTIVES

Expansion into target locations in Asia

As the economy of the PRC becomes more market-oriented, the Directors believe that demand for professional services will increase in the PRC and that investors in other parts of Asia are also keen to enter the PRC market. In February 2010, the Group established Beijing GCA with its scope of business as permitted under its business licence including capital management consultancy, international economic, technological and environmental information consultancy, investment consultancy and corporate management consultancy. The Group intends to establish offices, acquire service firms and/or establish alliances in Taiwan and other major cities in Asia such as Japan and Singapore, as long as the local laws and regulations allow, in order to have presences in the major markets in Asia. The Group's preference is for expansion through acquisition of controlling interest of firms which are profit-making but the Group has not identified any targets yet. Notwithstanding the earthquake in Japan in March 2011 and the resulting tsunami, disaster at certain nuclear power plants and spread of radioactive material, the Directors still believe that the Japanese market will offer the Group opportunity to expand its clients base, and the Group currently intends to maintain its plan to invest in the asset appraisal business in Japan. However, as the effect of the disasters has not fully unfold, and according to the Group's implementation plan, investment into Japan is only to take place in 2013, the Directors will re-assess nearer the time whether the intended investment in Japan is beneficial to the Group in light of any further development of these events. In the event that the intended investment in Japan does not proceed as planned, the Group will allocate the relevant fund to the setting up or acquisition of asset appraisal firms in Hong Kong, Taiwan or Singapore, and the Company will inform the Shareholders of any change in use of proceeds in a timely manner.

The Group has made preliminary enquiries and understand that there is no restriction on foreign investor establishing or acquiring asset appraisal business in Singapore, Taiwan and Japan.

Improvement of public awareness of the Group

The Directors believe that through the Listing, the Group's profile and public awareness of the Group will be significantly enhanced and this will become the foundation for the Group to expand and grow in the Greater China region. The Directors and senior management of the Group will continue to participate in related conferences and activities related to the Group's professional services. The Group will continue to publish newsletter and periodicals to increase public awareness of the Group.

IMPLEMENTATION PLANS

In light of the Group's business objectives as stated above, the Group has formulated the following business plan to implement the strategies in the time periods as set out below. The Group's implementation plan is based on certain bases and assumptions as set out in paragraph headed "Bases and key assumptions of the business plans" below. Given that the Group operates in a dynamic market which is subject to rapid changes in the

STATEMENT OF BUSINESS OBJECTIVES

macroeconomic environments, which are difficult to predict or are beyond the Group's control, the plan set out below only reflects the present intentions of the Group and may be adjusted in the future in accordance with changes in market and other applicable conditions. There is no assurance that the Group's business plans will materialise in accordance with the estimated time frame or that the Group's business plans will be accomplished at all.

For the period from the Latest Practicable Date to 30 September 2011

- | | | |
|---------------------------------|---|---|
| Business development | — | To integrate the Group's professional services and promote the Group as an one-stop professional service provider |
| Improvement of public awareness | — | To organise seminars regarding the Group's professional services |
| | — | To participate in seminars and related activities promoting the Group's professional services |
| | — | To publish newsletter and periodicals to promote the Group's business |
| Human resources deployment | — | To recruit additional professional staff to expand the Group's services in Hong Kong and the PRC |

For the six-month period from 1 October 2011 to 31 March 2012

- | | | |
|--|---|--|
| Business development in asset appraisal and corporate services | — | To explore opportunities in establishing or acquiring asset appraisal firm in Taiwan |
| | — | To provide a wider range of corporate service by establishing or acquiring corporate service firm in Hong Kong |
| Improvement of public awareness | — | To organise seminars regarding the Group's professional services |
| | — | To continue to participate in seminars and related activities promoting the Group's professional services |
| | — | To publish newsletter and periodicals to promote the Group |
| Human resources deployment | — | To recruit additional professional staff in the PRC/Hong Kong |

STATEMENT OF BUSINESS OBJECTIVES

For the six-month period from 1 April 2012 to 30 September 2012

- | | | |
|--|---|---|
| Business development in asset appraisal | — | To explore opportunities in acquiring asset appraisal firms in Hong Kong |
| Business development in asset advisory service and corporate consultancy | — | To explore opportunities in establishing or acquiring asset advisory firms or corporate consultancy firms in Hong Kong/the PRC |
| Improvement of public awareness | — | To organise seminar regarding the Group's professional services |
| | — | To continue to participate in seminars and related activities promoting the Group's professional services |
| Human resources deployment | — | To recruit additional professional staff to expand the asset advisory and corporate consultancy services of the Group |
| | — | To recruit additional staff for the marketing team with emphasis on publication of the Group's newsletters and other publications |

For the six-month period from 1 October 2012 to 31 March 2013

- | | | |
|--|---|---|
| Business development in asset appraisal | — | To establish or acquire asset appraisal firms in Japan |
| Business development in asset advisory service and corporate consultancy | — | To explore opportunities in establishing or acquiring asset advisory firms or corporate consultancy firms in the PRC |
| Improvement of public awareness | — | To organise seminars regarding the Group's professional services |
| | — | To continue to participate in seminars and related activities promoting the Group's professional services |
| | — | To continue to publish newsletters and periodicals to promote the Group |
| | — | To organise promotional campaigns for the Group |
| Human resources deployment | — | To continue recruiting additional professional staff to expand the asset advisory services and corporate consultancy of the Group |

STATEMENT OF BUSINESS OBJECTIVES

For the six-month period from 1 April 2013 to 30 September 2013

- | | | |
|--|---|---|
| Business development in asset appraisal | — | To establish or acquire asset appraisal firms in Singapore |
| Business development in asset advisory service | — | To explore opportunities in establishing or acquiring asset advisory firms in Hong Kong/the PRC |
| Improvement of public awareness | — | To continue to organise seminars regarding the Group's services |
| | — | To continue to participate in seminars and related activities promoting the Group's professional services |
| | — | To publish newsletters and periodicals to promote the Group's business |
| Human resources deployment | — | To recruit additional professional staff to expand the asset advisory services and corporate consultancy of the Group |

For the six-month period from 1 October 2013 to 31 March 2014

- | | | |
|---------------------------------|---|---|
| Improvement of public awareness | — | To continue to organise seminars regarding the Group's services |
| | — | To continue to participate in seminars and related activities promoting the Group's professional services |
| | — | To publish newsletters and periodicals to promote the Group's business |
| Human resources deployment | — | To recruit additional professional staff to expand the asset advisory service and corporate consultancy business of the Group |

BASES AND KEY ASSUMPTIONS OF THE BUSINESS PLANS

Potential investors should note that the attainability of the Group's business objective depends on a number of assumptions, in particular:

- there will be no material changes in the existing political, legal, fiscal, foreign trade or economic conditions in Hong Kong and the PRC and other countries in which the Group operates or intends to operate;
- there will be no material changes in the bases or rates of taxation in those countries in which the Group operates or intends to operate;

STATEMENT OF BUSINESS OBJECTIVES

- the Placing will be completed in accordance with and as described in the section headed “Structure and conditions of the Placing” in this prospectus;
- there will be no significant changes in the interest rates or the foreign currency exchange rates from those currently prevailing;
- the Group will retain key staff in the management and the professional teams;
- there will be no significant changes in its business relationship with its existing strategic, business partners, major customers and suppliers;
- the Group is not materially adversely affected by any risk factor set out in the section headed “Risk factors” in this prospectus;
- the Group will be able to continue its operation in substantially the same way as it has been operating and the Group will also be able to carry out its development plans without disruptions; and
- there will be no material changes in the funding required for each of the scheduled achievements as outlined under the paragraph headed “Implementation plans” in this section.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Directors believe that the listing of the Shares on GEM will enhance the Group’s profile and the net proceeds from the Placing will strengthen the Group’s financial position and will enable the Group to pursue its business plans set out in this section.

The net proceeds from the issue of the Placing Shares based on the Placing Price, after deducting related expenses, are estimated to amount to approximately HK\$78 million. The Directors intend to apply such net proceeds of the Placing as follows:

- as to approximately HK\$27.95 million to develop the Group’s asset appraisal and corporate services businesses, approximately HK\$22.95 million of which for setting up or acquiring asset appraisal firms in Hong Kong, Taiwan, Japan and Singapore and approximately HK\$5.00 million of which for acquiring corporate service firms in Hong Kong;
- as to approximately HK\$28.25 million to develop the Group’s asset advisory services by establishing or acquiring asset advisory services firms in Hong Kong and the PRC;
- as to approximately HK\$15.30 million to develop the Group’s corporate consultancy business by establishing or acquiring corporate consultancy business, in Hong Kong and the PRC;

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- as to approximately HK\$1.00 million to improve the public awareness of the Group's business by organizing seminars regarding the Group's services, publishing newsletters and periodicals to promote the Group and organizing promotional campaigns for the Group's business; and
- as to approximately HK\$5.50 million for human resources deployment to recruit additional staff and management team for the Group's asset advisory and corporate consultancy services.

Set out below is a breakdown of the intended use of such net proceeds of the Placing for the period from the Latest Practicable Date to 31 March 2014:

	From the Latest Practicable Date to 30 September 2011 (HK\$ million)	Six months ending 31 March 2012 (HK\$ million)	Six months ending 30 September 2012 (HK\$ million)	Six months ending 31 March 2013 (HK\$ million)	Six months ending 30 September 2013 (HK\$ million)	Six months ending 31 March 2014 (HK\$ million)	Total (HK\$ million)
Business development in asset appraisal and corporate services	—	10.10	7.65	5.10	5.10	—	27.95
Business development in asset advisory services	—	—	9.42	9.42	9.41	—	28.25
Business development in corporate consultancy business	—	—	7.65	7.65	—	—	15.30
Improvement of public awareness	0.10	0.10	0.20	0.20	0.20	0.20	1.00
Human resources deployment	0.10	0.60	1.20	1.20	1.20	1.20	5.50
Total	0.20	10.80	26.12	23.57	15.91	1.40	78.00

To the extent that the net proceeds from the issue of the Placing Shares are not immediately required for the above purposes, it is the present intention of the Directors that these proceeds will be placed on short-term interest-bearing deposits with licensed banks and/or financial institutions in Hong Kong.

In the event that any part of the business plans of the Group does not materialise or proceed as planned, in particular its plan to acquire or set up asset appraisal business in Japan, the Directors will carefully evaluate the situation and may reallocate the intended funding to other purposes as indicated in the implementation plans set out in this prospectus and/or to hold the funds as short-term deposits so long as the Directors consider it to be in the best interest of the Company and its shareholders taken as a whole.

According to current estimates, the Directors expect that the net proceeds from the issue of the Placing Shares of approximately HK\$78 million, the cash in bank or on hand as at the Latest Practicable Date together with the projected cashflow from the Group's operations will be sufficient to finance the implementation of the Company's business plans up to 31 March 2014.

The estimated expenses relating to the Placing is approximately HK\$12 million. A portion of approximately HK\$0.5 million has been charged to the profit or loss for the years ended 31 March 2010 and 2011. As most of the expenses are incurred for the issue of

STATEMENT OF BUSINESS OBJECTIVES

new Placing Shares, a larger portion of approximately HK\$11.4 million would be charged to the share premium upon the success of the Placing. The remaining expenses of approximately HK\$0.1 million will be charged to the profit or loss. The Directors would like to emphasise that such amount of expenses is a current estimate for reference only and the final amount is subject to adjustment based on audit and the then changes in variables and assumptions.

DIRECTORS, SENIOR MANAGEMENT AND STAFF

DIRECTORS

The Board consists of two executive Directors and three independent non-executive Directors. The following table sets forth information in respect of the Directors:

Name	Age	Appointment date	Position	Principal responsibilities
Ip Kwok Kwong (葉國光)	50	3 December 2010	Managing Director and executive Director	overall management and development of the Group as well as formulation of strategic development of the Group and chairman of remuneration committee
Leung Siu Hong (梁兆康)	56	30 December 2010	Executive Director	chairman of nomination committee and overall rules and compliances of professional services
Au-Yang Cheong Yan Peter (歐陽長恩)	51	18 May 2011	Chairman and independent non-executive Director	member of audit, remuneration and nomination committees
Wu Chi Keung (胡志強)	54	18 May 2011	Independent non-executive Director	chairman of audit committee and member of remuneration and nomination committees
Wan Kam To (尹錦滔)	58	18 May 2011	Independent non-executive Director	member of audit committee

Executive Directors

Mr. Ip Kwok Kwong (葉國光), aged 50, was appointed as the managing Director and an executive Director of the Company on 3 December 2010. He is one of the founding directors of the Group and responsible for overall management and development of the Group including frontline coordination with clients, organizations as well as formulation of strategic development of the Group. Mr. Ip is a Chartered Valuation Surveyor, a Registered Professional Surveyor under the Surveyors Registration Ordinance of Hong Kong and a Registered Business Valuer of the Hong Kong Business Valuation Forum. Mr. Ip who graduated from the Faculty of Law of the University of Aberdeen in the United Kingdom has practiced as a professional valuer since the early 1990's. Before becoming a founding director of GC Appraisal, Mr. Ip had worked for RHL International Property Consultants as an executive director from 1992 to 1994 and later on he was appointed as the managing director and vice president of American Appraisal Hongkong Limited from 1994 to 1997.

Mr. Ip had been heavily involved in large scale appraisal projects for various local and overseas clients, as well as clients in the PRC, most of which are “H-share” or “red-chip” companies. In addition to his professional appraisal experiences, his consulting expertise includes advising on investment, planning and development strategies of real estate.

DIRECTORS, SENIOR MANAGEMENT AND STAFF

Save as disclosed in this prospectus, there is no other matter that needs to be brought to the attention of the investors and the Stock Exchange and there is no information required to be disclosed under Rule 17.50(2) of the GEM Listing Rules in relation to the appointment of Mr. Ip as an executive Director.

Mr. Leung Siu Hong (梁兆康), aged 56, was appointed as an executive Director on 30 December 2010. He has been a shareholder of the Group since 1998 and became a director of GC Appraisal in March 2010. Mr. Leung is the chairman of nomination committee, the compliance officer of the Group and is responsible for overall rules and compliances of professional services. Mr. Leung graduated from the Hong Kong Polytechnic (now known as Hong Kong Polytechnic University) with the Associateship in Building Technology and Management, has started practice as a professional since 1980s'. He had been employed by Frank & Vargeson (HK) as senior quantity surveyor from 1983 to 1988. During the period from 1988 to 1991, Mr. Leung was employed by Charter Time Limited, a project management consultancy firm as project manager. From 1991 to 1998, Mr. Leung became the director of Beria Consultants Limited, a company engaged in quantity surveying and project management consultancy. Since 1999, Mr. Leung became the managing director of KL Partnership Limited, a company set up by Mr. Leung and engaged in quantity surveying and construction cost consultancy. The business of KL Partnership Limited mainly focuses in the provision of consulting quantity surveying services and preparation of professional quantity surveyor report on cost estimation of construction projects. Given the business nature and area of expertise of KL Partnership Limited is different from the Group, there should not be any conflict or competition with the Group arising from Mr. Leung's role in KL Partnership Limited. Mr. Leung is a fellow member of The HKIS and The Royal Institution of Chartered Surveyors, a Registered Professional Surveyor, and a member of The Chartered Institute of Building and The Chartered Institute of Arbitrators. In the last three years, Mr. Leung held no directorships in any listed public companies.

Save as disclosed in this prospectus, there is no other matter that needs to be brought to the attention of the investors and the Stock Exchange and there is no information required to be disclosed under Rule 17.50(2) of the GEM Listing Rules in relation to the appointment of Mr. Leung as an executive Director.

Independent non-executive Directors

Mr. Au-Yang Cheong Yan Peter (歐陽長恩), aged 51, has been appointed by the Company as the Chairman and an independent non-executive Director on 18 May 2011. He received his Bachelor of Science degree in Business Studies from the University of Bradford in England and his Master of Science degree in Accounting and Finance from the London School of Economics and Political Science. Mr. Au-Yang is a director of AsiaSoft Company Limited which is the holding company of a group with businesses in different sectors of the software industry. Prior to joining AsiaSoft Company Limited, Mr. Au-Yang spent more than 20 years in the financial services sector in the Asia Pacific region. He joined the Hongkong and Shanghai Banking Corporation group (the "HSBC Group") in 1985 and became a co-head of Investment Banking, Asia Pacific of the HSBC Group in 2001. During his employment with the HSBC Group from 1985 to 2003, Mr. Au-Yang worked on various equity capital fund-raising exercises and merger and acquisition projects in the Asia Pacific

DIRECTORS, SENIOR MANAGEMENT AND STAFF

region. He was an executive director and the chief operating officer of the SFC during the period from 2003 to 2006. In late 2004, Mr. Au-Yang doubled up as the executive director in charge of the corporate finance division of the SFC. As at the Latest Practicable Date, Mr. Au-Yang is an independent non-executive director of Telefield International (Holdings) Limited (stock code: 1143).

Save as disclosed in this prospectus, there is no other matter that needs to be brought to the attention of the investors and the Stock Exchange and there is no information required to be disclosed under Rule 17.50(2) of the GEM Listing Rules in relation to the appointment of Mr. Au-Yang as an independent non-executive Director.

Mr. Wan Kam To (尹錦滔), aged 58, has been appointed by the Company as the independent non-executive Director on 18 May 2011. Mr. Wan has over 30 years of experience in auditing and advisory services. He joined PricewaterhouseCoopers Hong Kong in 1975 and served as a partner of the firm from 1992 until retirement in 2008. Mr. Wan is a Hong Kong Certified Public Accountant and is a fellow of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Hong Kong Institute of Directors. Mr. Wan graduated from Hong Kong Polytechnic (now known as Hong Kong Polytechnic University) in 1975 with a Higher Diploma in Accountancy.

As at the Latest Practicable Date, Mr. Wan held directorship in the following listed companies:

Company name	Position held
China Resources Land Limited (stock code: 1109), shares of which are listed on the Main Board of the Stock Exchange	Independent non-executive director and chairman of audit committee
Fairwood Holdings Limited (stock code: 52), shares of which are listed on the Main Board of the Stock Exchange	Independent non-executive director and chairman of audit committee
Mindray Medical International Limited (NYSE: MR), shares of which are listed on the New York Stock Exchange	Independent director and chairman of audit committee
RDA Microelectronics, Inc. (NASDAQ: RDA), shares of which are listed on the Nasdaq Global Market	Independent director and chairman of audit committee

Mr. Wan is a member of the Council of The Open University of Hong Kong and serves as a member of the board of directors of several charitable institutions in Hong Kong.

Save as disclosed in this prospectus, there is no other matter that needs to be brought to the attention of the investors and the Stock Exchange and there is no information required to be disclosed under Rule 17.50(2) of the GEM Listing Rules in relation to the appointment of Mr. Wan as an independent non-executive Director.

Mr. Wu Chi Keung (胡志強), aged 54, has been appointed by the Company as the independent non-executive Director on 18 May 2011. Mr. Wu graduated from Hong Kong Polytechnic (now known as Hong Kong Polytechnic University) in 1980 with a higher diploma in accountancy. He is an associate of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Chartered Association of Certified Accountants in

DIRECTORS, SENIOR MANAGEMENT AND STAFF

the United Kingdom. Mr. Wu has more than 29 years of experience in financial audit and specialises in providing auditing and assurance services, financial due diligence reviews, support services for merger and acquisitions, corporate restructuring and fund raising engagements. Mr. Wu worked as an audit assistant at Touche Ross & Co. from 1980 to 1982 and as an accountant at Bylamson & Associates (Enterprises) Limited from 1982 to 1983. In 1983, he joined Kwan Wong Tan & Fong until it merged with Deloitte Touche Tohmatsu in 1997. Mr. Wu was a partner of Deloitte Touche Tohmatsu when he resigned in December 2008. Mr. Wu is currently an independent non-executive director of China Medical System Holdings Limited, a company listed on the Stock Exchange (stock code: 867) and Jinchuan Group International Resources Co. Ltd, a company listed on the Stock Exchange (stock code: 2362).

Save as disclosed this prospectus, there is no other matter that needs to be brought to the attention of the investors and the Stock Exchange and there is no information required to be disclosed under Rule 17.50(2) of the GEM Listing Rules in relation to the appointment of Mr. Wu as an independent non-executive Director.

SENIOR MANAGEMENT

Mr. Un Kwok Kee John (袁國基), aged 43, joined the Group as its Head of Finance and Administration in 2010. Mr. Un has over 22 years of experience in the financial accounting, company secretarial field, IPO and auditing. He worked in a local accounting firm during the period from 1988 to 1990 as audit clerk with duties involving statutory audit, accounting and taxation matters. From 1991 to 1993, Mr. Un was employed by Kwan Wong Tan & Fong as assistant accountant responsible for statutory audit and taxation matters. Afterwards, he worked in Guangzhou Investment (China Property) Co., Ltd. from 1993 to 2006 as deputy financial controller. During such period, Mr. Un was responsible for financial management. During the period from 2009 to 2010, he was appointed as the financial controller and company secretary of China Golden Development Holdings Limited, a company listed on the Stock Exchange (stock code: 162). Mr. Un is responsible for the financial and administration matters of the Group. Mr. Un has been a member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants since 2001. In 2007, he obtained a master degree in business administration from University of Wales.

Ms. Fung Mei Ling (馮美玲), aged 41, joined the Group in 2010 and was appointed as the Head of Compliance of the Group. She is responsible for the company secretarial matters of the Group. Ms. Fung holds a Master of Finance degree from Curtin University of Technology. Ms. Fung is an associate member of The Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administration. Before joining the Group, she was appointed as the company secretary of China Star Entertainment Limited from 1999 to 2001. During the period from 2006 to 2009, Ms. Fung was appointed by Wing On Travel (Holdings) Limited as its company secretary. Both companies are listed on the Stock Exchange. She is also currently the company secretary and authorised representative of Prosperity Investment.

DIRECTORS, SENIOR MANAGEMENT AND STAFF

Mr. Chu Hiu Fung (諸曉峰), aged 37, is the Head of Internal Control of the Group. Mr. Chu has over 15 years of experience in the valuation industry. From 1995 to 1997, he worked in American Appraisal Hongkong Limited as valuer during which his duties included asset inspection, assessing asset value and preparing valuation report. Mr. Chu was then employed by RHL International Property Consultants as manager responsible for fixed asset valuation during the period from 1997 to 1998. He joined the Group in 1998 as Manager of the Industrial Facilities Division of GC Appraisal and was promoted to Senior Manager of GC Appraisal in 2002. He was then promoted to Associate — Valuation Project in 2005 and Assistant Vice President in 2006. He is experienced in valuation of tangible assets and is mainly responsible for our project management, coordination and review of other valuers' work. Mr. Chu is a member of International Association of Consultants, Valuators and Analysts. Mr. Chu obtained his bachelor degree in Manufacturing Engineering from the Hong Kong Polytechnic University.

Mr. Chan Yat Chiu Samuel (陳逸超), aged 36, joined the Group as Manager — Intangible Assets and Others in 2005 and is now the Head of Professional and Technical Development of the Group. He is a Certified Valuation Analyst of the International Association of Consultants, Valuators and Analysts, Certified Mergers and Acquisitions Advisor of the Alliance of Merger and Acquisition Advisors and associate member of the American Institute of Minerals Appraisers. Mr. Chan is the vice president of education of the China Charter of the International Association of Consultants, Valuators and Analysts and lectured in the certification training of Certified Valuation Analyst in China. He is one of the contributory authors of the book Guide to Fair Value Under IFRS published in 2010. Mr. Chan obtained his bachelor degree in corporate finance from the University of Toledo and master degree in business administration from Cleveland State University in the United States.

Mr. Cheung Kam Shing Terry (張錦成), aged 48, joined the Group in 2010 as the Head of Business Development of the Group responsible for the overall operations of GCCCS. He holds a bachelor degree in social science from the University of Hong Kong and obtained a master degree in science from the University of London (external). He has over 25 years of experience in finance industry including investment banking, fund management, and listed companies. From 1984 to 1986, Mr. Cheung worked in a securities company as sales executive. From 1986 to 1989, he was employed as a securities dealer by an investment management company. Mr. Cheung was then employed by a securities company as marketing manager during the period from 1989 to 1991. From 1991 to 1994, he worked in another securities company as manager. Mr. Cheung was employed by a finance house from 1994 to 2000 as senior manager responsible for equity sales activities of Hong Kong and other Asian securities markets. From 2000 to 2005, he was appointed as the managing director of Culturecom Holdings Limited, a company engaged in publishing at the time, in charge of its investment department. He was responsible for various areas including business planning, due diligence, financial analysis and structuring transactions. During the period from 2005 to 2010, Mr. Cheung was appointed as the managing director of a private investment company, a company whose principal business is investment, and his duties mainly include real estate and other direct investment. He is currently the independent non-executive director of the China Medical System Holdings Limited, a company listed on the Main Board of the Stock Exchange.

DIRECTORS, SENIOR MANAGEMENT AND STAFF

Ms. Li Qi (李琪), age 46, joined the Group in 2006 as the chief representative of the Group's Beijing representative office and is the director and the legal representative of Beijing GCA. She graduated from Beijing Union University with a bachelor degree in science in 1986 and obtained her bachelor of economics degree in financial accounting from Renmin University of China in 1998. She is a Certified Public Accountant and Certified Public Valuer in the PRC. Before joining the Group, she worked in several accounting firms and asset appraisal firms in the PRC. In 2007, Ms. Li worked in 中商資產評估有限責任公司 as deputy general manager. She was then employed by 北京中證資產評估有限公司 as deputy general manager in 2008 and joined 北京天健興業資產評估有限公司 as deputy general manager in 2009.

COMPLIANCE OFFICER

Mr. Leung Siu Hong. Details of his biography have been set out in the paragraph headed "Directors" above.

AUDIT COMMITTEE

The Company established an audit committee on 18 May 2011 with written terms of reference in compliance with the GEM Listing Rules. The duties of the audit committee include reviewing, in draft form, the Company's annual report and accounts, half-year report and quarterly report and providing advice and comments to the Board. In this regard, members of the audit committee will liaise with the Board, senior management and its qualified accountant, the Company's reporting accountants and auditors. The audit committee will also consider any significant or usual items that are, or may need to be, reflected in such reports and accounts and give consideration to any matters that have been raised by the Company's qualified accountant, compliance officers or auditors. Members of the audit committee are also responsible for reviewing the Company's financial reporting process and internal control system.

The audit committee comprises three independent non-executive Directors, namely Mr. Au-Yang Cheong Yan Peter, Mr. Wan Kam To and Mr. Wu Chi Keung. Mr. Wu Chi Keung is the chairman of the audit committee.

REMUNERATION COMMITTEE

The Company established a remuneration committee on 18 May 2011 which, at present, comprises Mr. Ip, Mr. Au-Yang Cheong Yan Peter and Mr. Wu Chi Keung, with Mr. Ip being the chairman of the committee. Written terms of reference in compliance with paragraph B.1.3 of the Code on Corporate Governance Practices as set out in Appendix 15 to the GEM Listing Rules have been adopted. Amongst other things, the primary duties of the remuneration committee are to determine the specific remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of independent non-executive Directors.

NOMINATION COMMITTEE

The Company established a nomination committee on 18 May 2011 which comprises Mr. Leung, Mr. Au-Yang Cheong Yan Peter and Mr. Wu Chi Keung. Mr. Leung has been appointed as the chairman of the nomination committee. Written terms of reference in compliance with paragraph A.4.5 of the Code on Corporate Governance Practices as set out in Appendix 15 to GEM Listing Rules have been adopted. The nomination committee is mainly responsible for making recommendations to the Board on appointment of Directors and succession planning for the Directors.

JOINT COMPLIANCE ADVISERS

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company will appoint Vinco Capital and Emperor Capital to be the joint compliance advisers, who will have access to the Company's authorised representatives, Directors and other officers at all times. The joint compliance advisers will advise the Company on on-going compliance requirements and other issues under the GEM Listing Rules and other applicable laws and regulations in Hong Kong after the listing of the Company. The material terms of the compliance advisers' agreement entered into between the Company and the joint compliance advisers are as follows:

- (a) the joint compliance advisers' appointment is for a period commencing on the Listing Date and ending on the date on which the Company complies with Rule 18.03 of the GEM Listing Rules in respect of its financial results for the second full financial year commencing after the Listing Date, subject to early termination as mentioned in paragraph (d) below;
- (b) the joint compliance advisers shall provide the Company with guidance and advice as to compliance with the requirements under the GEM Listing Rules and applicable laws, rules, codes and guidelines;
- (c) the Company agrees to indemnify the joint compliance advisers, their respective affiliated entities, directors, officers and employees of each of the joint compliance advisers and of such affiliates against all actions, claims and proceedings from time to time made against, and all losses and damage suffered and all payments, costs, expenses and legal fees made or incurred by the joint compliance advisors or any one of them arising out of or in connection with any wilful default, fraud or gross negligence on the part of the Company in its performance of this agreement, provided that this indemnity has not been caused by, or to the extent of, the wilful default, fraud or gross negligence on the part of the indemnified party; and

DIRECTORS, SENIOR MANAGEMENT AND STAFF

- (d) the Company shall have the right, without compensation to terminate the appointment of any of the joint compliance advisers under the agreement if the work of such compliance adviser(s) is of an unacceptable standard or if there is a material dispute (which cannot be resolved within thirty (30) days) over fees payable by the Company to such compliance adviser(s) as permitted by Rule 6A.26 of the GEM Listing Rules. Each compliance adviser shall have the right to resign or terminate its appointment as compliance adviser of the Company under the agreement at any time without compensation being payable to the Company by giving not less than one (1) month's written notice to the Company.

DIRECTORS' REMUNERATION

Each of the executive Directors has entered into a service agreement with the Company for an initial fixed term of 3 years from 18 May 2011, and will continue thereafter until terminated by not less than 3 months' written notice or payment in lieu to the other party. Each of these executive Directors is entitled to the respective basic salary set out below (subject to an annual increment at the discretion of the Directors). An executive Director is required to abstain from voting and is not counted in the quorum in respect of any resolution of the Directors regarding the amount of the monthly salary and the discretionary bonus payable to him. Further details of which are set out in the section headed "Further information about the Directors, management and staff" in Appendix VI to this prospectus.

DIRECTORS, SENIOR MANAGEMENT AND STAFF

The remuneration and/or salary received by the Directors during the Track Record Period in respect of their service provided to the Group are set out below:

Name of director	Fees <i>HK\$'000</i>	Salaries, allowances and benefits in kind <i>HK\$'000</i>	Retirement benefit scheme contributions <i>HK\$'000</i>	Discretionary bonus <i>HK\$'000</i>	Total <i>HK\$'000</i>
Nine months ended 31 December 2010					
<i>Executive Directors</i>					
Mr. Ip Kwok Kwong	—	1,784	9	—	1,793
Mr. Leung Siu Hong	—	1	—	—	1
<i>Independent non-executive Directors</i>					
Mr. Au-Yang Cheong Yan Peter	—	—	—	—	—
Mr. Wan Kam To	—	—	—	—	—
Mr. Wu Chi Keung	—	—	—	—	—
Total	—	1,785	9	—	1,794
Nine months ended 31 December 2009 (unaudited)					
<i>Executive Directors</i>					
Mr. Ip Kwok Kwong	—	848	9	—	857
Mr. Leung Siu Hong	—	—	—	—	—
<i>Independent non-executive Directors</i>					
Mr. Au-Yang Cheong Yan Peter	—	—	—	—	—
Mr. Wan Kam To	—	—	—	—	—
Mr. Wu Chi Keung	—	—	—	—	—
Total	—	848	9	—	857
Year ended 31 March 2010					
<i>Executive Directors</i>					
Mr. Ip Kwok Kwong	—	1,153	12	350	1,515
Mr. Leung Siu Hong	—	—	—	75	75
<i>Independent non-executive Directors</i>					
Mr. Au-Yang Cheong Yan Peter	—	—	—	—	—
Mr. Wan Kam To	—	—	—	—	—
Mr. Wu Chi Keung	—	—	—	—	—
Total	—	1,153	12	425	1,590

DIRECTORS, SENIOR MANAGEMENT AND STAFF

Name of director	Fees <i>HK\$'000</i>	Salaries, allowances and benefits in kind <i>HK\$'000</i>	Retirement benefit scheme contributions <i>HK\$'000</i>	Discretionary bonus <i>HK\$'000</i>	Total <i>HK\$'000</i>
Year ended 31 March 2009					
<i>Executive Directors</i>					
Mr. Ip Kwok Kwong	—	1,253	12	210	1,475
Mr. Leung Siu Hong	—	—	—	53	53
<i>Independent non-executive Directors</i>					
Mr. Au-Yang Cheong Yan Peter	—	—	—	—	—
Mr. Wan Kam To	—	—	—	—	—
Mr. Wu Chi Keung	—	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total	<u>—</u>	<u>1,253</u>	<u>12</u>	<u>263</u>	<u>1,528</u>

The Group's principal policies concerning remuneration of Directors or staff of high caliber are determined on the relevant Director's or staff's duties, responsibilities, experiences and skills.

STAFF

Staff

As at the Latest Practicable Date, the Group had employed a total of 55 staff in Hong Kong and the PRC, a breakdown of which by function is as follows:

	Working- segment Total	Staff with professional qualifications
Management	10	9
Asset advisory services and asset appraisal	25	8
Corporate services and consultancy	10	1
General administration, finance and accounting	<u>10</u>	<u>0</u>
Total	<u>55</u>	<u>18</u>

Relationship with staff

The Directors believe that the Group maintains good working relations with its employees. The Group has not experienced any significant problems with its employees or disruption to its operations due to labour disputes, nor has it experienced any difficulties in the recruitment and retention of experienced staff. The Directors believe that the Group has a good working relationship with its employees.

Retirement benefit schemes

All our employees in Hong Kong have joined a mandatory provident fund scheme (the “MPF Scheme”). The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the Laws of Hong Kong. The Group has complied with the relevant laws and regulations, and that relevant contributions have been paid by the Group in accordance with the aforesaid laws and regulations.

Eligible employees of the Group’s subsidiaries established in the PRC are members of a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of the employees’ basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme is to meet the required contributions under the scheme.

Share Option Scheme

The Company has conditionally adopted the Share Option Scheme on 18 May 2011 under which certain selected classes of participants (including, among others, full-time employees) may be granted options to subscribe for Shares. The principal terms of the Share Option Scheme are summarised in the section headed “Share Option Scheme” in Appendix VI to this prospectus.

CONTROLLING, SUBSTANTIAL AND SIGNIFICANT SHAREHOLDERS

CONTROLLING SHAREHOLDERS

The Directors confirm that, immediately following the completion of the Placing and the Capitalisation Issue (but without taking into account of any Shares issued pursuant to the exercise of share options which may be granted under the Share Option Scheme), the following persons/entities will be the Controlling Shareholders:

Name	Capacity and nature of interest	Number of Shares held	Approximate percentage of shareholding
Brilliant One (<i>Note 1</i>)	Beneficial owner	375,000,000	75%
GCA Professional Services (<i>Notes 1 & 2</i>)	Interest in controlled corporation	375,000,000	75%
Genius Ideas (<i>Notes 2 & 3</i>)	Interest in controlled corporation	375,000,000	75%
Smart Pick (<i>Notes 3 & 4</i>)	Interest in controlled corporation	375,000,000	75%
GC Holdings (<i>Notes 4 & 5</i>)	Interest in controlled corporation	375,000,000	75%
Mr. Ip (<i>Note 6</i>)	Interest in controlled corporation	375,000,000	75%

Notes:

1. Brilliant One is wholly owned by GCA Professional Services.
2. GCA Professional Services is owned as to 73% by Genius Ideas.
3. Genius Ideas is owned as to 51% by Smart Pick, 42.88% by Easy Gain and 6.12% by Mr. Ip.
4. Smart Pick is owned as to 58.76% by GC Holdings, 29.32% by Mr. Cheng and 11.92% by Mr. Leung.
5. GC Holdings is wholly and beneficially owned by Mr. Ip.
6. 375,000,000 Shares are held by Brilliant One. Brilliant One is wholly owned by GCA Professional Services. GCA Professional Services is owned as to 73% by Genius Ideas. Genius Ideas is owned as to 51% by Smart Pick and 6.12% by Mr. Ip. Smart Pick is owned as to 58.76% by GC Holdings. GC Holdings is wholly and beneficially owned by Mr. Ip.

The Directors are of the view that the Group is capable of carrying out its business independently of the Controlling Shareholders and their associates after Listing as (i) the Group's clients are independent of the Controlling Shareholders; (ii) apart from Mr. Ip and the 11.92% shareholding interests of Mr. Leung in Smart Pick, Mr. Leung, the independent

CONTROLLING, SUBSTANTIAL AND SIGNIFICANT SHAREHOLDERS

non-executive Directors, the senior management and staff of the Group are independent of the Controlling Shareholders; and (iii) the Group does not financially rely on the support of the Controlling Shareholders. The Controlling Shareholders have also confirmed that they do not have any interests in any business, apart from the business of the Group, that competes or is likely to compete, either directly or indirectly with the business currently or proposed to be carried on by the Group as set out herein.

SUBSTANTIAL SHAREHOLDERS

So far as the Directors are aware, save for the persons disclosed under the paragraph headed “Controlling Shareholders” in this section above, there are no other persons who will immediately following completion of the Placing and the Capitalisation Issue (but without taking into account of any Shares issued pursuant to the exercise of share options which may be granted under the Share Option Scheme) be directly or indirectly entitled to exercise, or control the exercise of 10%, or more of the voting power at any general meeting of the Company.

SIGNIFICANT SHAREHOLDERS

So far as the Directors are aware, save for the persons disclosed under the paragraph headed “Controlling Shareholders” in this section above, there are no other persons who will immediately following completion of the Placing and the Capitalisation Issue (but without taking into account of any Shares issued pursuant to the exercise of any share options which may be granted under the Share Option Scheme) be directly or indirectly interested in 5% or more of the voting power at the general meetings of the Company and are therefore regarded as significant shareholders of the Company under the GEM Listing Rules.

SHAREHOLDING STRUCTURE

Set out below are the respective shareholding structure of the Company immediately before and after completion of the Placing and the Capitalisation Issue (but without taking into account of any shares issued pursuant to the exercise of any share options which may be granted under the Share Option Scheme):

Name of Shareholder	Date on which shareholding in the Group was first acquired	Number of Shares or attributable number of Shares held immediately before the Placing and the Capitalisation Issue	Approximate percentage or attributable percentage of shareholding before the Placing and the Capitalisation Issue %	Number of Shares or attributable number of Shares held immediately after the Placing and the Capitalisation Issue	Approximate percentage or attributable percentage of shareholding after the Placing and the Capitalisation Issue %	Approximate cost per Share HK\$
Brilliant One <i>(Note)</i>	17 May 2011	1,000	100	375,000,000	75	N/A
The Public	N/A	—	—	125,000,000	25	Placing Price
	Total:	<u>1,000</u>	<u>100</u>	<u>500,000,000</u>	<u>100</u>	

CONTROLLING, SUBSTANTIAL AND SIGNIFICANT SHAREHOLDERS

Note:

Brilliant One is wholly owned by GCA Professional Services. GCA Professional Services is owned as to 73% by Genius Ideas, 20% by Simply Joy and 7% by Famous Boom. Genius Ideas is owned as to 51% by Smart Pick, 42.88% by Easy Gain and 6.12% by Mr. Ip. Smart Pick is owned as to 58.76% by GC Holdings, 29.32% by Mr. Cheng and 11.92% by Mr. Leung. GC Holdings is wholly owned by Mr. Ip. Easy Gain is wholly and beneficially owned by Mr. Wong. Simply Joy is wholly owned by Genius Choice. Genius Choice is wholly owned by GR Investment. GR Investment is wholly owned by Accufocus Investments which in turn is wholly owned by Prosperity Investment. Famous Boom is wholly owned by Billion Great. Billion Great is wholly and beneficially owned by Mr. Ma Kwai Yuen. Brilliant One became the Controlling Shareholder pursuant to the Reorganisation.

NON-DISPOSAL UNDERTAKINGS

Pursuant to Rule 13.16A(1) of the GEM Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange that he/it shall not and shall procure that the relevant registered holder(s) shall not:

- (a) in the period commencing from the date of this prospectus and ending on the date which is six months from the Listing Date dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which it is shown by this prospectus to be the beneficial owner; or
- (b) in the period of six months commencing from the date on which the period referred to in (a) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares referred to (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances he/it would cease to be a Controlling Shareholder.

Each of the Controlling Shareholders has also undertaken to the Stock Exchange and the Company to comply with the following requirements:

- (i) in the event that the he/it pledges or charges any direct or indirect interest in relevant Shares in favour of an authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)), as security for a bona fide commercial loan or pursuant to any right or waiver granted by the Stock Exchange pursuant to Rule 13.18(4) of the GEM Listing Rules, at any time during the period commencing on the date of this prospectus and ending on the date which is six months from the Listing Date, he/it must inform the Company immediately thereafter, disclosing the details pursuant to Rules 17.43(1) to (4) of the GEM Listing Rules; and
- (ii) having pledged or charged any interest in Shares under (i) above, he/it must inform the Company immediately in the event that he/it becomes aware that the pledge or charge has disposed of or intends to dispose of such interest and of the number of Shares affected.

CONTROLLING, SUBSTANTIAL AND SIGNIFICANT SHAREHOLDERS

The Company will inform the Stock Exchange as soon as it has been informed of such matters and must forthwith publish an announcement giving details of the same in accordance with the requirements of Rule 17.43 of the GEM Listing Rules.

DEED OF NON-COMPETITION

Subject to the terms therein, Mr. Ip and Mr. Wong as covenantors (the “**Covenantors**”) entered into a deed of non-competition in favour of the Company dated 18 May 2011 (the “**Deed of Non-competition**”), pursuant to which each of the Covenantors has undertaken to the Company (for itself and for the benefit of the members of the Group) that during the continuation of the Deed of Non-competition, each of the Covenantors shall not, and shall procure each of his associates and/or companies controlled by him, whether on his own account or in conjunction with or on behalf of any person, firm or company and whether directly or indirectly, which carries on a business which is, or be interested or involved or engaged in or acquire or hold any rights or interest or otherwise involved in (in each case whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) any business which competes or is likely to compete directly or indirectly with the business currently engaged by the Group (being providing asset advisory services including asset appraisal, corporate services and consultancy businesses which do not require a licence under the type 4, 6 and 9 regulated activities as stipulated in the Securities and Futures Ordinance), in Hong Kong, the PRC and any other country or jurisdiction to which the Group provides such services and/or in which any member of the Group carries on business mentioned above from time to time (the “**Restricted Business**”). Each of the Covenantors has represented and warranted to the Company that neither he nor any of his associates is currently interested, involved or engaging, directly or indirectly, in (whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) the Restricted Business otherwise than through the Group.

Pursuant to the Non-competition Deed, each of the Covenantors has also undertaken that if each of the Covenantors and/or any of his associates is offered or becomes aware of any project or new business opportunity (“**New Business Opportunity**”) that relates to the Restricted Business, whether directly or indirectly, he shall (i) promptly within ten Business Days notify the Company in writing of such opportunity and provide such information as is reasonably required by the Company in order to enable the Company to come to an informed assessment of such opportunity; and (ii) use his best endeavours to procure that such opportunity is offered to the Company on terms no less favourable than the terms on which such opportunity is offered to him and/or his associates.

The Directors (including the independent non-executive Directors) will review the New Business Opportunity and decide whether to invest in the New Business Opportunity. If the Group has not given written notice of its desire to invest in such New Business Opportunity or has given written notice denying the New Business Opportunity within twenty (20) business days (the “**20-day Offering Period**”) of receipt of notice from the Covenantors, the Covenantors and/or his associates shall be permitted to invest in or participate in the New Business Opportunity on his own accord. With respect to the 20-day Offering Period, the Directors consider that such period is adequate for the Company to assess any New Business Opportunity. In order to ensure that the Company has adequate time to assess

CONTROLLING, SUBSTANTIAL AND SIGNIFICANT SHAREHOLDERS

some complicated business opportunities, the Covenantors agree to extend the 20 Business Days to a maximum of 40 Business Days if the Company requires so by giving a written notice to the Covenantors within the 20-day Offering Period.

In addition, upon Listing, each of the Covenantors has also undertaken:

- (i) in favour of the Company to provide the Company and the Directors from time to time (including the independent non-executive Directors) with all information necessary for the annual review by the independent non-executive Directors with regard to compliance of the terms of the Non-competition Deed and the enforcement of the non-competition undertakings in the Non-competition Deed;
- (ii) to provide to the Group, (if necessary) after the end of each financial year of the Company, a declaration made by each of the Covenantors which shall state whether or not the Covenantors have during that financial year complied with the terms of the Non-competition Deed, and if not, particulars of any non-compliance, which declaration (or any part thereof) may be reproduced, incorporated, extracted and/or referred to in the annual report of the Company for the relevant financial year, such annual declaration shall be consistent with the principles of making voluntary disclosures in the corporate governance report; and
- (iii) to the Group to allow the Directors, their respective representatives and the auditors to have sufficient access to the records of the Covenantor and his associates to ensure their compliance with the terms and conditions under the Deed of Non-competition.

Further, each of the Covenantors has undertaken to the Company that during the period in which he and/or his associates, individually or taken as a whole, remains as a Controlling Shareholder:

- (i) he will not invest or participate in any project or business opportunity that competes or may compete, directly or indirectly, with the business activities engaged by the Group from time to time, unless pursuant to the provisions stipulated in the Non-competition Deed;
- (ii) he will not solicit any existing or then existing employee of the Group for employment by him or his associates (excluding the Group);
- (iii) he will not without the consent from the Company, make use of any information pertaining to the business of the Group which may have come to his knowledge in his capacity as the Controlling Shareholder for any purposes; and
- (iv) he will procure his associates (excluding the Group) not to invest or participate in any project or business opportunity mentioned above, unless pursuant to the provisions stipulated in the Non-competition Deed.

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The Non-competition Deed will take effect upon Listing and shall expire on the earlier of:

- (i) the day on which the Shares cease to be listed on the GEM or other recognised stock exchange; or
- (ii) the day on which the Covenantors and his associates, individually or taken as a whole, cease to own, in aggregate, 30% or more of the then issued share capital of the Company directly or indirectly or cease to be deemed as Controlling Shareholder and do not have power to control the Board or there is at least one other independent Shareholder other than the Covenantors and his respective associates holding more Shares than the Covenantors and his respective associates taken together.

In order to strengthen the corporate governance in respect of the existing and potential conflict of interests between the Group and the Covenantors, upon Listing:

- (i) the Company shall disclose in the annual reports the compliance and enforcement of the undertakings by the Covenantors in respect of the Non-competition Deed and the appropriate action to be taken by the Company;
- (ii) the Company shall disclose decision on matters reviewed by the independent non-executive Directors in relation to the compliance and enforcement of the arrangement of the New Business Opportunity in the annual reports;
- (iii) the Board will ensure reporting any event relating to potential conflict of interests to the independent non-executive Directors as soon as practicably when it realises or suspects any event relating to potential conflict of interests may occur during the daily operations;
- (iv) following the reporting of any event relating to potential conflict of interests, the Board will hold a management meeting to review and evaluate the implications and risk exposures of such event and the compliance of the GEM Listing Rules in order to monitor any irregular business activities and alert the Board, including the independent non-executive Directors, to take any precautions actions; and
- (v) in the event that there is any potential conflict of interests relating to the business of the Group between the Group and the Controlling Shareholders, the interested Directors, or as the case may be, the Controlling Shareholders would, according to the Articles or the GEM Listing Rules, be required to declare his interests and, where required, abstain from participating in the relevant board meeting or general meeting and voting on the transaction and not count as quorum where required.

SHARE CAPITAL

The table below sets out the authorised and issued share capital of the Company as at the Latest Practicable Date and immediately after Listing:

<i>Authorised:</i>		<i>HK\$</i>
<u>2,000,000,000</u>	Shares	<u>20,000,000</u>
<i>Issued and to be issued, fully paid or credited as fully paid:</i>		
1,000	Shares in issue as at the date of the prospectus	10
374,999,000	Shares to be issued pursuant to the Capitalisation Issue	3,749,990
<u>125,000,000</u>	Placing Shares to be issued pursuant to the Placing	<u>1,250,000</u>
<u>500,000,000</u>	Shares	<u>5,000,000</u>

Assumptions

The above table assumes the Placing and the Capitalisation Issue become unconditional and the issue of Shares pursuant thereto are made as described herein. It takes no account of any Shares issued pursuant to the exercise of share options which may be granted under the Share Option Scheme or of any Shares which may be allotted and issued or repurchased by the Company under the general mandates for the allotment and issue or repurchase of Shares granted to Directors as referred to below or otherwise.

Minimum public float

Pursuant to Rule 11.23(1) of the GEM Listing Rules, at the time of Listing and at all times thereafter, the Company must maintain the “minimum prescribed percentage” of 25% of the issued share capital of the Company in the hands of the public (as defined in the GEM Listing Rules).

Ranking

The Placing Shares will rank equally with all Shares now in issue or to be allotted and issued and will qualify for all dividends or other distributions declared, made or paid after the date of this prospectus save for the entitlements under the Capitalisation Issue.

Share Option Scheme

The Company has conditionally adopted the Share Option Scheme. A summary of its principal terms is set out in the section headed “Share Option Scheme” in Appendix VI to this prospectus. As at the Latest Practicable Date, no option has been granted under the Share Option Scheme.

SHARE CAPITAL

General mandate to issue Shares

Subject to the Placing becoming unconditional, the Directors have been granted a general unconditional mandate to allot and issue and deal with the unissued Shares with an aggregate nominal value of not more than:

- (a) 20% of the aggregate nominal value of the share capital of the Company in issue immediately following the completion of the Placing and the Capitalisation Issue; and
- (b) the aggregate nominal value of the share capital of the Company repurchased by the Company (if any) pursuant to the general mandate to repurchase Shares as described below.

The Directors may, in addition to the Shares which they are authorised to issue under the mandate, allot, issue and deal in the Shares pursuant to a rights issue, an issue of Shares pursuant to the exercise of subscription rights attaching to any warrants of the Company, scrip dividends or similar arrangements or options to be granted under the Share Option Scheme or any other option scheme or similar arrangement for the time being adopted.

Further details of this general mandate are set out in the section headed “Further information about the Company” in Appendix VI to this prospectus.

General mandate to repurchase Shares

Subject to the Placing becoming unconditional, the Directors have been granted a general unconditional mandate to exercise all the powers of the Company to repurchase Shares with a total nominal value of not more than 10% of the aggregate nominal value of the share capital of the Company in issue immediately following the completion of the Placing and the Capitalisation Issue.

This mandate only relates to repurchases made on the Stock Exchange, or on any other stock exchange on which the Shares are listed (and which is recognised by the SFC and the Stock Exchange for this purpose), and which are in accordance with all applicable laws and the requirements of the GEM Listing Rules. A summary of the relevant GEM Listing Rules is set out in the paragraph headed “Repurchase by the Company of its own securities” in the section headed “Further information about the Company” in Appendix VI to this prospectus.

SHARE CAPITAL

The general mandate to issue and repurchase Shares will expire:

- at the conclusion of the next annual general meeting of the Company;
- at the expiration of the period within which the next annual general meeting of the Company is required by any laws applicable to the Company to be held; or
- when varied, revoked or renewed by an ordinary resolution of the Shareholders in a general meeting,

whichever is the earliest.

For further details of this general mandate, please refer to the paragraphs headed “Written resolutions of the sole Shareholder” and “Repurchase by the Company of its own securities” in the section headed “Further information about the Company” in Appendix VI to this prospectus.

CONTINUING CONNECTED TRANSACTIONS

Prior to the Listing, the Group has entered into the following transactions with the following parties, which will be connected persons of the Company upon the Listing. All of these transactions will continue after the listing of Shares on GEM and constitute continuing connected transactions (as defined under the GEM Listing Rules) of the Company.

Relationship between the Group and each of the relevant connected persons

KP Cheng & Co., Certified Public Accountants (“**KP Cheng & Co.**”) is a partnership business set up in Hong Kong on 22 February 1993. Mr. Cheng is the sole proprietor of KP Cheng & Co. Mr. Cheng is interested in 29.32% of the issued share capital of Smart Pick. Smart Pick is interested in 51% of Genius Ideas. Genius Ideas is interested in 73% of GCA Professional Services. GCA Professional Services is interested in 100% of the issued share capital of Brilliant One. Brilliant One will be interested in 75% of the issued share capital of the Company upon the Listing.

Prosperity Investment Holdings Limited (“**Prosperity Investment**”) is a company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange (stock code: 310). Prosperity Investment is indirectly interested in the entire issued share capital of Simply Joy. Simply Joy is interested in 20% of GCA Professional Services. GCA Professional Services is interested in the entire issued share capital of Brilliant One. Brilliant One will be interested in 75% of the issued share capital of the Company upon the Listing.

Glorious Bright Limited (“**Glorious Bright**”) is a company incorporated in Hong Kong on 17 May 2000 with limited liability. Glorious Bright is an indirectly wholly owned subsidiary of Prosperity Investment.

GR Investment International Limited (“**GR Investment International**”) (now known as Prosperity Management Services Limited) is a company incorporated in Hong Kong on 5 November 1985 with limited liability. GR Investment International is an indirect wholly owned subsidiary of Prosperity Investment.

GC Capital is a company incorporated in Hong Kong on 30 June 1992 with limited liability. GC Capital is a direct wholly owned subsidiary of GCA Professional Services. GCA Professional Services is interested in the entire issued share capital of Brilliant One. Brilliant One will be interested in 75% of the issued share capital of the Company upon the Listing.

Under the GEM Listing Rules, for so long as each of KP Cheng & Co., Prosperity Investment, Glorious Bright, GR Investment International and GC Capital remains a connected person of the Company, the transactions described below will constitute connected transactions upon the Listing.

CONTINUING CONNECTED TRANSACTIONS

Non-exempt continuing connected transactions

Lease between the Group and connected persons with rental income receiving from connected person

Lease by Linkson in relation to an office in Hong Kong

On 26 July 2010, Linkson (as tenant) entered into an agreement with Hang Lung Real Estate Agency Limited as agent for AP Success Limited (the “**Landlord**”) pursuant to which the Landlord agreed to lease an office located at Suite 2701–02 and 2703–08 on the 27th Floor of Shui On Centre at 6–8 Harbour Road, Wanchai, Hong Kong (the “**Property**”) for the period of three years commencing from 1 January 2010 and expiring on 31 December 2012.

On 11 August 2010, Linkson, the Landlord, Greater China Appraisal, GCCCS, KP Cheng & Co., Prosperity Investment and Glorious Bright (the “**Other Users**”) entered into a guarantee and indemnity. Pursuant to the said guarantee and indemnity, the Landlord has no objection to the Other Users to hold, use and occupy the Property.

On 6 December 2010, Linkson and KP Cheng & Co. entered into a licence agreement (the “**KP Cheng Licence Agreement**”), pursuant to which Linkson agreed to licence a portion of the Property to KP Cheng & Co., for a period of three years commencing from 1 January 2010 and expiring on 31 December 2012. The table below sets out the details of the payment terms under the KP Cheng Licence Agreement:

	For the period from 1 January 2010 to 31 December 2010	For the period from 1 January 2011 to 31 December 2011	For the period from 1 January 2012 to 31 December 2012
Rent	HK\$82,290 per calendar month	HK\$84,419 per calendar month	HK\$86,216 per calendar month
Management fee	HK\$15,173 per calendar month	HK\$15,173 per calendar month	HK\$15,173 per calendar month
Government rates and rents	HK\$10,979.40 per quarter (subject to adjustment by the government) and calculated based on the sharing ratio of 53.22%	HK\$10,979.40 per quarter (subject to adjustment by the government) and calculated based on the sharing ratio of 53.22%	HK\$10,979.40 per quarter (subject to adjustment by the government) and calculated based on the sharing ratio of 53.22%
Refundable Deposit	HK\$317,100		

The payment terms under the KP Cheng Licence Agreement was calculated based on the proportion of floor area occupied by KP Cheng & Co in the Property and market rent at similar premises at the relevant time.

CONTINUING CONNECTED TRANSACTIONS

On 16 December 2010, Linkson and Prosperity Investment entered into a licence agreement (the “**Prosperity Investment Licence Agreement**”), pursuant to which Linkson agreed to licence a portion of the Property to Prosperity Investment, for a period of three years commencing from 1 January 2010 and expiring on 31 December 2012. The table below sets out the details of the payment terms under the Prosperity Investment Licence Agreement:

	For the period from 1 January 2010 to 31 December 2010	For the period from 1 January 2011 to 31 December 2011	For the period from 1 January 2012 to 31 December 2012
Rent	HK\$87,090 per calendar month	HK\$91,850 per calendar month	HK\$96,680 per calendar month
Management fee	HK\$12,820 per calendar month	HK\$12,820 per calendar month	HK\$12,820 per calendar month
Government rates and rents	HK\$12,700.69 per quarter (subject to adjustment by the government) and calculated based on the sharing ratio of 37%	HK\$12,700.69 per quarter (subject to adjustment by the government) and calculated based on the sharing ratio of 37%	HK\$12,700.69 per quarter (subject to adjustment by the government) and calculated based on the sharing ratio of 37%
Refundable Deposit	HK\$343,002		

The payment terms under the Prosperity Investment Licence Agreement was calculated based on the proportion of floor area of the Property occupied by Prosperity Investment and market rent at similar premises at the relevant time.

The property valuer engaged by the Group is of the view that the terms and conditions for the KP Cheng Licence Agreement and the Prosperity Investment Licence Agreement are on normal commercial terms and the monthly licence fee for such licence agreements are fair and reasonable as at their respective dates of agreement.

CONTINUING CONNECTED TRANSACTIONS

Annual transaction value

The annual caps (the “**Annual Caps**”) for the continuing connected transactions under KP Cheng Licence Agreement and Prosperity Investment Licence Agreement for each of the two years ending 31 March 2012 and the nine month period ending 31 December 2012 are set out below:

	Historical amount for the three month period ended 31 March 2010 HK\$	For the year ending 31 March 2011 HK\$	Annual Caps For the year ending 31 March 2012 HK\$	For the nine month period ending 31 December 2012 HK\$
KP Cheng & Co.	303,368	1,250,000	1,280,000	970,000
Prosperity Investment	312,430	1,300,000	1,360,000	1,050,000
Aggregate amount	615,799	2,550,000	2,640,000	2,020,000

The annual caps mentioned above were determined by the Company with reference to the following factors:

- (a) the monthly rental amount which is to be revised annually;
- (b) the monthly management fee; and
- (c) the current quarterly government rates and rents and the possible adjustments by the government.

GEM Listing Rules implications

As the applicable percentage ratios (other than the profits ratio) for the Annual Caps for the each of the KP Cheng Licence Agreement and Prosperity Investment Licence Agreement for each of the two years ending 31 March 2012 and the nine months period ending 31 December 2012 are more than 5% but less than 25% and the transaction value on an annual basis will not exceed HK\$10,000,000, each of the KP Cheng Licence Agreement and Prosperity Investment Licence Agreement is exempt from independent Shareholders’ approval requirements but are subject to the reporting and announcement requirements as set out in Chapter 20 of the GEM Listing Rules.

Confirmations from the Directors and Joint Sponsors

The Directors and Joint Sponsors confirm that (i) the continuing connected transactions under the KP Cheng Licence Agreement and the Prosperity Investment Licence Agreement have been entered into and shall be in the ordinary and usual course of business, on normal commercial terms that are fair and reasonable and in the interests of the Shareholders as a whole; and (ii) the Annual Caps for the non-exempt continuing connected transactions are fair and reasonable and are in the interests of the Shareholders as a whole.

CONTINUING CONNECTED TRANSACTIONS

Waiver from the Stock Exchange

Based on the applicable ratios calculated pursuant to Rule 19.07 of the GEM Listing Rules (other than the profits ratio), the continuing connected transactions under KP Cheng Licence Agreement and the Prosperity Investment Licence Agreement constitute continuing connected transactions which are subject to the reporting and announcement requirements but are exempt from independent Shareholders' approval requirements. If the annual value of the continuing connected transactions mentioned above exceeds the Annual Caps of the connected person of the Company, the Company will further comply with all relevant requirements of Chapter 20 of the GEM Listing Rules. The Company has applied to the Stock Exchange for a waiver from strict compliance with the reporting and announcement requirements pursuant to Rule 20.32 of the GEM Listing Rules and the Stock Exchange has agreed to grant such a waiver to the Company from compliance with the announcement requirement in respect of each of the KP Cheng Licence Agreement and the Prosperity Investment Licence Agreement. The Company has confirmed that it would comply with the requirements set out in Chapter 20 of the GEM Listing Rules, including Rules 20.32 and 20.45 to 20.47 of the GEM Listing Rules in relation to the above continuing connected transactions and the Annual Caps under each of the KP Cheng Licence Agreement and the Prosperity Investment Licence Agreement for the year ending 31 March 2012 and the nine months period ending 31 December 2012.

Exempt continuing connected transactions

Provision of administrative services by the Group to a connected person

GR Investment Service Agreement

On 28 January 2010, GR Investment International entered into an agreement (the “**GR Investment Service Agreement**”) with GCCCS in relation to the provision of corporate services by GCCCS.

Pursuant to the GR Investment Service Agreement, GCCCS is to undertake all duties arising from the general back-office administration of Prosperity Investment including company secretarial services, accounting and book-keeping and general back-office administration. The agreement is for a period of three years commencing 29 January 2010 and shall continue for successive periods of three years each. GR Investment International Limited shall pay to GCCCS a fee on a monthly basis of HK\$80,000.

GEM Listing Rules implications

The Directors expect that the annual fee payable under the GR Investment Service Agreement will be HK\$960,000 for each of the three years ending 28 January 2013. On such basis, the aggregate transaction value on annual basis is more than 0.1% but less than 5% and the aggregate transaction value on an annual basis will not exceed HK\$1,000,000. Accordingly, the GR Investment Service Agreement will fall within the exemption from the announcement and independent Shareholders' approval requirements under Rule 20.33 of the GEM Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

The Directors (including the independent non-executive Directors) have confirmed that the GR Investment Service Agreement has been and will be conducted in the ordinary and usual course of business of the Group on normal commercial terms. As such, the Directors considered that the entering into the GR Investment Service Agreement by the Group are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Provision of administrative services by the Group to a connected person

GC Capital Service Agreement

On 29 December 2010, GC Capital, entered into an agreement (the “**GC Capital Service Agreement**”) with GCCCS in relation to the provision of corporate services by GCCCS.

Pursuant to the GC Capital Service Agreement, GCCCS is to undertake all duties arising from the general back-office administration of Prosperity Investment including company secretarial services, accounting and bookkeeping and general back-office administration. The agreement is for a period of three years commencing 1 June 2010 and shall continue for successive periods of three years each, unless otherwise terminated by either party without cause at any time upon serving ninety (90) calendar days written notice to the other party. GC Capital shall pay to GCCCS a fee on a monthly basis of HK\$60,000.

GEM Listing Rules implications

The Directors expect that the annual fee payable under the GC Capital Service Agreement will be HK\$720,000 for each of the three years ending 31 May 2013. On such basis, the aggregate transaction value on annual basis is more than 0.1% but less than 5% and the aggregate transaction value on an annual basis will not exceed HK\$1,000,000. Accordingly, the GC Capital Service Agreement will fall within the exemption from the announcement and independent Shareholders’ approval requirements under Rule 20.33 of the GEM Listing Rules.

The Directors (including the independent non-executive Directors) have confirmed that the GC Capital Service Agreement has been and will be conducted in the ordinary and usual course of business of the Group on normal commercial terms. As such, the Directors considered that the entering into the GC Capital Service Agreement by the Group are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

DISCONTINUED CONTINUING CONNECTED TRANSACTIONS

Prior to the Listing, the Group has entered into the following transaction with the following parties, which will be connected persons of the Company upon the Listing. Such transaction has discontinued prior to the listing of Shares on GEM.

Licensing of trade mark by a connected person to the Group

Trade mark licence agreements

Genius Ideas is a company incorporated in the BVI on 5 January 2010 with limited liability. Genius Ideas is interested in 73% of the issued share capital of GCA Professional Services which is interested in the entire issued share capital of Brilliant One. Brilliant One will be interested in 75% of the issued share capital of the Company upon the Listing.

On 14 February 2011, GC Appraisal, as vendor, and Genius Ideas, as purchaser, entered into a sale and purchase deed in relation to the transfer of the trade mark (the “**Trade Mark**”) with the registration no. 301394604 in Hong Kong and the transfer was completed in November 2010. The consideration for the sale and purchase of the Trade Mark was: (i) for Genius Ideas to grant to GC Appraisal (and its designated parties) a perpetual licence to use the Trade Mark; and (ii) upon the request of GC Appraisal, Genius Ideas shall and shall procure its associates to grant to the GC Appraisal licence to use any other registered trade marks which may be relevant to the business perpetually at a nominal consideration.

On 14 February 2011, GC Appraisal and Genius Ideas entered into a license agreement (the “**GC Appraisal Licence Agreement**”) in relation to the licensing of the Trade Mark by Genius Ideas to GC Appraisal.

On 14 February 2011, GCCCS and Genius Ideas entered into a license agreement (the “**GCCCS Licence Agreement**”) in relation to the licensing of the Trade Mark by Genius Ideas to GCCCS.

Pursuant to the GC Appraisal Licence Agreement and the GCCCS Licence Agreement, Genius Ideas has authorised GC Appraisal and GCCCS respectively to use the Trade Mark in Hong Kong in relation to services in classes 35, 36 and 41 as defined under the 9th edition of the NICE Classification by the World Intellectual Property Organisation. As at the Latest Practicable Date, under the 9th edition of the NICE Classification by the World Intellectual Property Organisation, services in (i) class 35 include advertising, business management, business administration and office functions; (ii) class 36 include insurance, financial affairs, monetary affairs and real estate affairs; and (iii) class 41 include education, providing of training, entertainment and sporting and cultural activities. GC Appraisal and GCCCS shall also have the right to sub-license the use of the Trade Mark to third parties provided that (i) the sub-licensee complies with all the terms of the GC Appraisal Licence Agreement and GCCCS Licence Agreement respectively; and (ii) the sub-licensee shall not have the right to further sub-license the use of the Trade Mark to other parties. The term of the GC Appraisal Licence Agreement and the GCCCS Licence Agreement both commenced on 22 November 2010 and shall continue perpetually or to the term of validity of the registration of the Trade Mark, which shall remain valid until 28 July 2019. If Genius Ideas ceases to be a substantial shareholder of the Company, Genius Ideas may terminate the GC Appraisal Licence Agreement and the GCCCS Licence Agreement by notice in writing. The Trade Mark is not of significant importance to the Company and will not have any adverse impact on the Company should Genius Ideas ceases to be a substantial shareholder of the Company and the licence of the Trade Mark to GC Appraisal and GCCCS terminated.

CONTINUING CONNECTED TRANSACTIONS

On 19 May 2011, GC Appraisal and Genius Ideas entered into a termination agreement (the “**GC Appraisal Licence Termination Agreement**”) to terminate the GC Appraisal Licence Agreement.

On 19 May 2011, GCCCS and Genius Ideas entered into a termination agreement (the “**GCCCS Licence Termination Agreement**”) to terminate the GCCCS Licence Agreement.

As such, each of the GC Appraisal Licence Agreement and the GCCCS Licence Agreement have already been terminated pursuant to the GC Appraisal Licence Termination Agreement and the GCCCS Licence Termination Agreement respectively prior to the Listing.

FINANCIAL INFORMATION

You should read the following discussion and analysis together with the audited combined financial statements of the Group and the notes thereto as of and for the two years ended 31 March 2010 and the nine months ended 31 December 2010, included in the Accountants' Report set out in Appendix I to this prospectus. The Accountants' Report has been prepared in accordance with Hong Kong Financial Reporting Standards which may differ in material respects from generally accepted accounting principles in other jurisdictions.

The following discussion and analysis contains certain forward-looking statements that involve risks and uncertainties. The Group's business and financial performance are subject to substantial risks and uncertainties and its future results could differ materially from those set forth in the forward-looking statements herein due to a variety of factors including those set forth in the "Risk factors" section of this prospectus.

OVERVIEW

The Group is engaged in the provision of professional services to public and private companies and individual investors mainly in Hong Kong and the PRC, and such services include (i) asset advisory services and asset appraisal and (ii) corporate services and consultancy.

The Group's revenue is predominantly derived from its provision of professional services and comprises two principal sources namely (i) asset appraisal and asset advisory services; and (ii) corporate services and consultancy. Details of the breakdown of the revenue by business activities of the Group are set out in note 7 to the Accountant's Report contained in Appendix I to this prospectus.

FACTORS AFFECTING THE RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Due to the business nature of the Group, the Group's business is transaction driven and its revenue is directly related to the number and size of the transactions undertaken by the Group on behalf of its clients. Therefore, the Directors believe that the major factors affecting the Group's results of operations and financial condition include:

- (a) the political, economic and social conditions in Hong Kong and the PRC;
- (b) the number of players and the competitive market in Hong Kong;
- (c) changes in the laws and regulations relating to foreign investment in the PRC; and
- (d) changes in regulatory framework relating to the Group's business.

Political, economic and social conditions in Hong Kong and the PRC

As most of the Group's earnings are generated from the provision of asset advisory services and asset appraisal and corporate services and consultancy in Hong Kong and the PRC, its business and results of operations will be directly correlated to the overall

FINANCIAL INFORMATION

performance of the Hong Kong and PRC economies, which may, in turn, be affected by many unpredictable factors including, among others, local and international economic and political conditions, general market sentiment, and fluctuations in the interest rates. In addition, the future prospects of Hong Kong are connected to the economic, social and political development of the PRC and any unfavourable disruption to such development could have a corresponding impact on the Hong Kong economy.

Hong Kong is currently the primary focus of the Group's business. The Hong Kong economy has experienced a downturn in the past few years which was principally attributable to the financial tsunami and global downturn from the second half of 2008 to the first half of 2009, although the global economy has shown signs of improvement and the economic outlook is positive in general. Foreign investors have in recent years continued to invest heavily into Asia generally, drawn in particular by the strong growth prospects in markets such as the PRC. However, the long term impact of, among others, the current interest rate environment, financial and regulatory policies imposed by governments in different countries, volatility of commodity prices and exchange rates, as well as the political and social environments, still remains uncertain, and may significantly affect the global economies. If any of the above factors changes unexpectedly and unfavorably, the global financial situation may deteriorate, the PRC and other key Asian markets may begin to slow down, current liquidity levels and capital inflows into the PRC and Hong Kong markets may fall, and the economic climate in the region may deteriorate, in which case the Group's business, prospects, financial conditions and results of operation may be adversely affected.

The PRC economy has a long history of operating as a planned economy operated under annual, five and ten years' plans. In recent years, the PRC government has introduced substantial economic reforms which aim at transforming the PRC economy from a planned economy into a socialist market-oriented economy. These reforms intended to allow greater utilization of market forces in the allocation of resources and greater operational autonomy for enterprises.

The Directors believe that many of the reforms are unprecedented or experimental and are expected to be refined and improved with the benefit of experience, and the interpretation of these laws and regulations under the reforms may change from time to time. Other political, economic and social factors may also lead to further readjustment of the reforms measures. Therefore, there is no assurance that any refinement and adjustment process will have a positive effect on the Group's business.

Number of players and the competitive market in Hong Kong

The entry barrier to the asset advisory services and asset appraisal industry and corporate services and consultancy industry is considered to be low as substantial capital investment is not required. The Directors believe that the market is fragmented and unstructured and the Group has to face competition from different consulting and professional firms. Competition in this market is based on quality and scope of services, market reputation, business network and pricing. In particular, the industry operates in a fast-changing business environment.

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The Directors believe that competition within the industries are intense and the Group has to compete with competitors which may have greater name recognition in the market, more human and financial resources, a wider range of services and longer operating history than the Group. There is no assurance that the Group will at all times be able to recruit and retain its staff and maintain its strength and market position. As competition may lead to pressure on fee income and staff turnover, there may be adverse impact on the income and profitability of the Group.

Changes in the laws and regulations relating to foreign investment in the PRC

The PRC legal system which regulates domestic and foreign investments has undergone substantial changes in the past 20 years. Although the general effect of such changes in legislation has been favourable in terms of protection to foreign investors, and allowed more active control by foreign investors of foreign-invested enterprises in the PRC, these laws, regulations and requirements are relatively recent and the interpretation and enforcement of existing laws, regulations and requirements may be uncertain, which may affect potential customers of the Group and may adversely affect the business and prospects of the Group.

Changes in regulatory framework relating to the Group's business

Currently, the Group is not required to obtain any licence for provision of asset advisory services and asset appraisal and corporate services and consultancy in its current scope. The legal framework, the regulatory regime and the licensing requirements relating to such services may change from time to time. However, there is no assurance that the Group can respond to such changes in a timely manner, or compliance of any requirements may incur substantial costs for the Group. As a result, any change in legal framework, regulatory regime or licensing requirements on services provided by the Group may adversely affect the Group's business, results of operation and financial position.

BASIS OF PREPARATION OF FINANCIAL INFORMATION

The companies now comprising the Group are under the common control of Mr. Ip. Pursuant to the corporate reorganisation, the Company acquired the entire equity interests of New Valiant, Fidelia Investments and their subsidiaries on 18 May 2011 respectively by way of swap of shares, and the Company became the holding company of the Group.

The corporate reorganisation is more fully explained in the paragraph headed "Corporate reorganisation" in Appendix VI to this prospectus.

As the Company and the Group were both controlled by Mr. Ip before and after the corporate reorganisation, the corporate reorganisation was accounted for as a business combination of entities under common control. The financial information has been prepared based on the principles and procedures of merger accounting in accordance with Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the HKICPA, as if the group reorganisation had occurred from the date when the combining entities first came under the control of Mr. Ip.

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The financial information incorporates the financial statements of the combining entities as if they had been combined from the date when they first came under the control of Mr. Ip.

The combined statements of comprehensive income and combined statements of cash flows include the results and cash flows of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The combined statements of financial position have been prepared to present the assets and liabilities of the combining entities as if the Group structure as at the date of this report had been in existence at the end of each reporting period. The net assets of the combining entities are combined using the existing book values from Mr. Ip's perspective. No amount is recognised in respect of goodwill or gain on bargain purchase at the time of common control combination, to the extent of the continuation of Mr. Ip's interest.

There was no adjustment made to the net assets nor the net profit or loss of any combining entities in order to achieve consistency of the Group's accounting policies.

CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND POLICIES

The financial statement of the Group was prepared in accordance with HKFRS, which requires the Group to adopt accounting policies and make estimates and assumptions that the management believes are appropriate in the circumstances for purpose of giving a true and fair view of the results and financial condition of the Group. However, different policies, estimates and assumptions in critical areas could lead to materially different results. The Directors have continually assessed these estimates based on their experience and knowledge of current business in corporate finance advisory industry and other conditions, the expectations based on available information and other reasonable assumptions, which together form our basis for making judgements about matters that are not apparent from other sources. Since the use of estimates is an integral component of financial reporting progress, the actual result could differ from those estimates. Some of the accounting policies require a higher degree of judgement than others in their application. The Directors believe the following accounting policies involve the most significant judgements and estimates used in the preparation of the financial statements.

Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

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Allowances for bad and doubtful debts

The Group makes allowances for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed. If the financial conditions of the debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Income taxes

The Group is subject to income taxes. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

REVENUE RECOGNITION, INVOICING AND DEBT COLLECTION

Corporate services and consultancy

Fees for corporate services and consultancy are either billed monthly or on a success-basis depending on the service to be provided. For corporate consultancy services, fees to be charged by the Group are usually based on the improvements in results of the corporation and calculated based on percentage of target achievement. Fees for such services are billed on a success-basis. For corporate services such as company secretarial service, accounting and tax services and human resource management, the Group is usually engaged on annual retainer with fixed fees charged on a monthly basis; on the other hand, bills for ad hoc services such as corporate communication and marketing services are usually issued on completion of work. Invoicing is usually initiated by finance department and approved by director/head of management services. Finance department monitors the recoverability of the debts and it notifies the project managers for the overdue debts. The project managers negotiate with the customers for the overdue debts, and if required, reminder may be issued. The directors also review the aged debts monthly to ensure recoverability.

Revenue from the provision of corporate services and consultancy is recognised when the services are rendered and the outcome of the transactions can be measured reliably, and it is probable that the economic benefits associated with the transactions will flow to the Group.

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Revenue from the provision of corporate services and consultancy with specified period is generally recognised on a straight-line basis over the period of services. Revenue from the provision of success-based corporate services and consultancy is recognised when the agreed financial targets such as turnover of the customers as set out in the services agreement are met.

Revenue recognition for corporate services and consultancy is controlled by the finance department and reviewed by the directors monthly.

Asset appraisal services

Fees for asset appraisal services are either billed in progress or one-off depending on the terms of the engagement. Usually, service fees for asset appraisal services are billed in progress while some are billed one-off if the services durations are short and the clients will settle the bills upon the issuance of valuation report. Both invoicing and debt collection are initiated and handled by the project managers, who closely monitor the progress of each job and instruct the finance department to issue invoices according to the job progress. Finance department monitors the recoverability of the debts and notifies the project managers for the overdue debts. The project managers negotiate with the customers for the overdue debts and if required, reminder may be sent. The directors also review the aged debts monthly to ensure recoverability of debts.

Revenue from the provision of asset appraisal services is recognised when the services are rendered and the outcome of the transactions can be measured reliably, and it is probable that the economic benefits associated with the transactions will flow to the Group.

Revenue from progressively billed asset appraisal services is recognised by reference to the percentage of completion of the transaction. Revenue from appraisal services which are billed one-off is only recognised when it is probable that the customers are willing to settle the billings, i.e. when it is probable that the economic benefits associated with the transactions will flow to the Group, which generally coincides with the report issue dates.

Revenue recognition for asset appraisal services is controlled by the finance department and reviewed by the directors monthly. Although the Group is usually entitled to charge upfront fees, no receipt in advance was recorded in the Group's combined statement of financial position because (i) some services were generally performed soon after the upfront billings and the revenue recognition criteria for these upfront fees were met before the end of the reporting period, and (ii) some services were billed one-off since the services durations were short and the customers would settle the bills upon the issue of appraisal reports.

Asset advisory services

Invoicing of fees for asset advisory services is initiated by the director and the project executives. A copy of the invoice is forwarded to the finance department for revenue recognition and record keeping purposes. Project executives closely monitor the progress of

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the transactions, review the financial record, communicate with the customers regularly and discuss the progress of the projects with the director through monthly meeting. Debt collection is handled by director and project executives.

Revenue from the provision of asset advisory services includes both fixed fees and success-based fees. Revenue from the provision of asset advisory services is recognised when the revenue can be measured reliably, and it is probable that the economic benefits associated with the transactions will flow to the Group, i.e., fixed fee revenue is recognised when the report incidental to the transactions, such as due diligence investigation, viability study and evaluation of the target investment, is issued, and for success-based revenue, as customers are usually not willing to settle the billing until they pay/receive the consideration of the underlying transactions, success-based revenue is generally recognised when the customer receives or pays the considerations of the underlying transactions.

Revenue recognition for asset advisory services is controlled by the finance department and reviewed by the directors.

Since March 2011, the Group established new internal control policy in respect of invoicing, revenue recognition and debt collection in relation to its asset advisory services.

In terms of invoicing, upon receiving instruction from the project executives, the finance department will prepare the invoice which will be reviewed by the head of finance department. The relevant project executive will confirm the invoice by counter signing.

For revenue recognition purpose, the project executives will inform and provide copy of signed engagement letter and other necessary supporting documents to the finance department. The head of finance department will ensure, with the assistance of the project executives, the revenue is properly recognised.

With respect of debt collection, project executives will follow up outstanding balance and the finance department will assist to issue reminder. The project executive will meet with the director monthly to discuss the follow up status and consider whether the outstanding accounts receivable should be regarded as bad debts.

DISCLOSURE UNDER CHAPTER 17 OF THE GEM LISTING RULES

The Directors have confirmed that as at the Latest Practicable Date, they were not aware of any circumstances which would give rise to any disclosure requirement under Rules 17.15 to 17.21 of the GEM Listing Rules.

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TRADING RECORD

Summary of combined results of the Group

The following table summarises the Group's combined turnover and results for the two years ended 31 March 2010 and the nine months ended 31 December 2010 prepared on the assumption that the current structure of the Group had been in place throughout the period under review. The summary should be read in conjunction with the accountants' report of the Group set out in Appendix I to this prospectus.

		Year ended 31 March		Nine months ended 31 December	
		2009	2010	2009	2010
	Note	HK\$'000	HK\$'000	HK\$'000	HK\$'000
				(unaudited)	
Turnover	1	25,654	50,870	33,134	44,951
Cost of services	2	(12,563)	(8,451)	(5,062)	(8,521)
Gross profit	3	13,091	42,419	28,072	36,430
Other income		619	743	321	1,962
Marketing expenses		(200)	(297)	(308)	(52)
Administrative expenses		(7,476)	(8,185)	(5,482)	(10,185)
Other operating expenses		(725)	(1,207)	(1,146)	(714)
Profit from operations		5,309	33,473	21,457	27,441
Finance costs		—	(1)	(1)	—
Profit before tax		5,309	33,472	21,456	27,441
Income tax expense		(897)	(3,808)	(2,409)	(2,779)
Profit for the year/period		4,412	29,664	19,047	24,662
Other comprehensive income:					
Exchange differences on translating foreign operations		—	—	—	9
Total comprehensive income for the year/period		<u>4,412</u>	<u>29,664</u>	<u>19,047</u>	<u>24,671</u>
Profit for the year/period attributable to:					
Owners of the Company		2,799	26,727	16,651	24,662
Non-controlling interests		<u>1,613</u>	<u>2,937</u>	<u>2,396</u>	—
		<u>4,412</u>	<u>29,664</u>	<u>19,047</u>	<u>24,662</u>
Total comprehensive income for the year/period attributable to:					
Owners of the Company		2,799	26,727	16,651	24,671
Non-controlling interests		<u>1,613</u>	<u>2,937</u>	<u>2,396</u>	—
		<u>4,412</u>	<u>29,664</u>	<u>19,047</u>	<u>24,671</u>
Earnings per Share					
Basic (HK cents)	4	<u>0.75</u>	<u>7.13</u>	<u>4.44</u>	<u>6.58</u>

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Notes:

1. Turnover

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Asset appraisal services income	25,519	27,060	18,720	19,747
Asset advisory services income	—	20,197	14,400	22,674
Corporate services and consultancy income	135	3,613	14	2,530
	<u>25,654</u>	<u>50,870</u>	<u>33,134</u>	<u>44,951</u>

2. Cost of services

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Subcontracting charges for asset advisory services	1,730	—	—	—
Subcontracting charges for asset appraisal services				
Provision	1,880	1,084	1,099	215
Reversal	(75)	(1,294)	(1,374)	(287)
	1,805	(210)	(275)	(72)
Subcontracting charges for corporate services and consultancy	—	—	—	133
Referral fees				
Provision	1,445	201	117	13
Reversal	(567)	(521)	(522)	(34)
	878	(320)	(405)	(21)
Staff costs				
Provision for commission	1,566	2,005	1,283	933
Reversal of provision for commission	—	(316)	(316)	—
Other staff costs	5,786	6,606	4,354	7,066
	7,352	8,295	5,321	7,999
Overseas travelling	798	686	421	482
	<u>12,563</u>	<u>8,451</u>	<u>5,062</u>	<u>8,521</u>

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3. Gross profit and gross profit margin

	Note	Year ended 31 March 2009		2010		Nine months ended 31 December 2009		2010	
		HK\$'000	Gross profit margin (%)	HK\$'000	Gross profit margin (%)	HK\$'000 (unaudited)	Gross profit margin (%)	HK\$'000	Gross profit margin (%)
Asset appraisal services		14,686	58%	18,609	69%	13,669	73%	12,518	63%
Corporate services and consultancy	(a)	135	100%	3,613	100%	3	25%	1,238	49%
Asset advisory services	(b)	(1,730)	N/A	20,197	100%	14,400	100%	22,674	100%
		<u>13,091</u>	<u>51%</u>	<u>42,419</u>	<u>83%</u>	<u>28,072</u>	<u>85%</u>	<u>36,430</u>	<u>81%</u>

Note:

- (a) Please refer to the section headed “Management Discussion and Analysis” for the explanation of gross profit margin in this segment.
- (b) Please refer to the section headed “Management Discussion and Analysis” for the explanation of gross loss and gross profit margin in this segment.

4. Earnings per Share

The calculation of basic earnings per Share attributable to owners of the Company for the years ended 31 March 2009 and 2010 and the nine months ended 31 December 2010 is based on the combined profit attributable to owners of the Company for each of the reporting period and the assumption that 375,000,000 Shares of the Company are in issued and issuable, comprising 1,000 Shares in issue as at the date of the Prospectus and 374,999,000 Shares to be issued pursuant to the capitalisation issue as more fully described in the paragraph headed “Written resolutions of the sole Shareholder” under the section headed “Further information about the Company” in Appendix VI to the Prospectus, as if the entire Shares were outstanding throughout the entire Track Record Period.

No diluted earnings per Share are presented as the Company did not have any dilutive potential ordinary shares during the Track Record Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Set out below is the management discussion and analysis of the performance of the Group for each of the two years ended 31 March 2010 and nine months ended 31 December 2010.

(a) For the financial year ended 31 March 2009

Revenue

For the year ended 31 March 2009, the Group was mainly engaged in asset appraisal services, asset advisory services and corporate services and consultancy. Total revenue of the Group was approximately HK\$25.7 million, a major part of which was generated from asset appraisal services.

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During the year, 10 asset appraisal engagements with an aggregate contractual fee of approximately HK\$745,000 were cancelled by clients prior to issuance of the relevant report due to termination of the underlying transaction. Out of such total fees, approximately HK\$371,000 had been billed by the Company and settlement received. There was no dispute between the Group and the clients in relation to such cancelled engagements.

Cost of services

The Group's cost of services was approximately HK\$12.6 million for the year ended 31 March 2009, which is made up of expenses for subcontracting charges and referral fees of approximately HK\$4.4 million (comprising provision and reversal of provision for subcontracting charges and referral fees of HK\$5.0 million and HK\$0.6 million respectively), staff costs (including commission to staff of approximately HK\$1.6 million) of approximately HK\$7.4 million and overseas traveling expenses of approximately HK\$0.8 million. The reversal of provision for subcontracting charges and referral fees was due to double count in previous year. Double count arose from insufficient internal control in respect of recognition of subcontracting and referral charges during the Track Record Period. In order to rectify such insufficiency and strengthen the internal control, as from the first six months of 2010, a team of accountants with relevant qualifications and experience has been employed as the in-house accounting team of the Group, which has taken over and fully in charge of the accounting and financial reporting of the Group. Commission is payable to directors and project managers for asset appraisal services in relation to their marketing effort to the business. Commission is payable quarterly and calculated based on the revenue from asset appraisal services introduced by them. Referral fee payable to the introducer is also payable on the amount received by the Group. Total cost incurred for subcontracting charges, referral fees and commission in respect of the engagements cancelled during the year amounted to approximately HK\$50,000. None of these provisions made were subsequently reversed as the Group has actually paid out these costs after settlement of relevant bills by customers. There was no dispute between the Group and its subcontractors in relation to such cancelled engagements. Cost of asset advisory services incurred for the period ended 31 March 2009 were subcontracting charges and amounted to approximately HK\$1.7 million.

Gross profit and gross profit margin

The Group's gross profit was approximately HK\$13.1 million and the gross profit margin was approximately 51.0%. Gross loss of approximately HK\$1,730,000 was incurred for the asset advisory services as there were costs incurred while there was no revenue recognised for such services due to the revenue recognition policy. Revenue from asset advisory services is only recognised upon the issue of report incidental to the transaction such as due diligence investigation, viability study and evaluation, or upon the payment/receipt of the consideration of the underlying transaction by the clients. Since the

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recognition criteria have not been met, no revenue from asset advisory services was recognised during the year ended 31 March 2009. The corporate services and consultancy business achieved a gross profit margin of 100% as the cost of services is minimal in that year and were shared with other segments.

Other income

The Group had other income of approximately HK\$0.6 million for the year ended 31 March 2009 which comprised bank interest income of approximately HK\$71,000, reimbursement of out-of-pocket expenses of approximately HK\$0.5 million and other services income of approximately HK\$11,000.

Marketing expenses and administrative and other operating expenses

For the year ended 31 March 2009, the Group had incurred marketing expenses of approximately HK\$0.2 million and administrative and other operating expenses of approximately HK\$8.2 million. Such administrative and other operating expenses primarily comprised rental expenses of approximately HK\$1.2 million, data research fees of approximately HK\$0.9 million, directors' emoluments of approximately HK\$1.5 million, costs of administrative staff of approximately HK\$1.9 million and allowances for doubtful debts of approximately HK\$0.5 million.

Finance costs

No finance cost was incurred by the Group for the year ended 31 March 2009 as no bank overdrafts were incurred by the Group during the year.

Income tax expenses

Income tax expenses for the year ended 31 March 2009 was approximately HK\$0.9 million. The expense was incurred by the asset appraisal services. The effective tax rate is 16.9%, which approximate the Hong Kong Profits tax rate of 16.5%.

Net profit before interest and tax and profit for the year

The Group's profit before interest and tax and profit for the year were approximately HK\$5.3 million and HK\$4.4 million respectively. The net profit margin before interest and tax and net profit margin for the year ended 31 March 2009 were approximately 20.7% and 17.2% respectively.

Capital commitments

As at 31 March 2009, the Group did not have any significant capital commitments.

Contingent liabilities

As at 31 March 2009, the Group did not have any significant contingent liabilities.

Human resources

As at 31 March 2009, the Group had 25 employees. The total staff costs including directors' remuneration for the year ended 31 March 2009 were approximately HK\$10.6 million. The salaries are generally reviewed with reference to the employees' merit, qualifications and competence. The Group did not adopt any share option scheme. Contractual and discretionary bonus were paid to recognise outstanding employees based on performance.

Foreign exchange risk

As at 31 March 2009, all trade receivables and trade payables of the Group are denominated in Hong Kong dollars, whereas only approximately HK\$104,000 cash and cash equivalents were denominated in USD as at 31 March 2009 which amount to approximately 1.6% of the Group's total cash and cash equivalents as at such date. As the Hong Kong dollars is pegged to USD fixed within a range, there is no material foreign exchange risk for the year ended 31 March 2009.

(b) For the financial year ended 31 March 2010

Revenue

For the year ended 31 March 2010, the Group was mainly engaged in asset appraisal services, asset advisory services and corporate services and consultancy. Total revenue of the Group increased by approximately 98.3% from approximately HK\$25.7 million for the year ended 31 March 2009 to approximately HK\$50.9 million for the year ended 31 March 2010, approximately 53.2% of which was generated from asset appraisal services provided by the Group, approximately 7.1% of which was generated from corporate services and consultancy and approximately 39.7% of which was generated from asset advisory services. Increase of revenue was mainly attributable to the revenue generated from asset advisory services. Set out below is a breakdown of the Group's revenue from two reportable segments for the year ended 31 March 2010 as compared to that of year ended 31 March 2009:

Asset advisory services and asset appraisal

Revenue generated from the asset appraisal services segment increased by approximately 6.0% from approximately HK\$25.5 million for the year ended 31 March 2009 to approximately HK\$27.1 million for the year ended 31 March 2010. Such increase was due to organic growth mainly attributable to increase in number of engagements and increase in value of the assets being appraised. During the year, 11 asset appraisal engagements with an aggregate contractual fee

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of approximately HK\$5.72 million were cancelled by clients prior to issuance of the relevant report due to termination of the underlying transaction. Out of such total fees, approximately HK\$3.04 million had been billed by the Company and HK\$2.99 million of which was settled by clients. There was no dispute between the Group and the clients in relation to such cancelled engagements.

Revenue generated from the asset advisory services segment was approximately HK\$20.2 million for the year ended 31 March 2010. Although the engagement of asset advisory services started as early as in 2007, no revenue was generated from such service for the year ended 31 March 2009 as the revenue recognition criteria for these services, including both fixed fee and success-based fee, had not been met until the year ended 31 March 2010. The increase was mainly due to the recognition criteria of the revenue was first met for the year ended 31 March 2010. The revenue includes the success-based revenue derived from three customers upon the receipts/payments of the considerations of the underlying transactions in the year and the fixed fee revenue recognised upon the issuance of the reports incidental to the transactions.

Corporate services and consultancy

Revenue generated from the corporate services and consultancy segment increased by approximately 2,576.3% from approximately HK\$135,000 for the year ended 31 March 2009 to approximately HK\$3,613,000 for the year ended 31 March 2010. Such increase was due to success-based revenue derived from one customer.

Cost of services

The Group's cost of services reduced by approximately 32.7% from approximately HK\$12.6 million for the year ended 31 March 2009 to approximately HK\$8.5 million recorded during the year ended 31 March 2010. This was made up of staff costs (including commission to staff) of approximately HK\$8.3 million (as compared to HK\$7.4 million for the year ended 31 March 2009), subcontracting charges and referral fees of a negative amount of approximately HK\$0.5 million (as compared to HK\$4.4 million for the year ended 31 March 2009), and overseas traveling expenses of approximately HK\$0.7 million, after writing back of overprovision for sub-contracting charges and referral fees for the year ended 31 March 2009. The decrease in the cost of services was mainly due to reversal of over-provisions made for sub-contracting charges, referral fees and commission as at 31 March 2009 amounting to approximately HK\$2.1 million. The Group is only obliged to pay the subcontracting charges, referral fees and commission when it receives the relevant revenue from the customers. As some of the engagements for which (a) provisions (amounting to HK\$1.5 million) have been made in 2009 had been cancelled during 2010, (b) the trade receivables of some engagements became doubtful (provision for cost of services amounted to HK\$0.2 million) and (c) double count of costs of services of HK\$0.4 million, over-provision was resulted. There was no dispute between the

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Group and its subcontractors in relation to such cancelled engagements. Total cost incurred for subcontracting charges, referral fees and commission in respect of the engagements cancelled during the year amounted to approximately HK\$2.2 million, out of which provisions of HK\$1.5 million made were subsequently reversed in the year ended 31 March 2010 and this amount is included in the reversal of provision for subcontracting charges, referral fees and commission for the year mentioned above. In addition, the Group also placed more reliance on internal resources with less subcontracting, resulting in a decrease in subcontracting charges and cost of services for the year ended 31 March 2010.

Gross profit and gross profit margin

The Group's gross profit increased significantly by approximately 224.0% from approximately HK\$13.1 million for the year ended 31 March 2009 to approximately HK\$42.4 million for the year ended 31 March 2010 and the gross profit margin increased from approximately 51.0% for the year ended 31 March 2009 to approximately 83.4% for the year ended 31 March 2010. The increase was mainly attributable to revenue generated from asset advisory services and a change in the revenue mix. The Group earned higher gross profit margin from asset advisory services as it involved less cost of services while the Group was able to charge higher markup. As the contribution of asset advisory services increased from 0% of the total revenue for the year ended 31 March 2009 to approximately 39.7% of the total revenue for the year ended 31 March 2010, the gross profit margin also increased from approximately 51.0% for the year ended 31 March 2009 to approximately 83.4% for the year ended 31 March 2010. The costs relevant to the underlying projects of asset advisory services for the Track Record Period, amounting to approximately HK\$1.7 million in total, were already incurred and expensed immediately in the year ended 31 March 2009. The Group decided to expense immediately the cost of asset advisory services incurred in 2009 and not to match with future revenue from asset advisory services since there was uncertainty in estimating future revenue as at 31 March 2009. No further costs were incurred in the year ended 31 March 2010. As a result, gross profit margin was 100% for the year ended 31 March 2010. The corporate services and consultancy business achieved a gross profit margin of 100% as the cost of services is minimal in that year and were shared with other segments.

Since April 2011, the Group has adopted new internal control policy for cost control and cost split between different business segments. For cost control, a yearly budgetary plan will be prepared to provide the baseline reference for subsequent performance monitoring and control. Monthly income statement will be compared with the yearly budget to monitor the performance of various business segments. Department heads are required to explain the variance subsequently reported and propose follow up actions, which will be reviewed by Head of the Finance Department and to be approved by the Executive Directors.

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Cost splitting are divided into fixed costs and variable costs. Accounting, administrative and company secretarial services are provided by the corporate services segment and cost of these shared services are charged to other segments at cost-plus based on the number of headcount in and time cost involved serving that particular segment. Where one business segment provides services to another business segment on a non-recurring or project basis, the segment providing the service will have to fill out an inter-company charge form and the service fee will be charged to the segment receiving the service at a fixed charge-out rate, subject to the approval of the director and project manager of the segment receiving the service and which will then be pass to the Finance Department for ledger entry.

Other income

Other income of the Group increased by approximately 20.0% from approximately HK\$0.6 million for the year ended 31 March 2009 to approximately HK\$0.7 million for the year ended 31 March 2010 which comprised bank interest income of approximately HK\$15,000, reimbursement of out-of-pocket expenses of approximately HK\$0.5 million, other services income of approximately HK\$0.2 million and sub-leasing income of approximately HK\$0.1 million. Such increase in other income is primarily attributable to income from sub-leasing and income from other ancillary services provided by GCCCS.

Marketing expenses and administrative and other operating expenses

The Group's marketing expenses increased by approximately 48.5% from approximately HK\$200,000 for the year ended 31 March 2009 to approximately HK\$297,000 for the year ended 31 March 2010, mainly attributable to payments to Independent Third Parties for advertising and promotion of the Group.

Administrative and other operating expenses incurred by the Group increased by approximately 14.5% from approximately HK\$8.2 million for the year ended 31 March 2009 to approximately HK\$9.4 million for the year ended 31 March 2010. Such administrative and other operating expenses primarily comprised rental expenses of HK\$1.4 million, data research fees of HK\$1.1 million, directors' emoluments of HK\$1.6 million, costs of administrative staff of HK\$1.6 million and allowances for doubtful debts of HK\$1.1 million. The increase was primarily a result of business expansion and led to increase mainly in rental expenses of HK\$0.2 million, data research fees of HK\$0.2 million and allowance for doubtful debts of HK\$0.6 million.

Finance costs

The Group had incurred finance costs of approximately HK\$1,000, being bank overdraft interest, for the year ended 31 March 2010. No finance cost was incurred for the year ended 31 March 2009.

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Income tax expenses

Income tax expenses for the year ended 31 March 2010 were approximately HK\$3.8 million which was an increase of approximately 324.5% from that of HK\$0.9 million for the year ended 31 March 2009. Income tax expense of HK\$2.0 million was attributable to asset appraisal services and HK\$1.8 million was attributable to asset advisory services. The effective tax rate decreased from 16.9% for the year ended 31 March 2009 to 11.4% for the year ended 31 March 2010. The decrease in effective tax rate was a result of higher proportion of revenue from asset advisory services of which the tax exposure was lower. The lower tax exposure was due to the fact that most of the asset advisory services were performed outside Hong Kong and were not subject to Hong Kong profits tax. In addition, since the operation did not constitute a permanent establishment in the PRC, the operation is not subject to PRC enterprise income tax.

Net profit before interest and tax and profit for the year

Taking the above factors into account, the Group's profit before interest and tax and profit for the year ended 31 March 2010 amounted to approximately HK\$33.4 million and HK\$29.7 million respectively, representing an increase of approximately 530.5% and 572.3% respectively, when compared with the year ended 31 March 2009. The net profit margin before interest and tax increased from approximately 20.7% for the year ended 31 March 2009 to approximately 65.8% for the year ended 31 March 2010. The net profit margin increased from approximately 17.2% for the year ended 31 March 2009 to approximately 58.3% for the year ended 31 March 2010. The increases in net profit and net profit margin were mainly attributable to (i) increase of asset advisory services income which has higher gross profit margin; and (ii) decrease in cost of services due to reversal of over-provisions made for sub-contracting charges, referral fees and commission as at 31 March 2009. Although the income tax expenses have increased by approximately HK\$2.9 million, the reduction effect on net profit margin is offset by the increase of asset advisory services income and decrease in cost of services.

Capital commitments

As at 31 March 2010, the Group did not have any significant capital commitments.

Contingent liabilities

As at 31 March 2010, the Group did not have any significant contingent liabilities.

Human resources

As at 31 March 2010, the Group had 31 employees. The total staff costs including directors' remuneration for the year ended 31 March 2010 were approximately HK\$11.5 million, which amounted to an increase of approximately 8.3% compared to the total staff costs of approximately HK\$10.6 million for the year ended 31 March 2009. This increase was resulted from the Group's recruitment of new staff since January 2010 for the purpose of expansion into the business of asset advisory services and corporate services and consultancy. The salaries are generally reviewed with reference to the employees' merit, qualifications and competence. The Group did not adopt any share option scheme. Contractual and discretionary bonus were paid to recognise outstanding employees based on performance.

Foreign exchange risk

As at 31 March 2010, out of the total trade receivables of approximately HK\$29.4 million, approximately HK\$2.9 million were denominated in USD and approximately HK\$12.9 million were denominated in RMB which accounted for approximately 9.8% and 44.0% of the total trade receivables of the Group respectively as at such date. In respect of the Group's total cash and cash equivalents of approximately HK\$7.6 million, approximately HK\$9,000 were denominated in USD as at 31 March 2010 which amount to approximately 0.1% of the Group's total cash and cash equivalents as at such date. At the same date, all trade payables of the Group are denominated in Hong Kong dollars. The Hong Kong dollars is pegged to USD and fixed within a range while the operations and performances of the Group might be affected by the fluctuation of RMB. However, the slight appreciation of the RMB in the first half of 2010 did not have a materially unfavourable effect on the operations of the Group. For the year ended 31 March 2010, the Group did not have any currency hedging policy but will closely monitor RMB exchange rate and take appropriate measures to minimise any adverse impact that may be caused by its fluctuation.

(c) For the nine months ended 31 December 2010***Revenue***

For the nine months ended 31 December 2010, the Group was mainly engaged in asset appraisal services, asset advisory services and corporate services and consultancy. Total revenue of the Group increased by approximately 35.7% from approximately HK\$33.1 million (unaudited) for the nine months ended 31 December 2009 to approximately HK\$44.9 million for the nine months ended 31 December 2010, approximately 43.9% of which was generated from asset appraisal services provided by the Group, approximately 5.6% of which generated from corporate services and consultancy and approximately 50.4% of which generated from asset advisory services. Increase in revenue was mainly attributable to business growth and expansion. Set out below is a breakdown of

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the Group's revenue from the three reportable segments for the nine months ended 31 December 2010 as compared to that of nine months ended 31 December 2009:

Asset advisory services and asset appraisal

Revenue generated from the asset appraisal services segment increased by approximately 5.5% from approximately HK\$18.7 million (unaudited) for the nine months ended 31 December 2009 to approximately HK\$19.7 million for the nine months ended 31 December 2010. Such increase was due to organic growth.

During the period, 5 asset appraisal engagements with an aggregate contractual fee of approximately HK\$479,000 were cancelled by clients prior to issuance of the relevant report due to termination of the underlying transaction. Out of such total fees, approximately HK\$153,000 had been billed by the Company and settlement received. There was no dispute between the Group and the clients in relation to such cancelled engagements.

Revenue generated from the asset advisory services segment increased by approximately 57.5% from approximately HK\$14.4 million (unaudited) for the nine months ended 31 December 2009 to approximately HK\$22.7 million for the nine months ended 31 December 2010, such increase was mainly attributable to the progress made in the underlying projects relating to this segment.

Corporate services and consultancy

Revenue generated from the corporate services and consultancy segment increased by approximately 17,971.4% from approximately HK\$14,000 (unaudited) for the nine months ended 31 December 2009 to approximately HK\$2.5 million for the nine months ended 31 December 2010. The increase in revenue from corporate services and consultancy was due to increase in number of clients and engagements for the nine months ended 31 December 2010.

Cost of services

The Group's cost of services increased significantly by approximately 68.3% from approximately HK\$5.1 million (unaudited) for the nine months ended 31 December 2009 to approximately HK\$8.5 million recorded during the nine months ended 31 December 2010. This is made up of staff cost of approximately HK\$8.0 million (including commission of HK\$0.9 million), subcontracting charges and referral fees of approximately HK\$40,000 (comprising provision and reversal of provision for subcontracting charges and referral fees of HK\$361,000 and HK\$321,000 respectively) and overseas traveling expenses of approximately HK\$0.5 million. The increase in the cost of services mainly reflected an increase in staff cost as a result of more employees for the asset appraisal services and corporate services and consultancy for the purpose of business expansion. There was no dispute between the Group and its

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subcontractors in relation to the engagements cancelled during the nine months period ended 31 December 2010. The reversal of provision for subcontracting charges and referral fees was due to double count in previous year.

Gross profit and gross profit margin

The Group's gross profit increased by approximately 29.8% from approximately HK\$28.1 million (unaudited) for the nine months ended 31 December 2009 to approximately HK\$36.4 million for the nine months ended 31 December 2010. The increase was mainly attributable to revenue generated from asset advisory services. The gross profit margin decreased from approximately 84.7% for the nine months ended 31 December 2009 to approximately 81.0% for nine months ended 31 December 2010. The decrease was mainly attributable to increase in the cost of services due to increase in direct labour costs. Similar to the situation for the year ended 31 March 2010, the cost of services for the underlying projects of asset advisory services were already incurred in the year ended 31 March 2009, since the costs were fully expensed due to the uncertainty in estimating future revenue as at 31 March 2009. No further costs were incurred in the nine months ended 31 December 2010. As a result, gross profit margin for the asset advisory services for the nine months ended 31 December 2010 was 100%. New staff was employed for corporate services and consultancy, resulting in increase in cost of services in this segment. Therefore, the gross profit margin of this segment decreased from 100% for the year ended 31 March 2010 to 49% for the nine months ended 31 December 2010.

Other income

Other income of the Group increased by approximately 511.2% from approximately HK\$0.3 million (unaudited) for the nine months ended 31 December 2009 to approximately HK\$2.0 million for the nine months ended 31 December 2010 which comprised exchange gain of HK\$0.3 million, bank interest income of approximately HK\$17,000, reimbursement of out-of-pocket expenses of approximately HK\$0.3 million, sub-leasing income of approximately HK\$1.2 million, and others of approximately HK\$66,000. Such increase in other income is primarily attributable to income from sub-leasing.

Marketing expenses and administrative and other operating expenses

The Group's marketing expenses decreased by approximately 83.1% from approximately HK\$0.3 million (unaudited) for the nine months ended 31 December 2009 to approximately HK\$52,000 for the nine months ended 31 December 2010, mainly due to less payments to independent third parties for marketing purpose.

Administrative and other operating expenses incurred by the Group increased by approximately 64.4% from approximately HK\$6.6 million (unaudited) for the nine months ended 31 December 2009 to approximately HK\$10.9 million for the nine months ended 31 December 2010. Such

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administrative and other operating expenses primarily comprised rental expenses of HK\$2.0 million (as compared to HK\$0.8 million (unaudited) for the nine months ended 31 December 2009), data research fees of HK\$0.4 million (as compared to HK\$0.3 million (unaudited) for the nine months ended 31 December 2009), directors' emoluments of HK\$1.7 million (as compared to HK\$0.8 million for the nine months ended 31 December 2009), costs of administrative staff of HK\$2.8 million (as compared to HK\$1.1 million (unaudited) for the nine months ended 31 December 2009) and allowances of doubtful debts of HK\$0.9 million (as compared to HK\$1.1 million (unaudited) for the nine months ended 31 December 2009). The increase was primarily due to business expansion, especially into the segment of corporate services and consultancy, resulting in increase in administrative staff cost and directors' emoluments, employment of additional administrative staff and increase in rental expenses.

Finance costs

No finance cost was incurred by the Group for the nine months ended 31 December 2010, whereas finance costs of approximately HK\$1,000 (unaudited), being bank overdraft interest, was incurred by the Group for the nine months ended 31 December 2009.

Income tax expenses

Income tax expenses for the nine months ended 31 December 2009 and 31 December 2010 were approximately HK\$2.4 million (unaudited) and approximately HK\$2.8 million respectively, which is an increase of approximately of 15.4%. Income tax expenses of HK\$1.2 million (unaudited) and HK\$0.9 million were attributable to asset appraisal services for the nine months ended 31 December 2009 and 2010 respectively, while income tax expenses of HK\$1.2 million (unaudited) and HK\$1.9 million were attributable to asset advisory services for the nine months ended 31 December 2009 and 2010 respectively. The effective tax rate remained stable at 11.2% and 10.1% for the nine months ended 31 December 2009 and 2010 respectively as there was no significant change in the tax exposure of the Group.

Net profit before interest and tax and profit for the period

Taking the above factors into account, the Group's profit before interest and tax and profit for the nine months ended 31 December 2010 amounted to approximately HK\$27.4 million and HK\$24.7 million respectively, representing increases of approximately 27.9% and 29.5% respectively, when compared with the corresponding period of last year. The increases in profit before interest and tax and profit for the nine months ended 31 December 2010 were mainly attributable to (i) increase of asset advisory services income which has higher gross profit margin; (ii) increase in other income primarily attributable to income from sub-leasing; and (iii) decrease in marketing expenses mainly due to less payments to independent third parties for marketing purpose. The net profit margin before interest and tax decreased from approximately 64.8% for the nine

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months ended 31 December 2009 to approximately 61.0% for nine months ended 31 December 2010. The net profit margin decreased from approximately 57.5% for the nine months ended 31 December 2009 to approximately 54.9% for nine months ended 31 December 2010. The decreases in net profit margin before interest and tax and net profit margin were mainly attributable to (i) increase in the cost of services due to an increase in direct labour cost; and (ii) increase in administrative and other operating expenses primarily as a result of increase in administrative staff cost, employment of additional administrative staff and increase in rental expenses. The net profit margin was further decreased by the increase in income tax expense.

Capital commitments

As at 31 December 2010, the Group did not have any significant capital commitments.

Contingent liabilities

During the Track Record Period, Asset-Plus has performed services in the PRC. According to the law and regulation of the PRC, the revenue derived from these services, if the service recipient is located in the PRC, was technically subject to the PRC Business Tax. No Business Tax has been demanded and therefore not been paid. All except one engagement letters with the customers contain a clause that the fees received by the Group are free from applicable taxation. In addition, Mr. Ip and Mr. Wong have provided indemnity for any tax liability incurred by any member of the Group at any time on or prior to the date of listing of the Company. The amount of Business Tax underpaid during the Track Record Period was approximately HK\$0.6 million, of which HK\$0.4 million was covered by the said clause of the engagement letters. A possible penalty ranging from 50% to five times of the Business Tax underpaid may be levied. In view of the immateriality, and that the exposure is either covered by the said clause of the engagement letters or the indemnity from the shareholders, the directors regard that no provision for the Business Tax is required. The directors also regard that it is not probable to have material net cash outflows from the Group in this connection.

Apart from the above, as at 31 December 2010, the Group did not have any significant contingent liabilities.

Human resources

As at 31 December 2010 the Group had 49 employees, as compared to 21 as at 31 December 2009. The Group's total staff costs including directors' remuneration increased significantly by approximately 48.0% from approximately HK\$7.3 million (unaudited) for the nine months ended 31 December 2009 to HK\$12.5 million for the nine months ended 31 December 2010, which increase is mainly due to business expansion. The salaries are generally reviewed with reference to the employees' merit, qualifications and

competence. The Group did not adopt any share option scheme. Contractual and discretionary bonus were paid to recognise outstanding employees based on performance.

Foreign exchange risk

As at 31 December 2010, out of the total trade receivables of approximately HK\$13.6 million, approximately HK\$9.9 million were denominated in RMB which accounted for approximately 73.3% of the total trade receivables of the Group as at such date. In respect of the Group's total cash and cash equivalents of approximately HK\$10.7 million, approximately HK\$12,000 were denominated in USD, approximately HK\$1,000 were denominated in Australian dollars and approximately HK\$0.2 million were denominated in RMB as at 31 March 2010 which amount to approximately 0.1%, 0.009% and 1.6% of the Group's total cash and cash equivalents respectively as at such date. At the same date, all trade payables of the Group are denominated in Hong Kong dollars. The Hong Kong dollars is pegged to USD and fixed within a range while the operations and performances of the Group might be affected by the fluctuation of RMB. However, the slight appreciation of the RMB in the first half of 2010 did not have a materially unfavourable effect on the operations of the Group. For the nine months ended 31 December 2010, the Group did not have any currency hedging policy but will closely monitor RMB exchange rate and take appropriate measures to minimise any adverse impact that may be caused by its fluctuation.

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LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's working capital and other capital requirements were principally satisfied by cash generated from its operations.

The following table summarised the Group's cash flows for the period indicated:

	Year ended 31 March		Nine months ended 31 December 2009	Nine months ended 31 December 2010
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Cash and cash equivalents at beginning of year/period	3,633	6,335	6,335	7,590
Net cash generated from operating activities	4,336	6,872	5,569	38,674
Net cash used in investing activities	(394)	(25)	(6)	(916)
Net cash used in financing activities	(1,240)	(5,592)	(4,091)	(34,699)
Effect of foreign exchange rate changes	—	—	—	9
Cash and cash equivalents at end of year/period	<u>6,335</u>	<u>7,590</u>	<u>7,807</u>	<u>10,658</u>

Cash flows from operating activities

Cash flows from operating activities reflects profits for the year as adjusted for non-cash items such as depreciation, allowance for trade receivables, bad debts written off, allowance on amounts due from related companies, interest income and changes in working capital such as trade receivables, prepayments, deposits and other receivables, trade payables and accruals and other payables.

Net cash generated from operating activities for the year ended 31 March 2009 amounted to approximately HK\$4.3 million, which mainly represented the combined effect of the profit before tax of approximately HK\$5.3 million and a net decrease in working capital of approximately HK\$0.7 million. The changes in working capital primarily comprised a decrease in accruals and other payables of HK\$0.8 million principally due to the release of incentive bonus before the year end, and an increase of trade receivables of HK\$0.6 million, principally due to a low level of trade receivable carried forward from 2008.

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Net cash generated from operating activities for the year ended 31 March 2010 was mainly attributable to the profit before tax of approximately HK\$33.4 million and a net decrease in working capital of approximately HK\$27.0 million. The changes in working capital primarily comprised an increase in trade receivables of HK\$25.8 million due to a higher level of trade receivable during the year. The increase in net cash generated from operating activities was due to increase in operating profit.

Net cash generated from operating activities for the nine months ended 31 December 2010 amounted to approximately HK\$38.7 million (as compared to HK\$5.6 million (unaudited) for the nine months ended 31 December 2009), which mainly represented the combined effect of the profit before tax of approximately HK\$27.4 million and a net increase in working capital of approximately HK\$10.4 million. The changes in working capital primarily comprised a decrease of trade receivables of HK\$15.1 million and an increase in prepayments, deposits and other receivables of HK\$2.6 million principally due to the higher level of other receivables during the period. The increase in net cash generated from operating activities was due to increase in operating profit and faster settlement of trade receivables.

Cash flows used in investing activities

Cash flows used in investing activities comprises payment for or proceeds from the purchase and disposal of property, plant and equipment, interest received and changes in pledged bank deposits.

Net cash used in investing activities for the years ended 31 March 2009, 2010 and nine months ended 31 December 2010 amounted to approximately HK\$0.4 million, HK\$25,000 and HK\$0.9 million respectively. The major component in the cash flows is cash used for the purchase of plant and equipment.

Cash flows used in financing activities

The item affecting the cash flows used in financing activities for the years ended 31 March 2009, 2010 and nine months ended 31 December 2010 were the dividends paid of HK\$1.5 million, HK\$2.5 million and HK\$10.8 million respectively. The increase in net cash used in financing activities was due to increase in dividend paid, increase in amounts due from related parties and decrease in amounts due to related parties.

Capital structure

As at 31 March 2010, the Group had net assets of approximately HK\$25.3 million, comprising non-current assets of approximately HK\$0.4 million and net current assets of approximately HK\$24.9 million. Throughout the Track Record Period, apart from the plough back of profits, there were no material changes in the capital structure.

As at 31 December 2010, the Group had net assets of HK\$39.0 million, comprising non-current assets of approximately HK\$1.2 million and net current assets of HK\$37.8 million.

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Key financial ratios

	For the financial year ended 31 March		For nine months ended 31 December
	2009	2010	2010
Return on equity (<i>Note 1</i>)	49.4%	117.3%	63.3%
Return on total assets (<i>Note 2</i>)	30.5%	68.7%	47.6%
Current ratio (<i>Note 3</i>)	2.50	2.39	3.94
Quick ratio (<i>Note 4</i>)	2.50	2.39	3.94
Average trade receivables turnover days (<i>Note 5</i>)	67	122	131
Average trade payables turnover days (<i>Note 6</i>)	102	121	44
Interest coverage (<i>Note 7</i>)	N/A	33,473	N/A

Notes:

- Return on equity is calculated by dividing profit for the year/period by total equity at the end of the respective period. It recorded an increase from approximately 49.4% for the year ended 31 March 2009 to approximately 117.3% in 2010. Such increase was due to improvement of net profit for the year ended 31 March 2010. The return on equity decreased to 63.3% for the nine months ended 31 December 2010. The decrease is due to slight decrease in profit while equity continued to grow due to increase in retained earnings.
- Return on total assets is calculated by dividing the profit for the year/period by total assets at the end of the respective period. It recorded an increase from approximately 30.5% for the year ended 31 March 2009 to approximately 68.7% in 2010. Such increase was due to improvement of profit for the year ended 31 March 2010. The increase in return on total assets was partly offset by an increase in total assets mainly as a result of increase in trade receivables. The return on total assets decreased to 47.6% due to slight decrease in profit while total assets continue to grow due to increase in working capital as a result of increase in retained earnings.
- Current ratio is calculated by dividing current assets by current liabilities as at the end of the respective period. The current ratios have been maintained at similar level for the two years ended 31 March 2010. The slight decrease in such ratio was a result of increase in current assets mainly due to increase in trade receivables offset by more proportional increase in current liabilities mainly due to increase in dividend payable. The current ratio increased from 2.39 times for the year ended 31 March 2010 to 3.94 times for the nine months ended 31 December 2010. The improvement of current ratio was a result of increase in prepayments, deposits, pre-listing expenses paid and other receivables and decrease in current liabilities mainly due to decrease in dividend payable.
- Quick ratio is calculated by dividing current assets (excluding inventory) by current liabilities at the end of the respective period. The quick ratios are same as the current ratios since the Group is a service provider and does not possess inventory.
- For each of the two years ended 31 March 2010, average trade receivables turnover days equals to the average trade receivables divided by turnover and multiplied by 365 days. For the nine months ended 31 December 2010, average trade receivables turnover days equals to the average trade receivables divided by turnover and multiplied by 275 days.

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6. For each of the two years ended 31 March 2010, average trade payables turnover days equals to the average trade payables divided by cost of services and multiplied by 365 days. For the nine months ended 31 December 2010, average trade payables turnover days equals to the average trade payables divided by cost of services and multiplied by 275 days.
7. Interest coverage is calculated by dividing profit before interest and tax by finance costs. The finance cost of approximately HK\$1,000 was the bank overdraft interest for the year ended 31 March 2010. No finance cost was incurred for the year ended 31 March 2009 and nine months ended 31 December 2010.

INDEBTEDNESS

Borrowings

As at the close of business on 31 March 2011, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this prospectus, the Group had no outstanding borrowings apart from amounts due to related parties amounting to approximately HK\$8.7 million, which are repayable within one year. The amounts due to related parties were fully settled at the date of this prospectus.

Gearing ratio and debt to net worth ratio

No gearing ratio and debt to net worth ratio are calculated since the Group did not have any interest bearing liabilities during the Track Record Period.

Securities

Subsequent to 31 December 2010, the Group decided not to renew the general banking facilities available to it of up to HK\$1.9 million as the Group has not utilised any such facilities and the bank required to maintain the personal guarantee given by Mr. Ip and Mr. Cheng as security for such facilities. The Directors confirmed that they had contacted a number of banks regarding possible facilities to the Group but securities such as personal guarantees from directors and/or controlling shareholders were generally required. The Group intends to seek new financing from finance houses which do not usually require such securities. The Group is currently in negotiation with a finance house for a tentatively one-year loan facility, but the substantive terms are not yet in place as at the Latest Practicable Date. As at the close of business on 31 March 2011, there was no securities and guarantees provided by any party in respect of the Group's indebtedness.

Contingent liabilities

As at the close of business on 31 March 2011, the Group had no material contingent liabilities.

Disclaimer

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of the business, as at the close of business on 31 March 2011, the Group did not have other outstanding mortgages, charges, debt securities, term loans debentures

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or other loan capital, bank overdrafts or loans, other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance or acceptance credits, guarantees or other material contingent liabilities.

The Directors have confirmed that there have been no material changes in the indebtedness and contingent liabilities of the Group since 31 March 2011.

CAPITAL EXPENDITURES

The following table sets forth the Group's historical capital expenditures for the periods indicated:

	Year ended 31 March		Nine months ended
	2009	2010	31 December 2010
	HK\$'000	HK\$'000	HK\$'000
Property, plant and equipment	449	39	931
Total	<u>449</u>	<u>39</u>	<u>931</u>

The Group financed its capital expenditure requirements primarily through cash generated from its operating activities.

The Group had no planned capital expenditure during the Track Record Period.

COMMITMENTS

Operating lease commitments

During the Track Record Period, the Group's total future minimum lease payments under non-cancellable operating leases are payable as follows:

	At 31 March		At
	2009	2010	31 December 2010
	HK\$'000	HK\$'000	HK\$'000
Within one year	1,992	5,125	4,140
In the second to fifth years, inclusive	<u>63</u>	<u>5,408</u>	<u>3,677</u>
	<u>2,055</u>	<u>10,533</u>	<u>7,817</u>

Capital commitments

As at 31 March 2009, 31 March 2010 and 31 December 2010, the Group did not have any significant capital commitments.

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PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

As at 31 March 2009, 2010 and 31 December 2010, the Group recorded prepayments, deposits and other receivables of HK\$0.5 million, HK\$1.1 million and HK\$3.7 million.

Prepayments, deposits and other receivables as at 31 March 2009 and 2010 comprised mainly office rental deposit paid, of approximately HK\$0.3 million and HK\$0.7 million respectively. The increase as at 31 March 2010 was due to additional rental deposits paid.

Prepayments, deposits and other receivables as at 31 December 2010 comprised mainly various payments of professional fees for the IPO project of the Group, office rental deposit paid and prepayment for rent, amounted to approximately HK\$2.0 million, HK\$1.1 million and HK\$0.2 million respectively. The increase as at 31 December 2010 was due to additional rental deposits paid, and the professional fees for the IPO project.

ACCRUALS AND OTHER PAYABLES

As at 31 March 2009, 2010 and 31 December 2010, the Group recorded accruals and other payables of HK\$0.9 million, HK\$2.3 million and HK\$1.1 million.

Accruals and other payables as at 31 March 2009 comprised mainly staff bonus payable, of approximately HK\$0.8 million. The accrued bonus had been fully settled in June 2009.

Accruals and other payables as at 31 March 2010 comprised mainly staff bonus and general office expenses payable, of approximately HK\$1.3 million and HK\$0.5 million respectively. The accrued bonus had been fully settled before 30 June 2010. The increase as at 31 March 2010 was due to increase in accrued bonus and audit fee.

Accruals and other payables as at 31 December 2010 comprised mainly general office expenses and other payable, of approximately HK\$1.1 million. The decrease as at 31 December 2010 was due to decrease in accrued bonus.

WORKING CAPITAL

The Directors are of the opinion that after allowing for the interim dividends, taking into account the amount of the net proceeds of the Placing and its retained resources, and the fact that the Group will have no outstanding indebtedness after the Listing, the Group will have sufficient working capital and financial resources to meet its capital expenditure and working capital requirements for at least 12 months from the date of this prospectus.

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NET CURRENT ASSETS

	At 31 March		At
	2009	2010	31 December
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Property, plant and equipment	629	406	1,156
Investments in associates	<u>—</u>	<u>—</u>	<u>—</u>
	<u>629</u>	<u>406</u>	<u>1,156</u>
Current assets			
Trade receivables	4,707	29,373	13,559
Prepayments, deposits and other receivables	513	1,139	3,738
Amounts due from related parties	1,173	3,531	21,609
Pledged bank deposits	1,125	1,126	1,128
Bank and cash balances	<u>6,335</u>	<u>7,590</u>	<u>10,658</u>
	<u>13,853</u>	<u>42,759</u>	<u>50,692</u>
Current liabilities			
Trade payables	3,797	1,811	908
Accruals and other payables	934	2,317	1,074
Amounts due to related parties	683	53	5,235
Dividend payable	—	10,803	—
Current tax liabilities	<u>128</u>	<u>2,882</u>	<u>5,661</u>
	<u>5,542</u>	<u>17,866</u>	<u>12,878</u>
Net current assets	<u>8,311</u>	<u>24,893</u>	<u>37,814</u>
NET ASSETS	<u><u>8,940</u></u>	<u><u>25,299</u></u>	<u><u>38,970</u></u>

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As at 31 March 2009, the Group had net current assets of approximately HK\$8.3 million, comprising current assets of approximately HK\$13.9 million and current liabilities of approximately HK\$5.5 million. The current assets as at 31 March 2009 were made up of trade receivables of approximately HK\$4.7 million, prepayments, deposits and other receivables of approximately HK\$0.5 million, amounts due from related parties of approximately HK\$1.2 million, pledged bank deposits of approximately HK\$1.1 million and bank and cash equivalents of approximately HK\$6.3 million. The current liabilities as at 31 March 2009 were made up of trade payables of approximately HK\$3.8 million, accruals and other payables of approximately HK\$0.9 million, amounts due to related parties of approximately HK\$0.7 million and current tax liabilities of approximately HK\$0.1 million.

As at 31 March 2010, the Group had net current assets of approximately HK\$24.9 million, comprising current assets of approximately HK\$42.8 million and current liabilities of approximately HK\$17.9 million. The current assets as at 31 March 2010 were made up of trade receivables of approximately HK\$29.4 million, prepayments, deposits and other receivables of approximately HK\$1.1 million, amounts due from related parties of approximately HK\$3.5 million, pledged bank deposits of approximately HK\$1.1 million and bank and cash equivalents of approximately HK\$7.6 million. The current liabilities as at 31 March 2010 were made up of trade payables of approximately HK\$1.8 million, accruals and other payables of approximately HK\$2.3 million, amounts due to related parties of approximately HK\$53,000, dividend payables of approximately HK\$10.8 million and current tax liabilities of approximately HK\$2.9 million.

As at 31 December 2010, the Group had net current assets of approximately HK\$37.8 million, comprising current assets of approximately HK\$50.7 million and current liabilities of approximately HK\$12.9 million. The current assets as at 31 December 2010 were made up of trade receivables of approximately HK\$13.6 million, prepayments, deposits and other receivables of approximately HK\$3.7 million, amounts due from related parties of approximately HK\$21.6 million, pledged bank deposits of approximately HK\$1.1 million and bank and cash equivalents of approximately HK\$10.7 million. The current liabilities as at 31 December 2010 were made up of trade payables of approximately HK\$0.9 million, accruals and other payables of approximately HK\$1.1 million, amounts due to related parties of approximately HK\$5.2 million, and current tax liabilities of approximately HK\$5.7 million.

TRADE RECEIVABLES

The majority of the Group's trade receivables as at 31 March 2010 were service fees due to asset advisory services and asset appraisal services. The total trade receivables of the Group increased by approximately 524.0% from approximately HK\$4.7 million as at 31 March 2009 to approximately HK\$29.4 million as at 31 March 2010. Trade receivables as at 31 March 2010 due to asset advisory services and asset appraisal services were approximately HK\$20.2 million (as compared to HK\$nil as at 31 March 2009) and approximately HK\$6.7 million (as compared to HK\$4.6 million as at 31 March 2009) respectively, whereas the trade receivables due to corporate services and consultancy were approximately HK\$2.5 million (as compared to HK\$100,000 as at 31 March 2009). Average

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trade receivables turnover days for the Group increased from 67 days for the year ended 31 March 2009 to 122 days for the year ended 31 March 2010. The increase in trade receivables and average trade receivables turnover days was mainly attributable to delay in payment from client in the asset advisory services segment.

The total trade receivables of the Group decreased by approximately 53.8% from approximately HK\$29.4 million as at 31 March 2010 to approximately HK\$13.6 million as at 31 December 2010 while average trade receivables turnover days for the Group increased from 122 days for the year ended 31 March 2010 to 131 days for the nine months ended 31 December 2010. A majority of such receivables were service fees due to asset advisory services and asset appraisal services, being approximately HK\$9.9 million due to asset advisory services, approximately HK\$3.5 million due to asset appraisal services and with the balance of approximately HK\$108,000 due to corporate services and consultancy. Decrease in trade receivables was mainly attributable to recovery of outstanding payment from clients of the Group while the increase in average trade receivables turnover days was due to higher trade receivables as at 31 March 2010 caused by increase in service fee from asset advisory services and asset appraisal.

The Group generally gives a credit period of 14 days for settlement of bills for its asset appraisal business, 30 days for settlement of bills for its asset advisory services and corporate services and 30 days for settlement of bills for its corporate consultancy services. The Directors believe that a significant reason for the increase in trade receivables and average trade receivables turnover days was that for engagements under the asset advisory services segment under which the Group was engaged to source investments for clients, such clients were inclined to settling the relevant invoices only until the investment was subsequently realized or until a substantial period has lapsed from the completion of the acquisition of the investment to observe the quality of the investment. Since clients of the Group for its asset advisory services are usually high net worth investors, the Company will be more tolerant of delay in payment. The Company would not regard the increase in the trade receivables turnover days as implying any deterioration of the credit quality of the Group's clients.

Of the total trade receivables of HK\$13,559,000 outstanding as at 31 December 2010, HK\$12,583,000 has been subsequently settled as at the Latest Practicable Date.

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The following table sets out the Group's trade receivables aging analysis during the Track Record Period.

	As at 31 March		As at	Subsequent
	2009	2010	31 December	settlement up
	HK\$'000	HK\$'000	2010	to the Latest
			HK\$'000	Practicable
				Date
				HK\$'000
within 30 days	676	4,292	6,066	5,998
31–90 days	1,555	8,811	1,216	516
91–180 days	1,106	2,773	5,452	5,248
over 180 days	<u>1,370</u>	<u>13,497</u>	<u>825</u>	<u>821</u>
	<u>4,707</u>	<u>29,373</u>	<u>13,559</u>	<u>12,583</u>

TRADE PAYABLES

Trade payables as at 31 March 2010 comprised mainly subcontracting charges payable, commissions payable and referral fees payable. The Group normally settles subcontracting charges and referral fees payable within a credit period ranging from 14 days to 60 days and commissions are payable to staff quarterly on the basis that the relevant fee was received by the Group. The Group's trade payables decreased by approximately 52.3% from approximately HK\$3.8 million as at 31 March 2009 to approximately HK\$1.8 million as at 31 March 2010 while average trade payables turnover days for the Group increased from 102 days for the year ended 31 March 2009 to 121 days for the year ended 31 March 2010. Such decrease in trade payables was resulted from revised provision for subcontracting charges for the year ended 31 March 2009 due to cancellation of engagements by clients of the Group subsequent to such year end while the increase in average trade payables turnover days was due to higher average trade payables as at 31 March 2010 caused by higher provision on subcontracting charges as at 31 March 2009, while there was reversal of provision for subcontracting charges which had lowered the cost of services for that year.

Trade payables as at 31 December 2010 comprised mainly subcontracting charges payable, commissions payable and referral fees payable. The Group normally settles subcontracting charges within a credit period ranging from 14 days to 60 days, and commissions are payable to staff quarterly on the basis that the relevant fee was received by the Group. The Group's trade payables decreased by approximately 49.9% from approximately HK\$1.8 million as at 31 March 2010 to approximately HK\$0.9 million as at 31 December 2010, while average trade payables turnover days for the Group decreased from 121 days for the year ended 31 March 2010 to 44 days for the nine months ended 31 December 2010. Such decrease in trade payables and trade payables turnover days was resulted from less reliance on subcontracting and slightly faster settlement of commission payables.

FINANCIAL INFORMATION

The number of subcontracting arrangements for the year ended 31 March 2009, 2010 and nine months ended 31 December 2010 were 44, 19 and 5 respectively.

Up to the Latest Practicable Date, the subsequent settlement of trade payables at 31 December 2010 amounted to approximately HK\$371,000. A breakdown is as follows:

	As at 31 December 2010 HK\$'000	Subsequent settlement HK\$'000
Commission payables	628	371
Subcontracting charge payables	267	—
Referral fees payables	13	—
	<u>908</u>	<u>371</u>
Total	<u>908</u>	<u>371</u>

PROFIT ESTIMATE FOR THE YEAR ENDED 31 MARCH 2011

On the bases set out in the section headed “Profit estimate for the year ended 31 March 2011” in Appendix III to this prospectus and, in the absence of unforeseen circumstances, selected profit estimate data of the Group for the year ended 31 March 2011 are set out below:

Unaudited estimated combined profit attributable
to owners of the Company
for the year ended 31 March 2011 (*Note 1*) Not less than HK\$25 million

Unaudited estimated pro forma earnings per Share (*Note 2*) Not less than HK5 cents

Notes:

- 1 The bases on which the above profit estimate has been prepared are set out in the section headed “Profit estimate for the year ended 31 March 2011” in Appendix III to this prospectus. The Directors have prepared the estimated combined profit attributable to owners of the Company for the year ended 31 March 2011 based on the audited combined results of our Group for the nine months ended 31 December 2010 and an estimate of the combined results of our Group for the remaining three months ended 31 March 2011.
- 2 The unaudited pro forma estimated earnings per Share is calculated by dividing the estimated combined profit attributable to owners of the Company for the year ended 31 March 2011 by 500,000,000 Shares as if such Shares had been in issue on 1 April 2010 and outstanding during the entire year. The number of Shares used in this calculation includes the Shares in issue as of the date of this prospectus and the Shares to be issued pursuant to the Capitalisation Issue and the Placing.

DIVIDEND POLICY

For the two years ended 31 March 2010 and the nine months ended 31 December 2010, the subsidiaries of the Company declared dividends in an aggregate amount of approximately HK\$515,000, HK\$13.3 million and HK\$11.0 million respectively.

FINANCIAL INFORMATION

The amount of any dividends to be declared in the future will depend on, among other things, the Company's trading results, cash flows and financial condition, operating and capital requirements. Subject to the said factors, the Directors expect, in future, to declare and pay dividends of not less than 30% of the net profit attributable to the equity holders of the Company for the financial year ending 31 March 2012.

DISTRIBUTABLE RESERVES

The Company was incorporated in the Cayman Islands on 3 December 2010. The Company had no reserves distributable to Shareholders as at 31 December 2010 (the date of the Group's latest audited financial statements).

PROPERTY INTERESTS

Property leased by the Group in Hong Kong

The Group leases Rooms 2701–08 and 2712–13, Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong as its headquarter and principal place of business in Hong Kong from an Independent Third Party.

Property leased by the Group in the PRC

The Group leases Unit 104, Level 1, Building No.12 Sanfeng Lane Jia, Chaoyang District, Beijing, the PRC ("Sanfeng Lane Jia Property") and Unit C-809, Level 8, Vantone Centre, 6 Chaowai Main Street, Chaoyang District, Beijing, the PRC ("Vantone Property") as office for Beijing GCA from Independent Third Parties.

In respect of the Sanfeng Lane Jia Property, the Group was not provided with proof of legal title. Furthermore, according to the Supreme People's Court's Interpretation of Certain Issues concerning the Application of Law for Judging Disputes over Urban Building Leasing Contracts (《最高人民法院關於審理城鎮房屋租賃合同糾紛案件具體應用法律若干問題的解釋》), a lease agreement shall be invalid if it is entered into in respect of a property which construction is not conducted in accordance with the requirements of the construction works planning permit. The legal advisers of the Company as to the laws of the PRC consider that, if the landlord does not have the legal ownership of or the right to lease the property or if the aforesaid circumstances arise, the lease agreement will be invalid and Beijing GCA may be required to vacate the Sanfeng Lane Jia Property without any compensation or indemnity. However, Beijing GCA, as lessee of the Sanfeng Lane Jia Property, will not be subject to any penalty imposed by the competent government authorities.

The Directors believe that the cost and time to be incurred in case of relocation will be minimal and there will not be any significant impact on the Group's operation. The Directors do not foresee any difficulties in relocating to other premises should it be required to do so.

FINANCIAL INFORMATION

On the other hand, the lease agreements for both Sanfeng Lane Jia Property and the Vantone Property have not been registered, and a fine of RMB200 to RMB500 may be imposed. The legal advisers of the Company as to the laws of the PRC consider that Beijing GCA will not be subject to any penalty, and its rights to use the leased properties will not be affected.

Property valuation

The properties leased by the Group have been valued at no commercial value by RHL Appraisal Limited, an independent property valuer. The texts of the letter with a summary of valuation and a valuation certificate prepared by RHL Appraisal Limited of these property interests are set out in Appendix IV to this prospectus.

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The unaudited pro forma financial information has been prepared, on the basis of the notes set out below, to illustrate how the Placing may have affected the net tangible assets attributable to owners of the Company had it occurred as of 31 December 2010. It has been prepared for illustrative purpose only and, because of its nature, may not give a true picture of the financial position of the Group.

	Audited combined net tangible assets attributable to owners of the Company as of 31 December 2010 <i>(Note 1)</i> HK\$'000	Estimated net proceeds from the Placing <i>(Note 2)</i> HK\$'000	Unaudited pro forma adjusted net tangible assets HK\$'000	Unaudited pro forma adjusted net tangible assets per Share <i>(Note 3)</i>
Based on a Placing Price of HK\$0.72 per Share	38,970	78,050	117,020	HK\$0.23

Notes:

- (1) The audited combined net tangible assets attributable to owners of the Company as of 31 December 2010 is based on the audited combined net assets of HK\$38,970,000 as of 31 December 2010, as shown in the Accountants' Report, the text of which is set out in Appendix I to this prospectus.
- (2) The adjustment to the pro forma statement of net tangible assets reflects the estimated proceeds from the Placing to be received by the Company. The estimated proceeds from the Placing are based on the Placing Price of HK\$0.72 per Share and 125,000,000 Shares, net of estimated issue expenses of approximately HK\$11,950,000.
- (3) The number of Shares is based on a total of 500,000,000 Shares issued, adjusted as if the Placing had occurred at 31 December 2010.

FINANCIAL INFORMATION

FINANCIAL RISKS

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has certain exposure to foreign currency risk as part of its business transactions, assets and liabilities are denominated in Renminbi and United States dollars.

The following tables detail the Group's major exposure at the end of the reporting periods to foreign currency risk arising from recognised assets or liabilities denominated in foreign currencies. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollars, translated using the spot rates at the end of the reporting periods.

	At 31 March		At
	2009	2010	31 December
	HK\$'000	HK\$'000	2010
			HK\$'000
Denominated in United States dollars			
Bank and cash balances	104	9	12
Trade receivables	—	2,886	—
	<u>104</u>	<u>2,886</u>	<u>—</u>
Total	<u>104</u>	<u>2,895</u>	<u>12</u>
Denominated in Renminbi			
Trade receivables	—	12,934	9,941
	<u>—</u>	<u>12,934</u>	<u>9,941</u>

FINANCIAL INFORMATION

The following table indicates the instantaneous change in the Group's profit for the year/period that would have arisen if foreign exchange rates to which the Group has significant exposure at the end of the reporting periods had changed at those dates, assuming all other risk variables remained constant.

	At 31 March				At 31 December	
	2009		2010		2010	
	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in profit for the year <i>HK\$'000</i>	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in profit for the year <i>HK\$'000</i>	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in profit for the period <i>HK\$'000</i>
United States dollars	1% (1)%	1 (1)	1% (1)%	24 (24)	1% (1)%	78 (78)
Renminbi	3% (3)%	— —	3% (3)%	388 (388)	3% (3)%	223 (223)

(b) Credit risk

The carrying amount of the pledged bank deposits, bank and cash balances, trade and other receivables, and amounts due from related parties included in the combined statements of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The Group has policies in place to ensure that services are provided to customers with an appropriate credit history. Amounts due from related parties are closely monitored by the Directors.

The credit risk on pledged bank deposits and bank and cash balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has certain concentration of credit risk, as the Group's three largest debtors accounted for 36%, 75% and 79% of trade receivables as at 31 March 2009 and 2010 and 31 December 2010, respectively. The increase in concentration of credit risk is because the Group has more revenue from asset advisory services. The revenue was relatively larger than asset appraisal services and corporate services and consultancy and was generated from a few customers. Up to the Latest Practicable Date, the trade receivables due from these three largest customers were settled.

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

FINANCIAL INFORMATION

The maturity analysis of the Group's financial liabilities is as follows:

	Less than 1 year <i>HK\$'000</i>	Between 1 and 2 years <i>HK\$'000</i>	Between 2 and 5 years <i>HK\$'000</i>	Over 5 years <i>HK\$'000</i>
At 31 December 2010				
Trade payables	908	—	—	—
Accruals and other payables	1,074	—	—	—
Amounts due to related parties	5,235	—	—	—
	Less than 1 year <i>HK\$'000</i>	Between 1 and 2 years <i>HK\$'000</i>	Between 2 and 5 years <i>HK\$'000</i>	Over 5 years <i>HK\$'000</i>
At 31 March 2010				
Trade payables	1,811	—	—	—
Accruals and other payables	2,317	—	—	—
Amounts due to related parties	53	—	—	—
Dividend payable	10,803	—	—	—
	Less than 1 year <i>HK\$'000</i>	Between 1 and 2 years <i>HK\$'000</i>	Between 2 and 5 years <i>HK\$'000</i>	Over 5 years <i>HK\$'000</i>
At 31 March 2009				
Trade payables	3,797	—	—	—
Accruals and other payables	934	—	—	—
Amounts due to related parties	683	—	—	—

(d) Interest rate risk

The Group's exposure to interest rate risk arises from its bank deposits. These deposits bear interest at variable rates varied with the then prevailing market condition.

FINANCIAL INFORMATION

As at 31 March 2009 and 2010 and 31 December 2010, it is estimated that a general increase/(decrease) of 100 basis points in interest rates, with all other variables held constant, would have increased/(decreased) the Group's profit for the year/period as follows:

	At 31 March		At 31 December
	2009	2010	2010
	HK\$'000	HK\$'000	HK\$'000
Increase/(decrease) in interest rates			
100 basis points	62	62	61
(100) basis points	(62)	(62)	(61)

(e) Categories of the Group's financial instruments at the end of each reporting period

	At 31 March		At 31 December
	2009	2010	2010
	HK\$'000	HK\$'000	HK\$'000
Financial assets:			
Loans and receivables (including cash and cash equivalents):			
Trade receivables	4,707	29,373	13,559
Deposits and other receivables	269	699	1,239
Amounts due from related parties	1,173	3,531	21,609
Pledged bank deposits	1,125	1,126	1,128
Bank and cash balances	<u>6,335</u>	<u>7,590</u>	<u>10,658</u>
	<u>13,609</u>	<u>42,319</u>	<u>48,193</u>
Financial liabilities:			
Financial liabilities at amortised cost:			
Trade payables	3,797	1,811	908
Accruals and other payables	934	2,317	1,074
Amounts due to related parties	683	53	5,235
Dividend payable	<u>—</u>	<u>10,803</u>	<u>—</u>
	<u>5,414</u>	<u>14,984</u>	<u>7,217</u>

FINANCIAL INFORMATION

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the combined statements of financial position approximate their respective fair values.

NO MATERIAL ADVERSE CHANGE

The Directors confirm that since 31 December 2010 (being the date to which the latest audited combined financial statements of the Group were made up) up to the Latest Practicable Date, there has been no material adverse change in the financial or trading position or prospects of the Group.

UNDERWRITING

UNDERWRITERS

Underwriters

Grand Vinco Capital Limited
Sun Hung Kai International Limited
Emperor Securities Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

Underwriting arrangements

Pursuant to the Underwriting Agreement, the Company is offering the Placing Shares at the Placing Price for placing to professional, institutional or private investors. Subject to, among other matters, the Listing Division of the Stock Exchange granting listing of and permission to deal in the Shares and any Shares which may fall to be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, the Shares to be allotted and issued under the Capitalisation Issue, and to the satisfaction of certain other conditions set out in the Underwriting Agreement, the Underwriters have severally agreed to subscribe and/or procure subscribers for the subscription of the Placing Shares, subject to the terms and conditions of the Underwriting Agreement.

Grounds for termination

The Underwriting Agreement is subject to termination by the Joint Lead Managers (for themselves and on behalf of the Joint Sponsors and the Underwriters) if prior to 8:00 a.m. on the Listing Date (the “Termination Time”):

- (a) there shall develop, occur or come into effect:
 - (i) any new law or regulation or any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, which in the absolute opinion of the Joint Lead Managers (for themselves and on behalf of the Joint Sponsors and the Underwriters) has or may have a material adverse effect on the business or financial conditions or prospects of the Group taken as a whole; or
 - (ii) any material change in Hong Kong, the PRC, Taiwan, Asia, national, regional or international financial, political, military, industrial or economic conditions or prospects; or
 - (iii) any material change in the conditions of the Hong Kong or international securities markets (or in conditions affecting a sector only of such market) including, for the avoidance of doubt, any significant adverse change in the index level or volume of turnover of any such markets; or

UNDERWRITING

- (iv) without prejudice to sub-paragraph (ii) or (iii) above, the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial circumstances; or
- (v) a change or development involving a prospective change in Hong Kong, the Cayman Islands, the BVI, the PRC or other jurisdiction in taxation or exchange controls which will or can reasonably be expected to materially and adversely affect the Group as a whole or the present or prospective shareholders of the Company in their capacity as such; or
- (vi) the imposition of economic sanctions, withdrawal of trading privileges, embargo, restraint or prohibition of import and export, in whatever form, by the US or the European Union (or any member thereof) on Hong Kong or the PRC; or
- (vii) any event, or series of events, beyond the reasonable control of the Underwriters (including without limitation, acts of government, strikes, riots, public disorder, terrorist strike, epidemic, lock-outs, fire, explosion, flooding, civil commotion, acts of war, acts of God, accident or interruption),

and any such event, in the absolute opinion of the Joint Lead Managers (for themselves and on behalf of the Joint Sponsors and the Underwriters), has or may have an adverse effect on the success of the Placing, or makes it inadvisable or inexpedient to proceed with the Placing; or

- (b) there comes to the notice of the Joint Sponsors and/or the Underwriters any matter or event showing any of the representations and warranties contained in the Underwriting Agreement to be untrue or inaccurate or, if repeated immediately after the occurrence thereof, would be untrue or inaccurate in any respect considered by the Joint Lead Managers in their absolute discretion (for themselves and on behalf of the Joint Sponsors and the Underwriters) to be material or showing any of the undertakings contained in the Underwriting Agreement or other obligations or undertakings expressed to be assumed by or imposed on the Company, the Controlling Shareholder and the executive Directors under the Underwriting Agreement not to have been complied with in any respect considered by the Joint Lead Managers to be material; or
- (c) any statement contained in this prospectus has become or been discovered to be untrue, incorrect or misleading in any material respect; or
- (d) matters have arisen or have been discovered which would, if this prospectus was to be issued at that time, constitute a material omission therefrom; or

UNDERWRITING

- (e) there is any adverse change in the business or in the financial or trading position or prospects of any member of the Group which in the absolute opinion of the Joint Lead Managers (for themselves and on behalf of the Joint Sponsors and Underwriters) is material in the context of the Placing.

Non-disposal undertakings

Pursuant to Rule 13.16A(1) of the GEM Listing Rules, each of the Controlling Shareholders has undertaken to the Stock Exchange that it shall not and shall procure that the relevant registered holder(s) shall not:

- (a) in the period commencing on the date of this prospectus and ending on the date which is six months from the Listing Date dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which it is shown by this prospectus to be the beneficial owner; or
- (b) in the period of six months commencing on the date on which the period referred to in (a) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares referred to (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances he/it would cease to be a Controlling Shareholder.

Each of the Controlling Shareholders has also undertaken to the Stock Exchange and the Company to comply with the following requirements:

- (i) in the event that he/it pledges or charges any direct or indirect interest in relevant Shares in favour of an authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)), as security for a bona fide commercial loan or pursuant to any right or waiver granted by the Stock Exchange pursuant to Rule 13.18(4) of the GEM Listing Rules, at any time during the period commencing on the date of this prospectus and ending on the date which is six months from the Listing Date, he/it must inform the Company immediately thereafter, disclosing the details specified in Rules 17.43(1) to (4) of the GEM Listing Rules; and
- (ii) having pledged or charged any interest in Shares under (i) above, he/it must inform the Company immediately in the event that he/it becomes aware that the pledge or charge has disposed of or intends to dispose of such interest and of the number of Shares affected.

The Company will inform the Stock Exchange as soon as it has been informed of such matters and must forthwith publish an announcement giving details of the same in accordance with the requirements of Rule 17.43 of the GEM Listing Rules.

UNDERWRITING

Commission and expenses

The Underwriters will receive a commission of 3.0% on the aggregate Placing Price of all the Placing Shares now being offered, out of which they will, as the case may be, pay any sub-underwriting commissions and selling concession. Each of the Joint Sponsors will, in addition, receive a documentation fee. The underwriting commission, documentation fee, Stock Exchange listing fees, brokerage, Stock Exchange trading fee, SFC transaction levy, legal and other professional fees together with applicable printing and other expense relating to the Placing are estimated to approximately HK\$12 million and are to be borne by the Company.

Underwriters' interests in the Company

Save for its interests and obligation under the Underwriting Agreement and save as disclosed in this prospectus, none of the Underwriters or any of its associates is interested beneficially or non-beneficially in any shares in any member of the Group nor has any right (whether legally enforceable or not) or option to subscribe for or to nominate persons to subscribe for any shares of any member of the Group.

Compliance Advisers' Agreement

Under a compliance advisers' agreement dated 24 May 2011 and made between Vinco Capital, Emperor Capital and the Company (the "Compliance Advisers' Agreement"), the Company appointed Vinco Capital and Emperor Capital, and Vinco Capital and Emperor Capital agreed to act as the joint compliance advisers to the Company for the purpose of the GEM Listing Rules for a fee from the Listing Date until the date on which the Company complies with Rule 18.03 of the GEM Listing Rules in respect of its financial results for the second full financial year after the Listing Date or until the Compliance Advisers' Agreement is terminated pursuant to its terms and conditions.

Sponsor's interest in the Company

Save for the advisory and documentation fees to be paid to Vinco Capital and Emperor Capital as the joint sponsors to the Placing, their obligations under the Compliance Advisers' Agreement, the obligations of Vinco Capital and Emperor Securities Limited (a fellow subsidiary of Emperor Capital) under the Underwriting Agreement and interests in securities that may be subscribed for pursuant to the Placing, neither Vinco Capital or Emperor Capital nor any of their respective associates has or may, as a result of the Placing, have any interest in any class of securities of the Company or any other members of the Group (including options or rights to subscribe for such securities).

No director or employee of Vinco Capital or Emperor Capital who is involved in providing advice to the Company has or may, as a result of the Placing, have any interest in any class of securities of the Company or any other members of the Group (including options or rights to subscribe for such securities but, for the avoidance of doubt, excluding interests in securities that may be subscribed for or purchased by any such director or employee pursuant to the Placing).

No director or employee of Vinco Capital or Emperor Capital has a directorship in the Company or any other members of the Group.

STRUCTURE AND CONDITIONS OF THE PLACING

PLACING PRICE

The Placing Price of HK\$0.72 per Share plus a 1% brokerage, a 0.003% SFC transaction levy and a 0.005% Stock Exchange trading fee, amounting to a total of HK\$3,636.29 for each board lot of 5,000 Shares. The level of indications of interests in the Placing and the basis of allocations of the Placing Shares will be announced on the GEM website at www.hkgem.com on or before 9:00 a.m. on 30 May 2011.

THE PLACING

Placing

The Placing comprises 125,000,000 Placing Shares conditionally offered by the Company. The Company is offering 125,000,000 Placing Shares for subscription by way of private placements to professional, institutional and individual investors in Hong Kong. The Placing Shares will represent 25% of the Company's enlarged issued share capital immediately after completion of the Placing. The Placing is fully underwritten by the Underwriters. The minimum subscription size for each subscriber or purchaser of the Placing Share is 5,000 Placing Shares and thereafter in integral multiples of the board lot size of 5,000 Shares. Investors subscribing for the Placing Shares are required to pay the Placing Price plus 1% brokerage, a 0.003% SFC transaction levy and a 0.005% Stock Exchange trading fee, amounting to a total of HK\$3,636.29 for each board lot of 5,000 Shares.

Pursuant to the Placing, it is expected that the Underwriters or selling agents nominated by them, on behalf of the Company will conditionally place the Placing Shares at the Placing Price with professional, institutional and individual investors in Hong Kong. Allocation of the Placing Shares will be based on a number of factors, including the level and timing of demand and whether or not it is expected that the relevant investor is likely to purchase further Shares or hold or sell the Shares after the listing of the Shares on GEM. Such allocation is intended to result in a distribution of the Placing Shares which would lead to the establishment of a solid professional, institutional and individual shareholder base for the benefit of the Company and the Shareholders as a whole. No allocations of the Placing Shares will be permitted to nominee companies unless the name of the ultimate beneficiary is disclosed, without the prior written consent of the Stock Exchange. There will not be any preferential treatment in the allocation of the Placing Shares to any persons.

The Placing is subject to the conditions as stated in the paragraph headed "Conditions of the Placing" below.

CONDITIONS OF THE PLACING

The Placing is conditional upon:

(a) Listing

The Listing Division granting listing of, and permission to deal in, the Shares in issue and to be issued as mentioned herein and any Shares which may be issued pursuant to the exercise of options granted under the Share Option Scheme or the general mandate to issue Shares referred to in Appendix VI to this prospectus; and

STRUCTURE AND CONDITIONS OF THE PLACING

(b) Underwriting Agreement

the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including, if relevant, as a result of the waiver of any condition(s) by the Joint Lead Managers for themselves and on behalf of the Joint Sponsors and the Underwriters) and the Underwriting Agreement not being terminated in accordance with its terms or otherwise prior to 8:00 a.m. on the Listing Date. Details of the Underwriting Agreement, their conditions and grounds for termination, are set out in the section headed “Underwriting” of this prospectus.

If the conditions referred to above are not fulfilled on or before the 30th day from the date of this prospectus, the Placing will lapse and the subscription or purchase money will be returned to the placees or the Underwriters, without interest.

COMMENCEMENT OF DEALINGS IN THE SHARES

Dealings in the Shares on GEM are expected to commence on 31 May 2011.

Shares will be traded in board lots of 5,000 Shares each.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Application has been made to the Stock Exchange for listing of and permission to deal in the Shares in issue and to be issued as mentioned in this prospectus. If the Stock Exchange grants the listing of and permission to deal in the Shares and the Company complies with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the Stock Exchange or, under contingent situation, any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day.

All necessary arrangements have been made for the Shares to be admitted into CCASS.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Investors should seek the advice of their stockbrokers or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Details of the Placing will be announced in accordance with Rules 10.12(4), 16.08 and 16.16 of the GEM Listing Rules.

RSM Nelson Wheeler

中瑞岳華(香港)會計師事務所

Certified Public Accountants

29th Floor
Caroline Centre
Lee Gardens Two
28 Yun Ping Road
Hong Kong

25 May 2011

The Board of Directors
GreaterChina Professional Services Limited
Grand Vinco Capital Limited
Emperor Capital Limited

Dear Sirs,

We set out below our report on the financial information (the “Financial Information”) of GreaterChina Professional Services Limited (formerly known as “GCA Group Limited”) (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) for each of the two years ended 31 March 2010 and the nine months ended 31 December 2010 (the “Relevant Periods”) for inclusion in the prospectus dated 25 May 2011 issued by the Company (the “Prospectus”).

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 3 December 2010. The Company has established a place of business in Hong Kong at Room 2703–08, Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong and was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part XI of the Hong Kong Companies Ordinance on 10 January 2011. Through a group reorganisation as more fully explained in the paragraph headed “Corporate reorganisation” in Appendix VI to the Prospectus (the “Group Reorganisation”), the Company has since 18 May 2011 become the holding company of the Group.

As at the date of this report, the Company has direct and indirect interests in the subsidiaries and associate as set out in notes 2 and 18 to the Financial Information respectively.

All the companies now comprising the Group have adopted 31 March as the financial year end date, except for Linkson Investment Limited which adopts 31 December as its financial year end date. We acted as auditor of all the companies now comprising the Group for the Relevant Periods except as disclosed below.

The statutory financial statements of Greater China Appraisal Limited and Greater China Corporate Consultancy & Services Limited for the year ended 31 March 2009 have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and were audited by Nelson Au Yeung & Co., Certified Public Accountants registered in Hong Kong, in accordance with Hong Kong Standards on Auditing issued by the HKICPA.

The statutory financial statements of Linkson Investment Limited for the years ended 31 December 2008 and 2009 have been prepared in accordance with HKFRSs and were audited by H. H. Liu & Co., Certified Public Accountants registered in Hong Kong, in accordance with Hong Kong Standards on Auditing issued by the HKICPA.

No audited financial statements of 漢華正立資本管理諮詢(北京)有限公司 have been prepared since operation as they are not yet due for statutory audit as at the date of this report.

No audited financial statements of New Valiant Limited, Fidelia Investments Limited, Best Aim Consultant Limited and Asset-Plus Global Limited have been prepared for the Relevant Periods as there is no statutory audit requirement in the place of its incorporation.

For the purpose of this report, the directors of the Company have prepared the consolidated financial statements of the Group for the Relevant Periods in accordance with HKFRSs (the “HKFRS Financial Statements”).

We have performed our independent audit on the HKFRS Financial Statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and have examined the HKFRS Financial Statements in accordance with Auditing Guideline 3.340 “Prospectuses and the Reporting Accountant” issued by the HKICPA.

The Financial Information has been prepared from the HKFRS Financial Statements in accordance with HKFRSs and on the basis of preparation set out in note 2 to the Financial Information. No adjustments were considered necessary for the purpose of preparing our report for inclusion in the Prospectus.

The directors of the Company are responsible for the preparation of the HKFRS Financial Statements and the contents of the Prospectus in which this report is included. It is our responsibility to compile the Financial Information set out in this report from the HKFRS Financial Statements, to form an independent opinion on the Financial Information and to report our opinion to you.

For the purpose of this report, the directors of the Company have prepared the comparative financial information of the Group for the nine months ended 31 December 2009 (the “Comparative Financial Information”) in accordance with HKFRSs and on the basis of preparation set out in note 2 to the Financial Information. We have reviewed the Comparative Financial Information in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review consists principally of making enquiries of the Group’s management and applying analytical procedures to the Comparative Financial Information and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the Comparative Financial Information.

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the Comparative Financial Information.

In our opinion, for the purpose of this report and on the basis of preparation set out in note 2 to the Financial Information, the Financial Information gives a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2009 and 2010 and 31 December 2010 and of the Group's results and cash flows for the Relevant Periods.

FINANCIAL INFORMATION

A. Combined Statements of Comprehensive Income

		Year ended 31 March		Nine months ended 31 December	
		2009	2010	2009	2010
	Note	HK\$'000	HK\$'000	HK\$'000 (unaudited)	HK\$'000
Turnover	7	25,654	50,870	33,134	44,951
Cost of services		(12,563)	(8,451)	(5,062)	(8,521)
Gross profit		13,091	42,419	28,072	36,430
Other income	8	619	743	321	1,962
Marketing expenses		(200)	(297)	(308)	(52)
Administrative expenses		(7,476)	(8,185)	(5,482)	(10,185)
Other operating expenses		(725)	(1,207)	(1,146)	(714)
Profit from operations		5,309	33,473	21,457	27,441
Finance costs	10	—	(1)	(1)	—
Profit before tax		5,309	33,472	21,456	27,441
Income tax expense	11	(897)	(3,808)	(2,409)	(2,779)
Profit for the year/period	12	4,412	29,664	19,047	24,662
Other comprehensive income:					
Exchange differences on translating foreign operations		—	—	—	9
Total comprehensive income for the year/period		<u>4,412</u>	<u>29,664</u>	<u>19,047</u>	<u>24,671</u>
Profit for the year/period attributable to:					
Owners of the Company		2,799	26,727	16,651	24,662
Non-controlling interests		<u>1,613</u>	<u>2,937</u>	<u>2,396</u>	—
		<u>4,412</u>	<u>29,664</u>	<u>19,047</u>	<u>24,662</u>
Total comprehensive income for the year/period attributable to:					
Owners of the Company		2,799	26,727	16,651	24,671
Non-controlling interests		<u>1,613</u>	<u>2,937</u>	<u>2,396</u>	—
		<u>4,412</u>	<u>29,664</u>	<u>19,047</u>	<u>24,671</u>
Earnings per share					
Basic (<i>HK cents</i>)	16	<u>0.75</u>	<u>7.13</u>	<u>4.44</u>	<u>6.58</u>

B. Combined Statements of Financial Position

		At 31 March		At
		2009	2010	31 December
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets				
Property, plant and equipment	17	629	406	1,156
Investment in an associate	18	—	—	—
		<u>629</u>	<u>406</u>	<u>1,156</u>
Current assets				
Trade receivables	19	4,707	29,373	13,559
Prepayments, deposits and other receivables		513	1,139	3,738
Amounts due from related parties	20	1,173	3,531	21,609
Pledged bank deposits	21	1,125	1,126	1,128
Bank and cash balances	21	<u>6,335</u>	<u>7,590</u>	<u>10,658</u>
		<u>13,853</u>	<u>42,759</u>	<u>50,692</u>
Current liabilities				
Trade payables	22	3,797	1,811	908
Accruals and other payables		934	2,317	1,074
Amounts due to related parties	23	683	53	5,235
Dividend payable		—	10,803	—
Current tax liabilities		<u>128</u>	<u>2,882</u>	<u>5,661</u>
		<u>5,542</u>	<u>17,866</u>	<u>12,878</u>
Net current assets		<u>8,311</u>	<u>24,893</u>	<u>37,814</u>
NET ASSETS		<u>8,940</u>	<u>25,299</u>	<u>38,970</u>
Capital and reserves				
Share capital	26	1,880	3,200	3,200
Reserves	27	<u>3,149</u>	<u>22,099</u>	<u>35,770</u>
Equity attributable to owners of the Company		5,029	25,299	38,970
Non-controlling interests		<u>3,911</u>	<u>—</u>	<u>—</u>
TOTAL EQUITY		<u>8,940</u>	<u>25,299</u>	<u>38,970</u>

C. Statement of Financial Position

		At
		31 December
		2010
	<i>Note</i>	<i>HK\$'000</i>
Current assets		
Due from a holding company		—
		=====
Capital and reserves		
Share capital	26	—
		=====

D. Combined Statements of Changes in Equity

	Attributable to owners of the Company							Total equity HK\$'000
	Share capital HK\$'000	Capital reserve (note 27(b)(ii)) HK\$'000	Exchange reserve (note 27(b)(i)) HK\$'000	Retained profits HK\$'000	Proposed dividend HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	
At 1 April 2008	1,880	(1,099)	—	1,964	366	3,111	2,917	6,028
Total comprehensive income for the year	—	—	—	2,799	—	2,799	1,613	4,412
Interim dividend declared by a subsidiary (note 15)	—	—	—	(515)	—	(515)	—	(515)
2008 final dividend paid by a subsidiary (note 15)	—	—	—	—	(366)	(366)	(619)	(985)
Changes in equity for the year	—	—	—	2,284	(366)	1,918	994	2,912
At 31 March 2009 and 1 April 2009	1,880	(1,099)	—	4,248	—	5,029	3,911	8,940
Total comprehensive income for the year	—	—	—	26,727	—	26,727	2,937	29,664
Interim dividend declared by subsidiaries (note 15)	—	—	—	(11,035)	—	(11,035)	(2,270)	(13,305)
Effect of group reorganisation	1,320	3,258	—	—	—	4,578	(4,578)	—
Changes in equity for the year	1,320	3,258	—	15,692	—	20,270	(3,911)	16,359
At 31 March 2010 and 1 April 2010	3,200	2,159	—	19,940	—	25,299	—	25,299
Total comprehensive income for the period	—	—	9	24,662	—	24,671	—	24,671
Interim dividend declared by a subsidiary (note 15)	—	—	—	(11,000)	—	(11,000)	—	(11,000)
Changes in equity for the period	—	—	9	13,662	—	13,671	—	13,671
At 31 December 2010	3,200	2,159	9	33,602	—	38,970	—	38,970
(Unaudited)								
At 31 March 2009 and 1 April 2009	1,880	(1,099)	—	4,248	—	5,029	3,911	8,940
Total comprehensive income for the period	—	—	—	16,651	—	16,651	2,396	19,047
Interim dividends paid by subsidiaries (note 15)	—	—	—	(1,470)	—	(1,470)	(1,032)	(2,502)
Changes in equity for the period	—	—	—	15,181	—	15,181	1,364	16,545
At 31 December 2009	1,880	(1,099)	—	19,429	—	20,210	5,275	25,485

E. Combined Statements of Cash Flows

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
			(unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	5,309	33,472	21,456	27,441
Adjustments for:				
Allowance for trade receivables	535	1,090	1,050	946
Reversal of allowance for trade receivables	—	—	—	(494)
Bad debts written off	—	15	—	262
Allowance on amounts due from related companies	190	102	96	—
Depreciation	216	262	212	181
Finance costs	—	1	1	—
Interest income	(71)	(15)	(15)	(17)
Operating profit before working capital changes	6,179	34,927	22,800	28,319
(Increase)/decrease in trade receivables	(551)	(25,771)	(14,367)	15,100
Decrease/(increase) in prepayments, deposits and other receivables	38	(160)	(62)	(2,599)
Increase/(decrease) in trade payables	552	(1,986)	(2,188)	(903)
(Decrease)/increase in accruals and other payables	(756)	917	(613)	(1,243)
Cash generated from operations	5,462	7,927	5,570	38,674
Income tax paid	(1,126)	(1,054)	—	—
Finance costs paid	—	(1)	(1)	—
Net cash generated from operating activities	4,336	6,872	5,569	38,674
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	71	15	15	17
Purchases of property, plant and equipment	(449)	(39)	(20)	(931)
Increase in pledged bank deposits	(17)	(1)	(1)	(2)
Proceeds from disposal of property, plant and equipment	1	—	—	—
Net cash used in investing activities	(394)	(25)	(6)	(916)
CASH FLOWS FROM FINANCING ACTIVITIES				
Decrease/(increase) in amounts due from related parties	250	(2,460)	(1,575)	(29,078)
Increase/(decrease) in amounts due to related parties	10	(630)	(14)	5,182
Dividends paid	(1,500)	(2,502)	(2,502)	(10,803)
Net cash used in financing activities	(1,240)	(5,592)	(4,091)	(34,699)
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,702	1,255	(1,472)	3,059
Effect of foreign exchange rate changes	—	—	—	9
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR/PERIOD	3,633	6,335	6,335	7,590
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	6,335	7,590	7,807	10,658
ANALYSIS OF CASH AND CASH EQUIVALENTS (note 21)				
Bank and cash balances	6,335	7,590	7,807	10,658

F. Notes to the Financial Information**1. GENERAL INFORMATION**

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 3 December 2010. The address of its registered office of the Cayman Islands is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is Room 2703-08, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 2 to the Financial Information.

In the opinion of the directors of the Company, as at the date of this report, Brilliant One Holdings Limited, a company incorporated in the British Virgin Islands ("B.V.I."), is the immediate parent; GC Holdings Limited, a company incorporated in the B.V.I., is the ultimate parent and Mr. Ip Kwok Kwong is the ultimate controlling party of the Company.

2. BASIS OF PREPARATION OF FINANCIAL INFORMATION

The companies now comprising the Group are under the common control of Mr. Ip Kwok Kwong (the "Controlling Shareholder"). Pursuant to the Group Reorganisation, the Company acquired the entire interests of New Valiant Limited and Fidelia Investments Limited and their subsidiaries on 18 May 2011 respectively by way of swap of shares, and the Company became the holding company of the Group.

During the period from 12 May 2008 to 25 January 2010, one of the subsidiaries, Greater China Corporate Consultancy & Services Limited, was owned beneficially as to 51% by GCA Holdings Limited, while BVD Corporate Consultancy & Services Limited, a company beneficially owned by Mr. Wong Chi Keung and Ms. Kwok Sin Man Vince, acted as the nominees of GCA Holdings Limited. Since GCA Holdings Limited was controlled by the Controlling Shareholder, Greater China Corporate Consultancy & Services Limited was also controlled by the Controlling Shareholder during the Track Record Period.

The Group Reorganisation is more fully explained in the paragraph headed "Corporate reorganisation" in Appendix VI to the Prospectus.

As the Company and the Group were both controlled by the Controlling Shareholder before and after the Group Reorganisation, the Group Reorganisation was accounted for as a business combination of entities under common control. The Financial Information has been prepared based on the principles and procedures of merger accounting in accordance with Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the HKICPA, as if the Group Reorganisation had occurred from the date when the combining entities first came under the control of the Controlling Shareholder.

The Financial information incorporates the financial statements of the combining entities as if they had been combined from the date when they first came under the control of the Controlling Shareholder.

The combined statements of comprehensive income and combined statements of cash flows include the results and cash flows of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The combined statements of financial position have been prepared to present the assets and liabilities of the combining entities as if the Group structure as at the date of this report had been in existence at the end of each reporting period. The net assets of the combining entities are combined using the existing book values from the Controlling Shareholder's perspective. No amount is recognised in respect of goodwill or gain on bargain purchase at the time of common control combination, to the extent of the continuation of the Controlling Shareholder's interest.

There was no adjustment made to the net assets nor the net profit or loss of any combining entities in order to achieve consistency of the Group's accounting policies.

At the date of this report, the Company had the following subsidiaries:

Name of subsidiary	Place/date of incorporation/ establishment	Issued and paid up capital	Percentage of ownership interest/ voting power/profit sharing			Principal activities
			At 31 March 2009	31 December 2010	At 31 December 2010	
Directly held:						
New Valiant Limited	B.V.I. 28 July 2010	50,000 ordinary shares of US\$1 each	—	—	100%	Investment holding
Fidelia Investments Limited	B.V.I. 12 November 2010	50,000 ordinary shares of US\$1 each	—	—	100%	Investment holding
Indirectly held:						
Greater China Appraisal Limited	Hong Kong 20 August 1997	1,600,000 ordinary shares of HK\$1 each	58.76%	100%	100%	Provision of asset appraisal services
Best Aim Consultant Limited	B.V.I. 2 February 2010	1 ordinary share of US\$1 each	—	100%	100%	Inactive
Asset-Plus Global Limited	B.V.I. 23 July 1997	2 ordinary shares of US\$1 each	100%	100%	100%	Provision of asset advisory services and corporate consultancy services
Greater China Corporate Consultancy & Services Limited	Hong Kong 15 November 2004	2 ordinary shares of HK\$1 each	51%	100%	100%	Provision of corporate services and consultancy
GCA Holdings Limited	Hong Kong 20 August 2004	1,600,000 ordinary shares of HK\$1 each	58.76%	100%	100%	Investment holding
Linkson Investment Limited (note (a))	Hong Kong 3 December 1999	2 ordinary shares of HK\$1 each	—	100%	100%	Sub-leasing of office
漢華正立資本管理諮詢 (北京)有限公司 Hanhua Zhenli Zi Ben Zi Xun (Beijing) Co., Ltd. (note (b))	The People's Republic of China ("PRC") 23 February 2010	Registered capital of HK\$200,000	—	100%	100%	Provision of consultancy services

Notes:

(a) Linkson Investment Limited was acquired by GCA Professional Services Group Limited (formerly known as "G C Associates Limited"), a company controlled by the Controlling Shareholder, on 23 February 2010. It first came under the control of the Controlling Shareholder since then.

(b) English names for identification purpose.

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

During the Relevant Periods, the Group has adopted all the new and revised HKFRSs that are relevant to its operations and effective for its accounting period beginning on 1 April 2010. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

4. SIGNIFICANT ACCOUNTING POLICIES

The Financial Information has been prepared in accordance with HKFRSs, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The Financial Information has been prepared under the historical cost convention.

The preparation of Financial Information in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise their judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to the Financial Information are disclosed in note 5 to the Financial Information.

The significant accounting policies applied in the preparation of the Financial Information are set out below.

(a) Consolidation

The Financial Information includes the financial statements of the Company and its subsidiaries made up to 31 March/31 December. Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated exchange reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly, or indirectly, to the Company. Non-controlling interests are presented in the combined statements of financial position and combined statements of changes in equity within equity. Non-controlling interests are presented in the combined statements of comprehensive income as an allocation of profit or loss and total comprehensive income for the period between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

(b) Merger accounting for business combination under common control

The Financial Information incorporates the financial statements of the combining entities as if they had been combined from the date when they first came under the control of the controlling party.

The combined statements of comprehensive income and combined statements of cash flows include the results and cash flows of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The combined statements of financial position have been prepared to present the assets and liabilities of the combining entities as if the current Group structure had been in existence at the end of each reporting period. The net assets of the combining entities are combined using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or gain on bargain purchase at the time of common control combination, to the extent of the continuation of the controlling party's interest.

(c) Business combination (other than under common control) and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, available-for-sale investment), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy (note 4(s)) below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

(d) Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policies of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has significant influence.

Investment in an associate is accounted for in the Financial Information by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of an associate's post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's share of the net assets of that associate plus any remaining goodwill relating to that associate and any related accumulated exchange reserve.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(e) Foreign currency translation*(i) Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Financial Information is presented in Hong Kong dollars, which is the Company's functional and presentation currency.

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in the exchange reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the exchange reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(f) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal useful lives are as follows:

Leasehold improvements	4 to 5 years
Furniture and equipment	5 years
Office equipment	4 to 5 years

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

(g) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

(h) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statements of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

(i) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the receivables' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in profit or loss.

Impairment losses are reversed in subsequent periods and recognised in profit or loss when an increase in the receivables' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

(j) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

(k) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out from notes 4(l) to 4(m) to the Financial Information.

(l) Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(m) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(n) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

Revenue from the provision of asset appraisal services and corporate services and consultancy is recognised when the services are rendered and the transactions can be measured reliably, and it is probable that the economic benefits associated with the transactions will flow to the Group. Revenue from progressively billed asset appraisal services is recognised by reference to the percentage of completion of the transaction. Revenue from appraisal services which are billed one-off are only recognised when it is

probable that the customers are willing to settle the billing, which generally coincide with the report issue dates. Revenue from the provision of corporate services and consultancy services with specified period is generally recognised on a straight-line basis over the period of services. Revenue from success-based corporate services and consultancy is recognised when the agreed financial targets as set out in the agreements such as turnover of the customers are met.

Revenue from the provision of asset advisory services is recognised when the revenue can be measured reliably, and it is probable that the economic benefits associated with the transactions will flow to the Group, i.e., fixed fee revenue is recognised when the relevant report incidental to the transactions, such as due diligence investigation, viability study and evaluation of the target investment, is issued, and success-based revenue is recognised when the customers receives or pays the considerations of the underlying transactions.

Sub-leasing income is recognised on a straight-line basis over the lease term.

Interest income is recognised on a time-proportion basis using the effective interest method.

(o) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all eligible employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

(iii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(p) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(q) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year/period. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(r) Related parties

A party is related to the Group if:

- (i) directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with, the Group; has an interest in the Group that gives it significant influence over the Group; or has joint control over the Group;
- (ii) the party is an associate;
- (iii) the party is a joint venture;
- (iv) the party is a member of the key management personnel of the Company or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);

- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Group, or of any entity that is a related party of the Group.

(s) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets except receivables to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(t) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(u) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the Financial Information. Events after the reporting period that are not adjusting events are disclosed in the notes to the Financial Information when material.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, are discussed below.

Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Allowances for bad and doubtful debts

The Group makes allowances for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed. If the financial conditions of the debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Income taxes

The Group is subject to income taxes. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has certain exposure to foreign currency risk as part of its business transactions, assets and liabilities are denominated in Renminbi and United States dollars.

The following tables detail the Group's major exposure at the end of the reporting periods to foreign currency risk arising from recognised assets or liabilities denominated in foreign currencies. For presentation purposes, the amounts of the exposure are shown in Hong Kong dollars, translated using the spot rates at the end of the reporting periods.

	At 31 March		At
	2009	2010	31 December
	HK\$'000	HK\$'000	2010
			HK\$'000
Denominated in United States dollars			
Bank and cash balances	104	9	12
Trade receivables	—	2,886	—
Total	104	2,895	12
Denominated in Renminbi			
Trade receivables	—	12,934	9,941

The following table indicates the instantaneous change in the Group's profit for the year/period that would have arisen if foreign exchange rates to which the Group has significant exposure at the end of the reporting periods had changed at those dates, assuming all other risk variables remained constant.

	At 31 March		At 31 December	
	2009	2010	2010	
	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in profit for the year HK\$'000	Increase/ (decrease) in profit for the year HK\$'000	Increase/ (decrease) in profit for the period HK\$'000
United States dollars	1% (1)%	1 (1)	24 (24)	— —
Renminbi	3% (3)%	— —	388 (388)	223 (223)

(b) Credit risk

The carrying amount of the pledged bank deposits, bank and cash balances, trade and other receivables, and amounts due from related parties included in the combined statements of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The Group has policies in place to ensure that services are provided to customers with an appropriate credit history. Amounts due from related parties are closely monitored by the directors.

The credit risk on pledged bank deposits and bank and cash balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has certain concentration of credit risk, as the Group's three largest debtors accounted for 36%, 75% and 79% of trade receivables as at 31 March 2009 and 2010 and 31 December 2010, respectively.

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis of the Group's financial liabilities is as follows:

	Less than 1 year <i>HK\$'000</i>	Between 1 and 2 years <i>HK\$'000</i>	Between 2 and 5 years <i>HK\$'000</i>	Over 5 years <i>HK\$'000</i>
At 31 December 2010				
Trade payables	908	—	—	—
Accruals and other payables	1,074	—	—	—
Amounts due to related parties	5,235	—	—	—
	Less than 1 year <i>HK\$'000</i>	Between 1 and 2 years <i>HK\$'000</i>	Between 2 and 5 years <i>HK\$'000</i>	Over 5 years <i>HK\$'000</i>
At 31 March 2010				
Trade payables	1,811	—	—	—
Accruals and other payables	2,317	—	—	—
Amounts due to related parties	53	—	—	—
Dividend payable	10,803	—	—	—
	Less than 1 year <i>HK\$'000</i>	Between 1 and 2 years <i>HK\$'000</i>	Between 2 and 5 years <i>HK\$'000</i>	Over 5 years <i>HK\$'000</i>
At 31 March 2009				
Trade payables	3,797	—	—	—
Accruals and other payables	934	—	—	—
Amounts due to related parties	683	—	—	—

(d) Interest rate risk

The Group's exposure to interest rate risk arises from its bank deposits. These deposits bear interest at variable rates varied with the then prevailing market condition.

As at 31 March 2009 and 2010 and 31 December 2010, it is estimated that a general increase/(decrease) of 100 basis points in interest rates, with all other variables held constant, would have increased/(decreased) the Group's profit for the year/period as follows:

	At 31 March		At
	2009	2010	31 December
	HK\$'000	HK\$'000	2010
			HK\$'000
Increase/(decrease) in interest rates			
100 basis points	62	62	61
(100) basis points	(62)	(62)	(61)

(e) Categories of the Group's financial instruments at the end of each reporting period

	At 31 March		At
	2009	2010	31 December
	HK\$'000	HK\$'000	2010
			HK\$'000
Financial assets:			
Loans and receivables (including cash and cash equivalents):			
Trade receivables	4,707	29,373	13,559
Deposits and other receivables	269	699	1,239
Amounts due from related parties	1,173	3,531	21,609
Pledged bank deposits	1,125	1,126	1,128
Bank and cash balances	6,335	7,590	10,658
	<u>13,609</u>	<u>42,319</u>	<u>48,193</u>
Financial liabilities:			
Financial liabilities at amortised cost:			
Trade payables	3,797	1,811	908
Accruals and other payables	934	2,317	1,074
Amounts due to related parties	683	53	5,235
Dividend payable	—	10,803	—
	<u>5,414</u>	<u>14,984</u>	<u>7,217</u>

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the combined statements of financial position approximate their respective fair values.

7. TURNOVER

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Asset appraisal services income	25,519	27,060	18,720	19,747
Asset advisory services income	—	20,197	14,400	22,674
Corporate services and consultancy income	<u>135</u>	<u>3,613</u>	<u>14</u>	<u>2,530</u>
	<u>25,654</u>	<u>50,870</u>	<u>33,134</u>	<u>44,951</u>

8. OTHER INCOME

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Exchange gain	—	—	—	314
Bank interest income	71	15	15	17
Reimbursement of out-of-pocket expenses	537	466	306	323
Other services income	11	159	—	—
Sub-leasing income	—	103	—	1,242
Others	<u>—</u>	<u>—</u>	<u>—</u>	<u>66</u>
	<u>619</u>	<u>743</u>	<u>321</u>	<u>1,962</u>

9. SEGMENT INFORMATION

The Group has two reportable segments as follows:

Asset advisory services and asset appraisal	—	Provision of asset appraisal and asset advisory services, including real estate and fixed asset appraisal, mineral property appraisal, business and intangible asset valuation, financial instrument and derivative valuation and advisory related to various types of assets in particular property in the PRC
Corporate services and consultancy	—	Provision of company secretarial services, human resource management and other administrative services, accounting and tax services, corporate communication and marketing services, corporate governance, internal control and enterprise risk management services, management consultancy services

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technical requirements and marketing strategies.

The accounting policies of the operating segments are the same as those described in note 4 to the Financial Information. Segment profits or losses do not include corporate income and expenses. Segment assets do not include corporate assets and amounts due from related parties. Segment liabilities do not include corporate liabilities, dividend payable and amounts due to related parties. Segment non-current assets do not include corporate property, plant and equipment.

The Group accounts for intersegment revenue and transfers as if the revenue or transfers were to third parties, i.e. at current market prices.

(a) **Information about reportable segment profit or loss, assets and liabilities:**

	Asset advisory services and asset appraisal	Corporate services and consultancy	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Nine months ended 31 December 2010			
Revenue from external customers	42,421	2,530	44,951
Segment profit	28,547	816	29,363
Interest revenue	17	—	17
Depreciation and amortisation	149	20	169
Staff costs	7,005	1,158	8,163
Income tax expense	2,779	—	2,779
Additions to segment non-current assets	113	715	828
As at 31 December 2010			
Segment assets	24,369	1,071	25,440
Segment liabilities	<u>7,257</u>	<u>386</u>	<u>7,643</u>
	Asset advisory services and asset appraisal	Corporate services and consultancy	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)	(unaudited)
Nine months ended 31 December 2009			
Revenue from external customers	33,120	14	33,134
Segment profit/(loss)	20,504	(133)	20,371
Interest revenue	15	—	15
Interest expense	1	—	1
Depreciation and amortisation	210	2	212
Staff costs	5,896	—	5,896
Income tax expense	2,409	—	2,409
Additions to segment non-current assets	20	—	20
As at 31 December 2009			
Segment assets	27,946	20	27,966
Segment liabilities	<u>4,344</u>	<u>124</u>	<u>4,468</u>

	Asset advisory services and asset appraisal <i>HK\$ '000</i>	Corporate services and consultancy <i>HK\$ '000</i>	Total <i>HK\$ '000</i>
Year ended 31 March 2010			
Revenue from external customers	47,257	3,613	50,870
Intersegment revenue	145	—	145
Segment profit	27,253	3,372	30,625
Interest revenue	15	—	15
Interest expense	1	—	1
Depreciation and amortisation	260	2	262
Staff costs	8,897	48	8,945
Income tax expense	3,808	—	3,808
Additions to segment non-current assets	35	4	39
As at 31 March 2010			
Segment assets	35,651	2,570	38,221
Segment liabilities	<u>6,333</u>	<u>214</u>	<u>6,547</u>
	Asset advisory services and asset appraisal <i>HK\$ '000</i>	Corporate services and consultancy <i>HK\$ '000</i>	Total <i>HK\$ '000</i>
Year ended 31 March 2009			
Revenue from external customers	25,519	135	25,654
Segment profit	6,125	78	6,203
Interest revenue	71	—	71
Depreciation and amortisation	214	2	216
Staff costs	8,296	—	8,296
Income tax expense	897	—	897
Additions to segment non-current assets	449	—	449
As at 31 March 2009			
Segment assets	13,168	140	13,308
Segment liabilities	<u>4,767</u>	<u>92</u>	<u>4,859</u>

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities:

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Revenue				
Total revenue of reportable segments	25,654	51,015	33,134	44,951
Elimination of intersegment revenue	—	(145)	—	—
Consolidated revenue	<u>25,654</u>	<u>50,870</u>	<u>33,134</u>	<u>44,951</u>

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Profit or loss				
Total profit of reportable segments	6,203	30,625	20,371	29,363
Elimination of intersegment profits	—	(249)	—	—
Unallocated amounts				
Corporate expenses	<u>(1,791)</u>	<u>(712)</u>	<u>(1,324)</u>	<u>(4,701)</u>
Consolidated profit for the year	<u>4,412</u>	<u>29,664</u>	<u>19,047</u>	<u>24,662</u>

	At 31 March		At 31 December
	2009	2010	2010
	HK\$'000	HK\$'000	HK\$'000
Segment assets			
Total assets of reportable segments	13,308	38,221	25,440
Unallocated amounts:			
Corporate assets	1	1,413	4,799
Amounts due from related parties	<u>1,173</u>	<u>3,531</u>	<u>21,609</u>
Consolidated total assets	<u>14,482</u>	<u>43,165</u>	<u>51,848</u>

	At 31 March		At 31 December
	2009	2010	2010
	HK\$'000	HK\$'000	HK\$'000
Segment liabilities			
Total liabilities of reportable segments	4,859	6,547	7,643
Unallocated amounts:			
Dividend payable	—	10,803	—
Corporate liabilities	—	463	—
Amounts due to related parties	<u>683</u>	<u>53</u>	<u>5,235</u>
Consolidated total liabilities	<u>5,542</u>	<u>17,866</u>	<u>12,878</u>

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Depreciation and amortisation				
Total depreciation and amortisation of reportable segments	216	262	212	169
Unallocated amounts				
Depreciation and amortisation of corporate assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>12</u>
Consolidated depreciation and amortisation	216	262	212	181

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Staff costs				
Total staff costs of reportable segments	8,296	8,945	5,896	8,163
Unallocated amounts				
Corporate staff costs	<u>2,314</u>	<u>2,542</u>	<u>1,357</u>	<u>4,292</u>
Consolidated staff costs	<u>10,610</u>	<u>11,487</u>	<u>7,253</u>	<u>12,455</u>

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000
			(unaudited)	
Additions to non-current assets				
Total additions to non-current assets of reportable segments	449	39	20	828
Unallocated amounts				
Additions to corporate non-current assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>103</u>
Consolidated additions to non-current assets	<u>449</u>	<u>39</u>	<u>20</u>	<u>931</u>

(c) Geographical information:

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Revenue				
Hong Kong	24,940	41,822	29,885	33,501
The PRC excluding Hong Kong	714	9,048	3,249	10,959
Others	—	—	—	491
Consolidated total	<u>25,654</u>	<u>50,870</u>	<u>33,134</u>	<u>44,951</u>
				At
	At 31 March		31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Non-current assets				
Hong Kong		629	406	1,156
The PRC excluding Hong Kong		—	—	—
Consolidated total		<u>629</u>	<u>406</u>	<u>1,156</u>

In presenting the geographical information, revenue is based on the locations of the customers.

(d) Revenue from major customers:

An analysis of revenue from major customers which account for over 10 percent or more of the Group's revenue is as follows:

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Asset advisory services and asset appraisal				
Customer a	NA	17,607	13,466	8,598
Customer b	NA	NA	NA	14,099
Corporate services and consultancy	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>

10. FINANCE COSTS

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Bank overdraft interest	<u>—</u>	<u>1</u>	<u>1</u>	<u>—</u>

11. INCOME TAX EXPENSE

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Current tax — Hong Kong Profits Tax				
Provision for the year/period	950	3,820	2,421	2,779
Overprovision in prior years	<u>(53)</u>	<u>(12)</u>	<u>(12)</u>	<u>—</u>
	<u>897</u>	<u>3,808</u>	<u>2,409</u>	<u>2,779</u>

Hong Kong Profits Tax has been provided at a rate of 16.5% based on the estimated assessable profit for the years ended 31 March 2009 and 2010 and the nine months ended 31 December 2009 and 2010.

Tax charges on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

The reconciliation between the income tax expense and the product of profit before tax multiplied by the Hong Kong Profits Tax rate is as follows:

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Profit before tax	<u>5,309</u>	<u>33,472</u>	<u>21,456</u>	<u>27,441</u>
Hong Kong Profits Tax rate	16.5%	16.5%	16.5%	16.5%
Tax at the Hong Kong Profits Tax rate	876	5,523	3,540	4,528
Tax effect of income that is not taxable	(12)	(1,953)	(1,187)	(1,920)
Tax effect of expenses that are not deductible	140	185	17	14
Tax effect of temporary differences not recognised	(41)	33	29	(62)
Overprovision in prior years	(53)	(12)	(12)	—
Tax effect of unused tax losses not recognised	—	32	22	223
Tax effect of utilisation of tax losses not previously recognised	<u>(13)</u>	<u>—</u>	<u>—</u>	<u>(4)</u>
Income tax expense	<u>897</u>	<u>3,808</u>	<u>2,409</u>	<u>2,779</u>

12. PROFIT FOR THE YEAR/PERIOD

The Group's profit for the year/period is stated after charging/(crediting) the following:

	Year ended 31 March		Nine months ended 31 December	
	2009	2010	2009	2010
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
			(unaudited)	
Auditor's remuneration	24	252	189	330
Allowance for trade receivables (<i>note 19</i>)	535	1,090	1,050	946
Reversal of allowance for trade receivables (<i>note 19</i>)	—	—	—	(494)
Bad debt written off	—	15	—	262
Depreciation	216	262	212	181
Directors' emoluments				
As directors	—	—	—	—
For management	1,528	1,590	857	1,794
	1,528	1,590	857	1,794
Exchange losses/(gain), net	15	3	1	(314)
Allowance for amounts due from related companies	190	102	96	—
Operating lease charges				
Land and buildings	1,137	1,389	818	1,949
Photocopier machines	23	23	17	17
	1,160	1,412	835	1,966
Staff costs including directors' emoluments				
Salaries, bonus and allowances	10,388	11,260	7,080	12,202
Retirement benefit scheme contributions	222	227	173	253
	10,610	11,487	7,253	12,455

13. EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

(a) Directors' emoluments

The emoluments of each of the Company's director were as follows:

Name of director	Fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Retirement benefit scheme contributions HK\$'000	Discretionary bonus HK\$'000	Total HK\$'000
Nine months ended 31 December 2010					
<i>Executive Directors</i>					
Mr. Ip Kwok Kwong	—	1,784	9	—	1,793
Mr. Leung Siu Hong	—	1	—	—	1
<i>Independent non-executive Directors</i>					
Mr. Au-Yang Cheong Yan Peter	—	—	—	—	—
Mr. Wan Kam To	—	—	—	—	—
Mr. Wu Chi Keung	—	—	—	—	—
Total	—	1,785	9	—	1,794
Nine months ended 31 December 2009 (unaudited)					
<i>Executive Directors</i>					
Mr. Ip Kwok Kwong	—	848	9	—	857
Mr. Leung Siu Hong	—	—	—	—	—
<i>Independent non-executive Directors</i>					
Mr. Au-Yang Cheong Yan Peter	—	—	—	—	—
Mr. Wan Kam To	—	—	—	—	—
Mr. Wu Chi Keung	—	—	—	—	—
Total	—	848	9	—	857
Year ended 31 March 2010					
<i>Executive Directors</i>					
Mr. Ip Kwok Kwong	—	1,153	12	350	1,515
Mr. Leung Siu Hong	—	—	—	75	75
<i>Independent non-executive Directors</i>					
Mr. Au-Yang Cheong Yan Peter	—	—	—	—	—
Mr. Wan Kam To	—	—	—	—	—
Mr. Wu Chi Keung	—	—	—	—	—
Total	—	1,153	12	425	1,590

Name of director	Fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Retirement benefit scheme contributions HK\$'000	Discretionary bonus HK\$'000	Total HK\$'000
Year ended 31 March 2009					
<i>Executive Directors</i>					
Mr. Ip Kwok Kwong	—	1,253	12	210	1,475
Mr. Leung Siu Hong	—	—	—	53	53
<i>Independent non-executive Directors</i>					
Mr. Au-Yang Cheong Yan Peter	—	—	—	—	—
Mr. Wan Kam To	—	—	—	—	—
Mr. Wu Chi Keung	—	—	—	—	—
Total	—	1,253	12	263	1,528

Save as disclosed above, there was no arrangement under which a director waived or agreed to waive any emoluments during the Relevant Periods.

(b) Five highest paid individuals' emoluments

The five highest paid individuals in the Group included 1 director each for the years ended 31 March 2009 and 2010 and the nine months ended 31 December 2009 and 2010 respectively. Details of those emoluments have been disclosed above. Details of the emoluments of the remaining highest paid individuals during the Relevant Periods are set out below:

	Year ended 31 March		Nine months ended	
	2009	2010	31 December	2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(unaudited)	
Salaries and allowances	2,424	2,292	1,794	2,064
Discretionary bonus	207	585	—	—
Retirement benefit scheme contributions	48	48	27	30
	<u>2,679</u>	<u>2,925</u>	<u>1,821</u>	<u>2,094</u>

The emoluments fell within the following bands:

	Year ended 31 March		Nine months ended	
	2009	2010	31 December	2010
			(unaudited)	
Nil to HK\$1,000,000	3	3	4	4
HK\$1,000,001 to HK\$1,500,000	<u>1</u>	<u>1</u>	<u>—</u>	<u>—</u>

- (c) No remunerations were paid by the Group to any of the directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the Relevant Periods.

14. RETIREMENT BENEFIT SCHEMES

The Group operates a mandatory provident fund scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group’s contributions to the MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of contribution of HK\$1,000 per employee and vest fully with employees when contributed into the MPF Scheme.

Eligible employees of the Group’s subsidiaries established in the PRC are members of a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of the employees’ basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme is to meet the required contributions under the scheme.

15. DIVIDENDS

	<i>Note</i>	Year ended 31 March		Nine months ended 31 December	
		2009	2010	2009	2010
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
				(unaudited)	
Interim	(a)	<u>515</u>	<u>13,305</u>	<u>2,502</u>	<u>11,000</u>

Note:

- (a) Interim dividends of HK\$1.5641 and HK\$1.8769 per ordinary share of Greater China Appraisal Limited, totalling approximately HK\$2,502,500 and HK\$3,003,000 respectively, were declared and distributed to its then shareholders for the year ended 31 March 2010. Included in the dividends were approximately HK\$859,000 and HK\$1,031,000 paid to Asset-Plus Global Limited, a company comprising the Group, which was also one of the shareholders of Greater China Appraisal Limited at the date of distribution. Upon the receipt of dividend, Asset-Plus Global Limited distributed the same as interim dividend to its then shareholder.

In addition to the above, interim dividends of HK\$257,500, HK\$3,900,000 and HK\$5,500,000 per ordinary share of Asset-Plus Global Limited, totalling approximately HK\$515,000, HK\$7,800,000 and HK\$11,000,000 respectively, were declared and distributed to its then shareholder for the years ended 31 March 2009 and 2010 and the nine months ended 31 December 2010.

- (b) A final dividend of HK\$0.9375 per ordinary share of Greater China Appraisal Limited, totalling approximately HK\$1,500,000, was proposed for the year ended 31 March 2008 and was paid to its then shareholder in 2009. Included in the dividend was approximately HK\$515,000 paid to Asset-Plus Global Limited, a company comprising the Group, which was also one of the shareholders of Greater China Appraisal Limited at the date of distribution. Upon the receipt of the dividend, Asset-Plus Global Limited declared and distributed the same to its then shareholders as set out in note (a) above.

16. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to owners of the Company for the years ended 31 March 2009 and 2010 and the nine months ended 31 December 2010 is based on the combined profit attributable to owners of the Company for each of the reporting period and the assumption that 375,000,000 shares of the Company are in issued and issuable, comprising 1,000 shares in issue as at the date of the Prospectus and

374,999,000 shares to be issued pursuant to the capitalisation issue as more fully described in the section headed “Written resolutions of the sole Shareholder” in Appendix VI to the Prospectus, as if the entire shares were outstanding throughout the entire Relevant periods.

No diluted earnings per share are presented as the Company did not have any dilutive potential ordinary shares during the Relevant Periods.

17. PROPERTY, PLANT AND EQUIPMENT

Group

	Leasehold improvements <i>HK\$'000</i>	Furniture and equipment <i>HK\$'000</i>	Office equipment <i>HK\$'000</i>	Total <i>HK\$'000</i>
Cost				
At 1 April 2008	399	211	656	1,266
Additions	—	10	439	449
Disposals	—	—	(5)	(5)
At 31 March 2009 and 1 April 2009	399	221	1,090	1,710
Additions	—	—	39	39
At 31 March 2010 and 1 April 2010	399	221	1,129	1,749
Additions	354	121	456	931
At 31 December 2010	753	342	1,585	2,680
Accumulated depreciation				
At 1 April 2008	215	173	481	869
Charge for the year	80	17	119	216
Disposals	—	—	(4)	(4)
At 31 March 2009 and 1 April 2009	295	190	596	1,081
Charge for the year	79	16	167	262
At 31 March 2010 and 1 April 2010	374	206	763	1,343
Charge for the period	20	10	151	181
At 31 December 2010	394	216	914	1,524
Carrying amount				
At 31 December 2010	359	126	671	1,156
At 31 March 2010	25	15	366	406
At 31 March 2009	104	31	494	629

18. INVESTMENT IN AN ASSOCIATE

Group

	At 31 March		At
	2009	2010	31 December
	HK\$'000	HK\$'000	2010
			HK\$'000
Unlisted investment	—	—	—
Share of net assets less impairment	—	—	—

Details of the Group's associate at 31 March 2009 and 2010 and 31 December 2010 are as follows:

Name	Place of incorporation/ registration	Issued and paid up capital	Percentage of ownership interest/ voting power/ profit sharing	Principal activities
北京漢華信誠資產顧問 有限公司*	PRC	Registered capital of US\$60,000	50%	Inactive

* The business licence has been suspended since 18 July 2008.

Summarised financial information in respect of the Group's associate according to their management financial statements is set out below:

	At 31 March		At
	2009	2010	31 December
	HK\$'000	HK\$'000	2010
			HK\$'000
Total assets	92	78	81
Total liabilities	(832)	(835)	(869)
Net liabilities	(740)	(757)	(788)
Group's share of associate's net liabilities	(370)	(378)	(394)

	Year ended 31 March		Nine months ended	
	2009	2010	31 December	2010
	HK\$'000	HK\$'000	2009	2010
			HK\$'000	HK\$'000
			(unaudited)	
Total revenue	—	—	—	—
Total loss for the year/period	(17)	(14)	(13)	(1)
Group's share of associate's loss for the year/period	—	—	—	—

No share of associate's taxation is included in the Group's share of associate's loss for the Relevant Periods.

19. TRADE RECEIVABLES

The Group's trading terms with customers are mainly on credit. During the Relevant Periods, the credit terms generally range from 14 to 30 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

The Group's aging analysis of trade receivables, based on invoice date, and net of allowance, is as follows:

	At 31 March		At
	2009	2010	31 December 2010
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
0 to 30 days	676	4,292	6,066
31 to 90 days	1,555	8,811	1,216
91 to 180 days	1,106	2,773	5,452
Over 180 days	<u>1,370</u>	<u>13,497</u>	<u>825</u>
	<u>4,707</u>	<u>29,373</u>	<u>13,559</u>

Reconciliation of allowance for trade receivables during the Relevant Periods is set out below:

	At 31 March		At
	2009	2010	31 December 2010
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At beginning of year/period	—	535	1,625
Allowance for the year/period	535	1,090	946
Reversal upon settlement for the year/period	—	—	(345)
Reversal upon write off of receivables for the year/period	<u>—</u>	<u>—</u>	<u>(149)</u>
At end of year/period	<u>535</u>	<u>1,625</u>	<u>2,077</u>

As at 31 March 2009 and 2010 and 31 December 2010, trade receivables of approximately HK\$4,498,000, HK\$25,598,000 and HK\$7,759,000 were past due but not impaired. These relate to a number of independent customers to whom there is no recent history of default. An aging analysis of these trade receivables is as follows:

	At 31 March		At
	2009	2010	31 December 2010
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Up to 3 months	2,053	10,752	6,552
3 to 6 months	1,125	1,363	426
Over 6 months	<u>1,320</u>	<u>13,483</u>	<u>781</u>
	<u>4,498</u>	<u>25,598</u>	<u>7,759</u>

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

	At 31 March		At
	2009	2010	31 December
	HK\$'000	HK\$'000	2010
			HK\$'000
United States dollars	—	2,886	—
Hong Kong dollars	4,707	13,553	3,618
Renminbi	—	12,934	9,941
Total	<u>4,707</u>	<u>29,373</u>	<u>13,559</u>

The carrying amounts of trade receivables remained unsettled as at the date of this report are as follows:

	At 31 March		At
	2009	2010	31 December
	HK\$'000	HK\$'000	2010
			HK\$'000
Outstanding trade receivables	<u>948</u>	<u>130</u>	<u>976</u>

20. AMOUNTS DUE FROM RELATED PARTIES

Group

		At 31 March		At
		2009	2010	31 December
		HK\$'000	HK\$'000	2010
	Note			HK\$'000
Due from ultimate parent	(a)	391	391	—
Due from related companies under common control of the Controlling Shareholder	(a)	—	27	21,583
Due from a non-controlling shareholder	(b) & (c)	469	469	—
Due from related companies under control of non-controlling shareholders	(b) & (c)	122	26	26
Due from directors	(d)	<u>191</u>	<u>2,618</u>	<u>—</u>
		<u>1,173</u>	<u>3,531</u>	<u>21,609</u>

- (a) Details of the amount due from ultimate parent and related companies under common control of the Controlling Shareholder disclosed pursuant to section 161B of the Hong Kong Companies Ordinance are as follows:

Name	Name of director having beneficial interest	At			At			Maximum amount outstanding during the year/period ended
		1 April	At 31 March		31 December	31 March		31 December
		2008	2009	2010	2010	2009	2010	2010
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Ultimate parent								
GC Holdings Limited	Mr. Ip Kwok Kwong	391	391	391	—	391	391	391
Related companies under common control of the Controlling Shareholder								
GCA Professional Services Group Limited	Mr. Ip Kwok Kwong and Mr. Leung Siu Hong	—	—	27	21,552	—	27	21,552
Greater China Capital Limited		—	—	—	31	—	—	773
		<u>—</u>	<u>—</u>	<u>27</u>	<u>21,583</u>	<u>—</u>	<u>27</u>	<u>773</u>

The amounts due from ultimate parent and related companies under common control of the Controlling Shareholder are unsecured, interest-free and have no fixed repayment terms.

- (b) The amounts due from a non-controlling shareholder and related companies under control of non-controlling shareholders are unsecured, interest-free and have no fixed repayment terms.
- (c) The non-controlling shareholders, representing Mr. Cheng Kam Por and Mr. Wong Chi Keung, have significant influence in the Company.

Mr. Cheng Kam Por has 29.32% equity interests in Greater China Appraisal Limited and GCA Holdings Limited as at 31 March 2009. Mr. Cheng Kam Por also has 29.32% equity interests in Smart Pick Investments Limited which in turn holds 51% equity interests in Genius Ideas International Ltd. Genius Ideas International Ltd. has 73% equity interest in the companies forming the Group as at 31 March 2010 and 31 December 2010. Mr. Cheng Kam Por also participates in the operation. He is therefore regarded as a non-controlling shareholder having significant influence in the Group.

Mr. Wong Chi Keung has equity interest in the Group through his 100% equity interests in Easy Gain Development Limited which had 42.88% equity interest in Genius Ideas International Ltd. He also participates in the operation. He is therefore regarded as a non-controlling shareholder having significant influence in the Group.

- (d) Details of the amounts due from directors disclosed pursuant to section 161B of the Hong Kong Companies Ordinance are as follows:

Name	Terms	At 1 April 2008	At 31 March 2009	At 31 March 2010	At 31 December 2010	Maximum amount outstanding during the year/period ended		
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	31 March 2009	31 March 2010	31 December 2010
Mr. Ip Kwok Kwong	Unsecured, no fixed repayment terms and interest-free	—	—	2,427	—	—	2,427	2,427
Mr. Leung Siu Hong	Unsecured, no fixed repayment terms and interest-free	191	191	191	—	191	191	191
		<u>191</u>	<u>191</u>	<u>2,618</u>	<u>—</u>			

- (e) The amounts due from related parties have been settled before the date of this report.

21. PLEDGED BANK DEPOSITS AND BANK AND CASH BALANCES

The Group's pledged bank deposits represented deposits pledged to banks to secure banking facilities granted to the Group as set out in note 25 to the Financial Information. The deposits are denominated in Hong Kong dollars and arranged at fixed interest rate of 0.35% per annum, 0.07% per annum and 0.28% per annum as at 31 March 2009 and 2010 and 31 December 2010 respectively, and therefore expose the Group to fair value interest rate risk.

The Group's cash and cash equivalents are as follows:

	At 31 March 2009	At 31 March 2010	At 31 December 2010
	HK\$'000	HK\$'000	HK\$'000
Cash on hand	4	4	196
Cash at bank	<u>6,331</u>	<u>7,586</u>	<u>10,462</u>
Cash and cash equivalents in the combined statements of cash flows	<u>6,335</u>	<u>7,590</u>	<u>10,658</u>

The Group's cash and cash equivalents are denominated in the following currencies:

	At 31 March 2009	At 31 March 2010	At 31 December 2010
	HK\$'000	HK\$'000	HK\$'000
Australian dollars	—	—	1
Renminbi	—	—	175
United States dollars	104	9	12
Hong Kong dollars	<u>6,231</u>	<u>7,581</u>	<u>10,470</u>
	<u>6,335</u>	<u>7,590</u>	<u>10,658</u>

Conversion of Renminbi into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

22. TRADE PAYABLES

The aging analysis of the Group's trade payables is as follows:

	At 31 March		At
	2009	2010	31 December
	HK\$'000	HK\$'000	2010
			HK\$'000
0–90 days	2,644	1,339	770
91–180 days	15	—	—
181–365 days	33	46	—
Over 365 days	<u>1,105</u>	<u>426</u>	<u>138</u>
	<u>3,797</u>	<u>1,811</u>	<u>908</u>

The Group's trade payables are denominated in Hong Kong dollars.

23. AMOUNTS DUE TO RELATED PARTIES

Group

	At 31 March		At
	2009	2010	31 December
	HK\$'000	HK\$'000	2010
			HK\$'000
Due to a director	621	5	235
Due to a non-controlling shareholder	48	48	497
Due to a related company under common control of the Controlling Shareholder	—	—	3,689
Due to related companies under control of non-controlling shareholders	<u>14</u>	<u>—</u>	<u>814</u>
	<u>683</u>	<u>53</u>	<u>5,235</u>

The amounts due to a director, a non-controlling shareholder, a related company under common control of the Controlling Shareholder, and related companies under control of non-controlling shareholders are unsecured, interest-free and repayable on demand.

The amounts due to related parties were settled upon at the date of this report.

24. DEFERRED TAX

No provision for deferred taxation has been made in the Financial Information as the tax effect of temporary differences is immaterial to the Group.

The Group has unused tax losses of approximately HK\$534,000, HK\$729,000 and HK\$2,060,000 at 31 March 2009 and 2010 and 31 December 2010 respectively available for offset against future profits. No deferred tax asset has been recognised in respect of these tax losses due to the unpredictability of future profit streams. All tax losses may be carried forward indefinitely.

Temporary differences arising in connection with interests in subsidiaries and associate are insignificant.

25. BANKING FACILITIES

As at the end of each reporting period, the Group had banking facilities in respect of bank overdraft and credit card facilities of approximately HK\$1.8 million and HK\$0.1 million respectively. The Group's banking facilities were secured by the following:

- (i) Joint personal guarantee of a director of the Company, Mr. Ip Kwok Kwong, and a non-controlling shareholder, Mr. Cheng Kam Por; or
- (ii) Pledged bank deposits of approximately HK\$1,000,000 of the Group.

No provision for the utilised banking facilities has been made in the financial statements as the amounts are immaterial to the Group.

Subsequent to 31 December 2010, the banking facilities had been cancelled.

26. SHARE CAPITAL

	The Company	
	Number of shares	Amount HK\$
<i>Authorised</i>		
38,000,000 ordinary shares of HK\$0.01 each	<u>38,000,000</u>	<u>380,000</u>
<i>Issued and fully paid</i>		
1 ordinary share of HK\$0.01 each	<u>1</u>	<u>0.01</u>

The Company was incorporated in the Cayman Islands under the Companies Law of the Cayman Islands as an exempted company with limited liability on 3 December 2010. At the date of incorporation, the authorised share capital of the Company was HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each. Following its incorporation, one share was allotted and issued to a subscriber, and was transferred to Brilliant One Holdings Limited on 3 December 2010. Details of movement of share capital of the Company subsequent to the date of incorporation are set out in Appendix VI to the Prospectus.

For the purpose of this report, the share capital presented in the combined statement of financial position as at 31 March 2009 represented the aggregate nominal value of the issued and paid up share capital of Greater China Appraisal Limited, Greater China Corporate Consultancy & Services Limited, GCA Holdings Limited and Asset-Plus Global Limited attributable to the Controlling Shareholder of the Company, Mr. Ip Kwok Kwong. On 25 January 2010, GCA Professional Services Group Limited, a company under the control of the Controlling Shareholder, acquired the entire share capital of Greater China Appraisal Limited, Greater China Corporate Consultancy & Services Limited, and GCA Holdings Limited, and on 29 March 2010, GCA Professional Services Group Limited acquired the entire share capital of Asset-Plus Global Limited. The share capital was therefore increased by the nominal value of the issued and paid up share capital of Greater China Appraisal Limited, Greater China Corporate Consultancy & Services Limited, GCA Holdings Limited and Asset-Plus Global Limited originally attributable to the non-controlling shareholders immediately after the acquisition. On 23 February 2010, GCA Professional Services Group Limited acquired the entire equity in Linkson Investment Limited. The share capital was further increased by the nominal value of the issued and paid up share capital of Linkson Investment Limited. The share capital presented in the combined statements of financial position as at 31 March 2010 and 31 December 2010 represented the entire nominal value of the issued and paid up share capital of Greater China Appraisal Limited, Greater China Corporate Consultancy & Services Limited, GCA Holdings Limited, Asset-Plus Global Limited and Linkson Investment Limited.

The Group manages its capital to maintain an optimal capital structure so as to maximise the return to its shareholders, to protect the interests of its shareholders, safeguard the Group's ability to continue as a going concern and to be able to service its debts when they are due. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, obtain various forms of debt/equity financing available in the market at an appropriate cost when necessary.

The capital structure of the Group consists of debt, which comprises mostly the loans from shareholders and with immaterial borrowings as disclosed in note 25, cash and cash equivalents and shareholders' equity.

Management reviews the capital structure on a quarterly basis. As a part of this review, management considers the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

The Group's overall strategy remains unchanged during the Relevant Periods.

27. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein are presented in the combined statements of changes in equity.

(b) Nature and purpose of reserves

(i) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations as well as the effective portion of any foreign exchange differences arising from hedges of the net investment in these foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 4(e)(iii) to the Financial Information.

(ii) Capital reserve

The capital reserve of the Group represents (i) the original investment costs in the Greater China Appraisal Limited and GCA Holdings Limited incurred by the Group, and (ii) the non-controlling interests in the retained profits of Greater China Appraisal Limited and GCA Holdings Limited acquired by GCA Professional Services Group Limited upon a group reorganisation in 2010.

28. NOTES TO THE COMBINED STATEMENTS OF CASH FLOWS

The Group had a business combination for the year ended 31 March 2010.

On 23 February 2010, the Group obtained control of Linkson Investment Limited by acquiring its entire issued share capital at a cash consideration of HK\$2. Linkson Investment Limited was engaged in sub-leasing of office during the year ended 31 March 2010 and the nine months ended 31 December 2010. The acquisition is for the purpose of securing the tenancy agreement of the office of the Group.

The fair value of the identifiable assets and liabilities of Linkson Investment Limited acquired as at their respective dates of acquisition is as follows:

	Linkson Investment Limited <i>HK\$'000</i>
Fair value of net assets acquired:	
Prepayments, deposits and other receivables	466
Accruals and other payables	<u>(466)</u>
	<u>—</u>
Satisfied by:	
Cash	<u>—</u>
Net cash outflow arising on acquisition:	
Cash consideration paid	<u>—</u>

The contributions of turnover and profit to the Group since the date of acquisition of Linkson Investment Limited up to 31 March 2010 are as follows:

	Linkson Investment Limited <i>HK\$'000</i>
Turnover contribution	—
Loss contribution	<u>(19)</u>

If the acquisition of Linkson Investment Limited had been completed on 1 April 2009, total Group turnover and profit for the year ended 31 March 2010 would have been as follows:

	Year ended 31 March 2010 <i>HK\$'000</i>
Turnover	51,179
Profit	<u>31,670</u>

The pro forma information is for illustrative purposes only and is not necessarily an indication of the turnover and results of operations of the Group that actually would have been achieved had the acquisition of Linkson Investment Limited been completed on 1 April 2009, nor is intended to be a projection of future results.

29. CONTINGENT LIABILITIES

During the Relevant Periods, one of the subsidiaries of the Group has performed services in the PRC. According to the law and regulation of the PRC, the revenue derived from these services, if the service recipient is located in the PRC, was technically subject to the PRC Business Tax. No Business Tax has been demanded and therefore not been paid. All except one engagement letters with the customers contain a clause that the fees received by the Group are free from applicable taxation. In addition, the Controlling Shareholder and a non-controlling shareholder have provided indemnity for any tax liability incurred by any member of the Group at any time on or prior to the date of listing of the Company. The amount of Business Tax underpaid during the Relevant Periods was approximately HK\$0.6 million, of which HK\$0.4 million was covered by the said clause of the engagement letters. A possible penalty ranging from 50% to five times of the Business Tax underpaid may be levied. In view of the immateriality, and that the exposure is either covered by the said clause of the engagement letters or the indemnity from the shareholders, the directors regard that no provision for the Business Tax is required. The directors also regard that it is not probable to have material net cash outflows from the Group in this connection.

Apart from the above, as at 31 March 2009 and 2010 and 31 December 2010, the Group did not have any significant contingent liabilities.

30. CAPITAL COMMITMENTS

As at 31 March 2009 and 2010 and 31 December 2010, the Group did not have any significant capital commitments.

31. LEASE COMMITMENTS

The Group's total future minimum lease payments under non-cancellable operating leases are payable as follows:

	At 31 March		At
	2009	2010	31 December
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Within one year	1,992	5,125	4,140
In the second to fifth years, inclusive	<u>63</u>	<u>5,408</u>	<u>3,677</u>
	<u><u>2,055</u></u>	<u><u>10,533</u></u>	<u><u>7,817</u></u>

Operating lease payments represent rentals payable by the Group for certain of its staff quarter and offices and photocopier machines. Leases are negotiated for terms ranging from one to five years and rentals are fixed over the lease terms and do not include contingent rentals.

32. RELATED PARTY TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the notes to the Financial Information, the Group had the following transactions with its related parties during the year/period:

	Name of directors/ close family members/ non-controlling shareholders having beneficial interest	Year ended 31 March		Nine months ended 31 December	
		2009	2010	2009	2010
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
				(unaudited)	
Asset appraisal income from related companies					
— Path Immigration Consultant Limited	Mr. Ip Kwok Kwong and Mr. Cheng Kam Por	—	—	—	26
— Greater China Capital Limited	Mr. Ip Kwok Kwong, Mr. Leung Siu Hong, Mr. Cheng Kam Por and Mr. Wong Chi Keung	—	—	—	147
— KP Cheng & Co., Certified Public Accountants	Mr. Cheng Kam Por	—	—	—	30
Allowance on trade receivables due from a related company					
— Path Immigration Consultant Limited (<i>note ii</i>)	Mr. Ip Kwok Kwong and Mr. Cheng Kam Por	—	—	—	24
Allowance on amounts due from related companies					
— 廣州市環華企業顧問有限公司	Mr. Wong Chi Keung	—	96	96	—
— GC International Holdings Limited	Mr. Wong Chi Keung	190	6	—	—
Corporate services and consultancy income from related companies					
— Greater China Capital Limited	Mr. Ip Kwok Kwong, Mr. Leung Siu Hong, Mr. Cheng Kam Por and Mr. Wong Chi Keung	—	—	—	420
— GCA Professional Services Group Limited	Mr. Ip Kwok Kwong, Mr. Leung Siu Hong, Mr. Cheng Kam Por and Mr. Wong Chi Keung	—	—	—	360
— Prosperity Management Services Limited	Prosperity Investment Holdings Limited	—	—	—	99

	Name of directors/ close family members/ non-controlling shareholders having beneficial interest	Year ended 31 March		Nine months ended 31 December	
		2009	2010	2009	2010
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
				(unaudited)	
Rental income from related companies					
— KP Cheng & Co., Certified Public Accountants	Mr. Cheng Kam Por	—	—	—	307
— Prosperity Management Services Limited	Prosperity Investment Holdings Limited	—	—	—	123
Purchase of Property, plant and equipment from a related company					
— Prosperity Management Services Limited	Prosperity Investment Holdings Limited	—	—	—	43
Rent paid to a related company					
— Mega Treasure (HK) Limited	Mr. Cheng Kam Por	1,074	1,335	984	571
— Path Immigration Consultant Limited	Mr. Ip Kwok Kwong and Mr. Cheng Kam Por	—	—	—	73
Data research fee paid to a related company					
— ChinaDataBank Limited	Mr. Ip Kwok Leung (note i)	720	720	540	—
Subcontracting charges and commission paid to related parties					
— Mr. Leung Siu Hong (included in directors' emoluments)	Mr. Leung Siu Hong	—	—	—	1
— KP Cheng & Co., Certified Public Accountants	Mr. Cheng Kam Por	—	102	64	—
— KL Partnership Limited	Mr. Leung Siu Hong	18	—	—	—
— Mr. Cheng Kam Por	Mr. Cheng Kam Por	—	13	—	21
— Mr. Ip Kwok Kwong (included in directors' emoluments)	Mr. Ip Kwok Kwong	<u>293</u>	<u>193</u>	<u>128</u>	<u>164</u>

Notes:

- (i) Mr. Ip Kwok Leung is a brother of the Controlling Shareholder, Mr. Ip Kwok Kwong.
- (ii) Allowance was made on trade receivables which were not recoverable due to cancellation of the services.

Included in trade payables are subcontracting charges of approximately HK\$100,000 payable to a related company, KL Partnership Limited, as at 31 March 2009. A director, Mr. Leung Siu Hong, has beneficial interest in KL Partnership Limited.

Included in trade payables are commission of approximately HK\$110,000, HK\$150,000 and HK\$39,000 payable to a director, Mr. Ip Kwok Kwong, as at 31 March 2009, 2010 and 31 December 2010 respectively.

Included in prepayments, deposits and other receivables are rental deposits and prepayments of approximately HK\$350,000 and HK\$358,000 paid to a related company, Mega Treasure (HK) Limited, as at 31 March 2009 and 2010 respectively. A non-controlling shareholder, Mr. Cheng Kam Por, has beneficial interest in Mega Treasure (HK) Limited.

The key management personnel compensation paid by the Group is disclosed in note 13 to the Financial Information.

The joint personal guarantee provided by a director and a non-controlling shareholder is disclosed in note 25 to the Financial Information.

33. EVENTS AFTER THE REPORTING PERIOD

- (a) Subsequent to 31 December 2010 and prior to the date of this report, in preparation for the listing of the shares of the Company on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the Group underwent a Group Reorganisation, details of which are set out in the paragraphs headed "Corporate reorganisation" in Appendix VI of the Prospectus.
- (b) On 18 May 2011, resolutions of all shareholders of the Company were passed to approve the matters set out in paragraph headed "Written resolutions of the sole Shareholder" in Appendix VI to the Prospectus.
- (c) Subsequent to 31 December 2010, the banking facilities had been cancelled.
- (d) On 9 May 2011, a special dividend of HK\$8.125 per ordinary share of Greater China Appraisal Limited and HK\$8,500,000 per ordinary share of Asset-Plus Global Limited, totalling approximately HK\$13,000,000 and HK\$17,000,000 respectively, were approved by their boards of directors and distributed to their then immediate holding company, GCA Professional Services Group Limited, for the year ending 31 March 2012. After setting off with the amounts due from/to GCA Professional Services Group Limited, a net amount of approximately HK\$6.8 million was paid to it on 19 May 2011.

34. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company or any of the companies now comprising the Group in respect of any period subsequent to 31 December 2010.

Yours faithfully,
RSM Nelson Wheeler
Certified Public Accountants
Hong Kong

For illustrative purpose only, the pro forma financial information prepared in accordance with paragraph 31 of Chapter 7 of the GEM Listing Rules is set out herein to provide the investors with further information to assess the financial performance of the Group after taking into account the adjusted net tangible assets of the Group to illustrate the financial position of the Group after completion of the Placing and to illustrate the performance of the Group had the Placing been completed on 31 December 2010.

A. UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

The unaudited pro forma financial information has been prepared, on the basis of the notes set out below, to illustrate how the Placing may have affected the net tangible assets attributable to owners of the Company had it occurred as of 31 December 2010. It has been prepared for illustrative purpose only and, because of its nature, may not give a true picture of the financial position of the Group.

	Audited combined net tangible assets attributable to owners of the Company as of 31 December 2010 (Note 1) HK\$'000	Estimated net proceeds from the Placing (Note 2) HK\$'000	Unaudited pro forma adjusted net tangible assets HK\$'000	Unaudited pro forma adjusted net tangible assets per Share (Note 3) HK\$0.23
Based on a Placing Price of HK\$0.72 per Share	<u>38,970</u>	<u>78,050</u>	<u>117,020</u>	<u>HK\$0.23</u>

Notes:

- (1) The audited combined net tangible assets attributable to owners of the Company as of 31 December 2010 is based on the audited combined net assets of HK\$38,970,000 as of 31 December 2010, as shown in the Accountants' Report, the text of which is set out in Appendix I to this prospectus.
- (2) The adjustment to the pro forma statement of net tangible assets reflects the estimated proceeds from the Placing to be received by the Company. The estimated proceeds from the Placing are based on the Placing Price of HK\$0.72 and 125,000,000 Shares, net of estimated issue expenses of approximately HK\$11,950,000.
- (3) The number of Shares is based on a total of 500,000,000 Shares issued, adjusted as if the Placing and Capitalization Issue had occurred at 31 December 2010.

B. ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for the sole purpose of inclusion in this prospectus, from the independent reporting accountants, RSM Nelson Wheeler, Certified Public Accountants, Hong Kong.

RSM Nelson Wheeler

中瑞岳華(香港)會計師事務所

Certified Public Accountants

29th Floor
Caroline Centre
Lee Gardens Two
28 Yun Ping Road
Hong Kong

25 May 2011

The Board of Directors
GreaterChina Professional Services Limited

Dear Sirs,

We report on the statement of unaudited pro forma adjusted net tangible assets (the “Unaudited Pro Forma Financial Information”) of GreaterChina Professional Services Limited (formerly known as “GCA Group Limited”) (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”), which has been prepared by the directors of the Company, for illustrative purposes only, to provide information about how the Placing (as defined in the prospectus of the Company dated 25 May 2011 (the “Prospectus”)) might have affected the financial information of the Group presented, for inclusion in Appendix II to the Prospectus in connection with the Placing of 125,000,000 Shares of HK\$0.72 each in the Company. The basis of preparation of the Unaudited Pro Forma Financial Information is set out on page II-1 to the Prospectus.

Respective Responsibilities of Directors of the Company and Reporting Accountants

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 31 of Chapter 7 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

It is our responsibility to form an opinion, as required by paragraph 31(7) of Chapter 7 of the GEM Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company. The engagement did not involve independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 31(1) of Chapter 7 of the GEM Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Group as at 31 December 2010 or any future date.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 31(1) of Chapter 7 of the GEM Listing Rules.

Yours faithfully,
RSM Nelson Wheeler
Certified Public Accountants
Hong Kong

Our estimated combined profit attributable to owners of the Company for the year ended 31 March 2011 is set out in the paragraph headed “Profit estimate for the year ended 31 March 2011” under the section headed “Financial information” in this prospectus.

A. BASES

Our directors have prepared the estimate of the combined profit attributable to owners of the Company for the year ended 31 March 2011 based on the audited combined results of the Group for the nine months ended 31 December 2010 and an estimate of the combined results of the Group for the remaining three months ended 31 March 2011. The estimate has been prepared on a basis consistent in all material respects with the accounting policies currently adopted by the Group as summarised in Accountants’ Report, the text of which is set out in Appendix I to this prospectus.

B. LETTERS

The following is the text of a letter, prepared for inclusion in this prospectus, received from the Reporting Accountants, RSM Nelson Wheeler, and Joint Sponsors in connection with the profit estimate of our combined profit attributable to owners of the Company for the year ended 31 March 2011.

(1) Letter from the Reporting Accountants**RSM Nelson Wheeler**

中瑞岳華(香港)會計師事務所

Certified Public Accountants

29th Floor
Caroline Centre
Lee Gardens Two
28 Yun Ping Road
Hong Kong

25 May 2011

The Board of Directors
GreaterChina Professional Services Limited
Grand Vinco Capital Limited
Emperor Capital Limited

Dear Sirs,

We have reviewed the calculations of and accounting policies adopted in arriving at the estimate of the combined profit attributable to owners of GreaterChina Professional Services Limited (the “Company”) in respect of the Company and its subsidiaries (hereinafter collectively referred to in this letter as the “Group”) for the year ended 31 March 2011 (the “Profit Estimate”) as set out in the paragraph headed “Profit estimate for the year ended 31 March 2011” under the section headed “Financial information” in the prospectus of the Company dated 25 May 2011 (the “Prospectus”), for which you as directors of the Company (the “Directors”) are solely responsible.

The Profit Estimate has been prepared by the Directors based on the audited combined results of the Group for the nine months ended 31 December 2010 and an estimate of the combined results of the Group for the remaining three months ended 31 March 2011.

In our opinion, the Profit Estimate, so far as the calculations and accounting policies are concerned, has been properly compiled in accordance with the bases made by the Directors as set out in Appendix III to the Prospectus, and is presented on a basis consistent in all material respects with the accounting policies currently adopted by the Group as set out in the Accountants’ Report in Appendix I to the Prospectus.

Yours faithfully,
RSM Nelson Wheeler
Certified Public Accountants
Hong Kong

(2) Letter from the Joint Sponsors

VINCO 
Grand Vinco Capital Limited
(wholly owned subsidiary of Vinco Financial Group Limited)



英皇融資有限公司
Emperor Capital Limited

25 May 2011

The Directors
GreaterChina Professional Services Limited

Dear Sirs,

We refer to the estimated combined profit attributable to owners of GreaterChina Professional Services Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 March 2011 (the “**Profit Estimate**”) as set out in the “Financial Information — Profit Estimate for the year ended 31 March 2011” of the prospectus of the Company dated 25 May 2011 (the “**Prospectus**”).

The Profit Estimate, for which the directors of the Company are solely responsible, has been prepared by them based on the audited consolidated results of the Group for the nine months ended 31 December 2010 and an estimate of the consolidated results of the Group for the remaining three months ended 31 March 2011.

We have discussed with you the bases made by the directors of the Company as set out in Appendix III to the Prospectus upon which the Profit Estimate has been made. We have also considered, and relied upon, the letter dated 25 May 2011 addressed to yourselves and ourselves from RSM Nelson Wheeler regarding the accounting policies and calculations upon which the Profit Estimate has been made.

On the basis of the information comprising the Profit Estimate and on the basis of the accounting policies and calculations adopted by you and reviewed by RSM Nelson Wheeler, we are of the opinion that the Profit Estimate, for which you are solely responsible, has been made after due and careful enquiry.

Yours faithfully,
For and on behalf of

Grand Vinco Capital Limited
Alister Chung
Managing Director

Emperor Capital Limited
Louisa Choi
Executive Director

The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this prospectus received from RHL Appraisal Limited., an independent valuer, in connection with its valuation as at 28 February 2011 of the property interests leased by GreaterChina Professional Services Limited and its subsidiaries



永利行評估顧問有限公司
RHL Appraisal Limited
Corporate Valuation & Advisory

T +852 2730 6212
F +852 2736 9284

Room 1010, 10/F, Star House,
Tsimshatsui, Hong Kong

License No.: C-015672

25 May 2011

The Board of Directors
GreaterChina Professional Services Limited
2703 Shui On Centre,
Nos. 6–8 Harbour Road,
Wanchai,
Hong Kong

Dear Sirs,

INSTRUCTIONS

We refer to your instruction for us to value the property interests leased by GreaterChina Professional Services Limited (the “Company”) and its subsidiaries (the “Group”) located in Hong Kong and the People’s Republic of China (the “PRC”). We confirm that we have carried out property inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property interests as at 28 February 2011 (the “Valuation Date”).

This letter which forms part of our valuation report explains the basis and methodologies of valuation, clarifying assumptions, valuation considerations, title investigations and limiting conditions of this valuation.

BASIS OF VALUATION

Our valuation of each of the properties is our opinion of its market value which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value. The market value of a property is also estimated without regard to costs of sale and purchase, and without offset for any associated taxes.

VALUATION METHODOLOGY

As all of the property interests in Groups I and II are leased by the Group, we have attributed no commercial value to the property interests due to inclusion of non-alienation clause or otherwise due to lack of substantial profit rent as at the Valuation Date.

VALUATION CONSIDERATIONS

In valuing the property interests, we have complied with all the requirements contained in Chapter 8 to the Rules Governing the Listing of Securities on the Growth Enterprise Market issued by The Stock Exchange of Hong Kong Limited and the HKIS Valuation Standards on Properties (First Edition 2005) published by The Hong Kong Institute of Surveyors effective from 1 January 2005.

VALUATION ASSUMPTIONS

In undertaking our valuation, we have assumed that, unless otherwise stated, transferable land use rights in respect of the properties for specific terms at nominal annual land use fees have been granted and that any premium payable has already been fully paid. We have also assumed that the owners of the properties have enforceable titles to the properties and have free and uninterrupted rights to use, occupy or assign the properties for the whole of the respective unexpired terms as granted.

TITLE INVESTIGATION

We have been shown copies of various documents relating to the property interests and have caused searches for the Hong Kong property. We have not examined the original documents to verify the existing title to the property interests or any amendment which does not appear on the copies handed to us. We have relied considerably on the information given by the Group and the Company’s PRC legal adviser, Hills & Co., concerning the validity of the title to the PRC’s property interest.

LIMITING CONDITIONS

We have inspected the exterior and, where possible, the interior of the properties. During the course of our inspection, we did not note any serious defects. However, no structural survey has been made and we are therefore unable to report whether the properties are free from rot, infestation or any other defects. No tests were carried out on any of the services.

We have not carried out detailed on-site measurement to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the documents handed to us are correct. All dimensions, measurements and areas are approximate. No on-site measurement has been taken.

We have relied to a considerable extent on information provided by the Group and accepted advices given to us on such matters, in particular, but not limited to tenure, planning approvals, statutory notices, easements, particulars of occupancy, floor areas and all other relevant matters in the identification of the properties.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also been advised by the Group that no material fact has been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and we have no reason to suspect that any material information has been withheld.

CURRENCY

We have valued the property interests in Hong Kong Dollar (HKD).

Our summary of values and valuation certificates are herewith attached.

Yours faithfully,
For and on behalf of
RHL Appraisal Ltd.

Serena S. W. Lau
CHKIS, AAPI, MRICS, RPS(GP),
MBA(HKU)
Managing Director

Leo S. D. Cheung
MHKIS, MRICS, RPS(GP), MFin, MSc, BSc
Director

Ms. Serena S. W. Lau is a Registered Professional Surveyor (GP) with over 19 years' experience in valuation of properties in HKSAR, Macau SAR, mainland China and the Asia Pacific Region. Ms. Lau is a Professional Member of The Royal Institution of Chartered Surveyors, an Associate of Australian Property Institute, a Fellow of The Hong Kong Institute of Surveyors as well as a registered real estate appraiser in the PRC.

Mr. Leo S. D. Cheung is a Registered Professional Surveyor (GP) with over 15 years' experience in valuation of properties in HKSAR, Macau SAR, mainland China and the Asia Pacific Region. Mr. Cheung is a Professional Member of The Royal Institution of Chartered Surveyors and a Member of The Hong Kong Institute of Surveyors.

SUMMARY OF VALUES

Group I — Property interests leased by the Group in Hong Kong

Property	Capital Value in existing state as at 28 February 2011 <i>HKD</i>
1 Suite 2701–02 and 2703–08 on 27th Floor, Shui On Centre, 6-8 Harbour Road, Wan Chai, Hong Kong	No commercial value
2 Suite 2712–13 on 27th Floor, Shui On Centre, 6–8 Harbour Road, Wan Chai, Hong Kong	No commercial value
Sub-total:	
Nil	

Group II — Property interests leased by the Group in the PRC

Property	Capital Value in existing state as at 28 February 2011 <i>HKD</i>
3 Unit C-809, Level 8, Vantone Centre, 6 Chaowai Main Street, Chaoyang District, Beijing, the PRC	No commercial value
4 Unit 104, Level 1, Building No.12, Sanfeng Lane Jia, Chaoyang District, Beijing, the PRC	No commercial value
Sub-total:	
Nil	
Total:	
Nil	

VALUATION CERTIFICATE

Group I — Property interests leased by the Group in Hong Kong

Property	Description and tenancy details	Particulars of occupancy	Capital value in existing state as at 28 February 2011 HKD
1. Suite 2701–02 and 2703–08 on 27th Floor, Shui On Centre, 6–8 Harbour Road, Wan Chai, Hong Kong	<p>The property comprises 2 office units on 27th floor of a 35-storey commercial building completed in 1987.</p> <p>The property has a saleable area of approximately 553.55 sq.m. (5,958 sq.ft.)</p> <p>The property is leased to the Group from AP Success Limited, an independent third party, for a term of 3 years commencing on 1 January 2010 and expiring on 31 December 2012 at a monthly rental of HKD241,713.00 for the first year, HKD250,473.00 for the second year and HKD258,680.00 for the last year exclusive of rates, management fees and air-conditioning charges. (Please also refer to Notes 2 and 3 below)</p>	The property is occupied by the Group and its related companies for office use.	No commercial value

Notes:

- The lessee of the property, Linkson Investment Limited, is a wholly-owned subsidiary of the Company.
- Pursuant to a license entered into between Linkson Investment Limited (the “Licensor”), a wholly-owned subsidiary of the Company, and Prosperity Management Services Limited (the “Licensee”), a connected party, the Licensor has licensed and authorised the Licensee to use and occupy Suite 2701–02 of the property for a term of 3 years commencing on 1 January 2010 and expiring on 31 December 2012 at a monthly license fee of HKD87,090 for the first year, HKD91,850 for the second year and HKD96,980 for the last year exclusive of rates, management fees and air-conditioning charges.
- Pursuant to a license entered into between Linkson Investment Limited (the “Licensor”), a wholly-owned subsidiary of the Company, and K.P. Cheng & Co., Certified Public Accountants (the “Licensee”), a connected party, the Licensor has licensed and authorised the Licensee to use and occupy portions of Suite 2703–08 of the property for a term of 3 years commencing on 1 January 2010 and expiring on 31 December 2012 at a monthly license fee of HKD82,290 for the first year, HKD84,419 for the second year and HKD86,216 for the last year exclusive of rates, management fees and air-conditioning charges.
- The registered owner of the property is AP Success Limited vide Memorial No. UB5945676 dated 17 February 1994.
- The property is free from any mortgages and third parties’ encumbrances.

VALUATION CERTIFICATE

Property	Description and tenancy details	Particulars of occupancy	Capital value in existing state as at 28 February 2011 HKD
2. Suite 2712-13 on 27th Floor, Shui On Centre, 6-8 Harbour Road, Wan Chai, Hong Kong	<p>The property comprises a single office units on 27th floor of a 35-storey commercial building completed in 1987.</p> <p>The property has a saleable area of approximately 104.60 sq.m. (1,126 sq.ft.)</p> <p>The property is leased to the Group from AP Success Limited, an independent third party, for a term of 3 years commencing on 1 December 2010 and expiring on 31 December 2012 at a monthly rental of HKD45,840 exclusive of rates, management fees and air-conditioning charges.</p>	The property is occupied by the Group for office use.	No commercial value

Notes:

1. The lessee of the property, Linkson Investment Limited, is a wholly-owned subsidiary of the Company.
2. The registered owner of the property is AP Success Limited vide Memorial No. UB5945676 dated 17 February 1994.
3. The property is free from any mortgages and third parties' encumbrances.

VALUATION CERTIFICATE

Group II — Property interests leased by the Group in the PRC

Property	Description and tenancy details	Particulars of occupancy	Capital value in existing state as at 28 February 2011 HKD
3. Unit C-809, Level 8, Vantone Centre, 6 Chaowai Main Street, Chaoyang District, Beijing, the PRC	<p>The property comprises an office unit of a 23-storey (with a 4-level basement) commercial building completed in 2008.</p> <p>The property has a gross floor area of approximately 165.23 sq.m. (1,779 sq.ft.)</p> <p>The property is leased to the Group from Pan Wu (潘武), an independent third party, for a term of 1 year commencing on 5 April 2011 and expiring on 4 April 2012. (Please refer to Note 1. below for details)</p>	The property is occupied by the Group for office use.	No commercial value

Notes:

1. Pursuant to a tenancy agreement entered into between Pan Wu (the “Lessor”) and Hanhua Zhenli Zi Ben Zi Xun (Beijing) Co., Ltd. (the “Lessee”), a wholly-owned subsidiary of the Company, the property with a gross floor area of approximately 165.23 sq.m. has been leased to the Lessee for a term of 1 year commencing on 5 April 2011 and expiring on 4 April 2012 at a monthly rental of RMB27,263 inclusive of management fees.
2. We have been provided with a legal opinion on the legality regarding to the tenancy agreement issued by the Group’s PRC legal adviser, which contains, *inter alia*, the following:
 - i. the property is legally held by the Lessor;
 - ii. the Lessor has the rights to lease the property to the Lessee;
 - iii. the tenancy agreement is legal, valid and binding on both parties under the PRC laws; and
 - iv. the tenancy agreement has not been registered but this will not affect the rights of the Lessee to use the property.

VALUATION CERTIFICATE

Property	Description and tenancy details	Particulars of occupancy	Capital value in existing state as at 28 February 2011 HKD
4. Unit 104, Level 1, Building No.12, Sanfeng Lane Jia, Chaoyang District, Beijing, the PRC	<p>The property comprises a commercial unit on level 1 of a composite building completed in about 2000.</p> <p>The property has a gross floor area of approximately 60.00 sq.m. (646 sq.ft.)</p> <p>The property is leased to the Group from Beijing Jingying Meijing Property Management Co., Ltd. (北京靖英美景物業管理有限公司), an independent third party, for a term of 2 years commencing from 1 December 2009 and expiring on 30 November 2011. (Please refer to Note 1. below for details)</p>	The property is occupied by the Group for commercial service use.	No commercial value

Notes:

1. Pursuant to a tenancy agreement and its supplemental agreement entered into between Beijing Jingying Meijing Property Management Co., Ltd. (the “Lessor”) and Hanhua Zhenli Zi Ben Zi Xun (Beijing) Co., Ltd. (the “Lessee”), a wholly-owned subsidiary of the Company, the property with a gross floor area of approximately 60.00 sq.m. has been leased to the Lessee for a term of 2 year commencing from 1 December 2009 and expiring on 30 November 2011 at a monthly rental of RMB2,000.
2. We have been provided with a legal opinion on the legality regarding to the tenancy agreement issued by the Group’s PRC legal adviser, which contains, inter alia, the following:
 - i. the Lessor has not provided us with the Real Estate Title Certificate and the relevant title documents of the property for verifications, the Lessor may not be entitled to lease the property to the Lessee;
 - ii. the tenancy agreement may be invalid and the Lessee may have to vacate from the property; and
 - iii. the tenancy agreement has not been registered but this will not affect the rights of the Lessee to use the property.

Set out below is a summary of certain provisions of the Memorandum and Articles of Association of the Company and of certain aspects of Cayman company law.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 3 December 2010 under the Companies Law. The Memorandum of Association (the “Memorandum”) and the Articles comprise its constitution.

1. MEMORANDUM OF ASSOCIATION

- (a)** The Memorandum states, inter alia, that the liability of members of the Company is limited to the amount, if any, for the time being unpaid on the Shares respectively held by them and that the objects for which the Company is established are unrestricted, and that the Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided in section 27(2) of the Companies Law and in view of the fact that the Company is an exempted company that the Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands.
- (b)** The Company may by special resolution alter its Memorandum with respect to any objects, powers or other matters specified therein.

2. ARTICLES OF ASSOCIATION

The Articles were adopted on 18 May 2011. The following is a summary of certain provisions of the Articles:

(a) Directors

(i) Power to allot and issue shares and warrants

Subject to the provisions of the Companies Law and the Memorandum and Articles and to any special rights conferred on the holders of any shares or class of shares, any share may be issued with or have attached thereto such rights, or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, as the Company may by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the board may determine). Subject to the Companies Law, the rules of any Designated Stock Exchange (as defined in the Articles) and the Memorandum and Articles, any share may be issued on terms that, at the option of the Company or the holder thereof, they are liable to be redeemed.

The board may issue warrants conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of the Company on such terms as it may from time to time determine.

Subject to the provisions of the Companies Law and the Articles and, where applicable, the rules of any Designated Stock Exchange (as defined in the Articles) and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, all unissued shares in the Company shall be at the disposal of the board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount.

Neither the Company nor the board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.

(ii) Power to dispose of the assets of the Company or any subsidiary

There are no specific provisions in the Articles relating to the disposal of the assets of the Company or any of its subsidiaries. The Directors may, however, exercise all powers and do all acts and things which may be exercised or done or approved by the Company and which are not required by the Articles or the Companies Law to be exercised or done by the Company in general meeting.

(iii) Compensation or payments for loss of office

Pursuant to the Articles, payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by the Company in general meeting.

(iv) Loans and provision of security for loans to Directors

There are provisions in the Articles prohibiting the making of loans to Directors.

(v) Disclosure of interests in contracts with the Company or any of its subsidiaries.

A Director may hold any other office or place of profit with the Company (except that of the auditor of the Company) in conjunction with his office of Director for such period and, subject to the Articles, upon such terms as the board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) in addition to any remuneration provided for by or pursuant to any other Articles. A Director may be or become a director or other officer of, or otherwise interested in, any company promoted by the Company or any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration, profits or other benefits received by him as a director, officer or member of, or from his interest in, such other company. Subject as otherwise provided by the Articles, the board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

Subject to the Companies Law and the Articles, no Director or proposed or intended Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or the fiduciary relationship thereby established. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature

of his interest at the meeting of the board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case, at the first meeting of the board after he knows that he is or has become so interested.

A Director shall not vote (nor be counted in the quorum) on any resolution of the board approving any contract or arrangement or other proposal in which he or any of his associates is materially interested, but this prohibition shall not apply to any of the following matters, namely:

- (aa) any contract or arrangement for giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;
- (bb) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (cc) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub underwriting of the offer;
- (dd) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;
- (ee) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder or in which the Director and any of his associates are not in aggregate beneficially interested in 5 percent. or more of the issued shares or of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates is derived); or
- (ff) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death, or disability benefits scheme or other arrangement which relates both to Directors, his associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s) as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.

(vi) Remuneration

The ordinary remuneration of the Directors shall from time to time be determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is voted) to be divided amongst the Directors in such proportions and in such manner as the board may agree or, failing agreement, equally, except that any Director holding office for part only of the period in respect of which the remuneration is payable shall only rank in such division in proportion to the time during such period for which he held office. The Directors shall also be entitled to be prepaid or repaid all travelling, hotel and incidental expenses reasonably expected to be incurred or incurred by them in attending any board meetings, committee meetings or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties as Directors.

Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration as a Director. An executive Director appointed to be a managing director, joint managing director, deputy managing director or other executive officer shall receive such remuneration (whether by way of salary, commission or participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the board may from time to time decide. Such remuneration may be either in addition to or in lieu of his remuneration as a Director.

The board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's monies to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex Director who may hold or have held any executive office or any office of profit with the Company or any of its subsidiaries) and ex employees of the Company and their dependents or any class or classes of such persons.

The board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex employees and their dependents, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex employees or their dependents are or may become entitled under any such scheme or fund as is mentioned in the previous paragraph. Any such pension or benefit may, as the board considers desirable, be granted to an employee either before and in anticipation of, or upon or at any time after, his actual retirement.

(vii) Retirement, appointment and removal

At each annual general meeting, one third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one third) will retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. The Directors to retire in every year will be those who have been longest in office since their last re election or appointment but as between persons who became or were last re elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot. There are no provisions relating to retirement of Directors upon reaching any age limit.

The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the board or as an addition to the existing board. Any Director appointed to fill a casual vacancy shall hold office until the first general meeting of members after his appointment and be subject to re-election at such meeting and any Director appointed as an addition to the existing board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Neither a Director nor an alternate Director is required to hold any shares in the Company by way of qualification.

A Director may be removed by an ordinary resolution of the Company before the expiration of his period of office (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may by ordinary resolution appoint another in his place. Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two. There is no maximum number of Directors.

The office of director shall be vacated:

- (aa) if he resigns his office by notice in writing delivered to the Company at the registered office of the Company for the time being or tendered at a meeting of the Board;
- (bb) becomes of unsound mind or dies;
- (cc) if, without special leave, he is absent from meetings of the board (unless an alternate director appointed by him attends) for six (6) consecutive months, and the board resolves that his office is vacated;
- (dd) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors;
- (ee) if he is prohibited from being a director by law;
- (ff) if he ceases to be a director by virtue of any provision of law or is removed from office pursuant to the Articles.

The board may from time to time appoint one or more of its body to be managing director, joint managing director, or deputy managing director or to hold any other employment or executive office with the Company for such period and upon such terms as the board may determine and the board may revoke or terminate any of such appointments. The board may delegate any of its powers, authorities and discretions to committees consisting of such Director or Directors and other persons as the board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations that may from time to time be imposed upon it by the board.

(viii) Borrowing powers

The board may exercise all the powers of the Company to raise or borrow money, to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Companies Law, to issue debentures, bonds and other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Note: These provisions, in common with the Articles in general, can be varied with the sanction of a special resolution of the Company.

(ix) Proceedings of the Board

The board may meet for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have an additional or casting vote.

(x) Register of Directors and Officers

The Companies Law and the Articles provide that the Company is required to maintain at its registered office a register of directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within thirty (30) days of any change in such directors or officers.

(b) Alterations to constitutional documents

The Articles may be rescinded, altered or amended by the Company in general meeting by special resolution. The Articles state that a special resolution shall be required to alter the provisions of the Memorandum, to amend the Articles or to change the name of the Company.

(c) Alteration of capital

The Company may from time to time by ordinary resolution in accordance with the relevant provisions of the Companies Law:

- (i) increase its capital by such sum, to be divided into shares of such amounts as the resolution shall prescribe;
- (ii) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
- (iii) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or restrictions as the Company in general meeting or as the directors may determine;
- (iv) sub divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum, subject nevertheless to the provisions of the Companies Law, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights, over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares; or
- (v) cancel any shares which, at the date of passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled.

The Company may subject to the provisions of the Companies Law reduce its share capital or any capital redemption reserve or other undistributable reserve in any way by special resolution.

(d) Variation of rights of existing shares or classes of shares

Subject to the Companies Law, all or any of the special rights attached to the shares or any class of shares may (unless otherwise provided for by the terms of issue of that class) be varied, modified or abrogated either with the consent in writing of the holders of not less than three fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of the Articles relating to general meetings will *mutatis mutandis* apply, but so that the necessary quorum (other than at an adjourned meeting) shall be two persons holding or representing by proxy not less than one third in nominal value of the issued shares of that class and at any adjourned meeting two holders present in person or by proxy whatever the number of shares held by them shall be a quorum. Every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him.

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

(e) Special resolution majority required

Pursuant to the Articles, a special resolution of the Company must be passed by a majority of not less than three fourths of the votes cast by such members as, being entitled so to do, vote in person or, in the case of such members as are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days specifying the intention to propose the resolution as a special resolution, has been duly given. Provided that if permitted by the Designated Stock Exchange (as defined in the Articles), except in the case of an annual general meeting, if it is so agreed by a majority in number of the members having a right to attend and vote at such meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the shares giving that right and, in the case of an annual general meeting, if so agreed by all Members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which notice of less than twenty-one (21) clear days and less than ten (10) clear business days has been given.

A copy of any special resolution must be forwarded to the Registrar of Companies in the Cayman Islands within fifteen (15) days of being passed.

An ordinary resolution is defined in the Articles to mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting held in accordance with the Articles.

(f) Voting rights

Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with the Articles, at any general meeting on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or installments is treated for the foregoing purposes as paid up on the share. A member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided by way of a poll.

If a recognised clearing house (or its nominee(s)) is a member of the Company it may authorise such person or persons as it thinks fit to act as its representative(s) at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised pursuant to this provision shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same powers on behalf of the recognised clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by that clearing house (or its nominee(s)).

Where the Company has any knowledge that any shareholder is, under the rules of the Designated Stock Exchange (as defined in the Articles), required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

(g) Requirements for annual general meetings

An annual general meeting of the Company must be held in each year, other than the year of adoption of the Articles (within a period of not more than fifteen (15) months after the holding of the last preceding annual general meeting or a period of eighteen (18) months from the date of adoption of the Articles, unless a longer period would not infringe the rules of any Designated Stock Exchange (as defined in the Articles)) at such time and place as may be determined by the board.

(h) Accounts and audit

The board shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Companies Law or necessary to give a true and fair view of the Company's affairs and to explain its transactions.

The accounting records shall be kept at the registered office or at such other place or places as the board decides and shall always be open to inspection by any Director. No member (other than a Director) shall have any right to inspect any accounting record or book or document of the Company except as conferred by law or authorised by the board or the Company in general meeting.

A copy of every balance sheet and profit and loss account (including every document required by law to be annexed thereto) which is to be laid before the Company at its general meeting, together with a printed copy of the Directors' report and a copy of the auditors' report, shall not less than twenty-one (21) days before the date of the meeting and at the same time as the notice of annual general meeting be sent to every person entitled to receive notices of general meetings of the Company under the provisions the Articles; however, subject to compliance with all applicable laws, including the rules of the Designated Stock Exchange (as defined in the Articles), the Company may send to such persons summarised financial statements derived from the Company's annual accounts and the directors' report instead provided that any such person may by notice in writing served on the Company, demand that the Company sends to him, in addition to summarised financial statements, a complete printed copy of the Company's annual financial statement and the directors' report thereon.

Auditors shall be appointed and the terms and tenure of such appointment and their duties at all times regulated in accordance with the provisions of the Articles. The remuneration of the auditors shall be fixed by the Company in general meeting or in such manner as the members may determine.

The financial statements of the Company shall be audited by the auditor in accordance with generally accepted auditing standards. The auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the auditor shall be submitted to the members in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than the Cayman Islands. If so, the financial statements and the report of the auditor should disclose this fact and name such country or jurisdiction.

(i) Notices of meetings and business to be conducted thereat

An annual general meeting shall be called by notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days and any extraordinary general meeting at which it is proposed to pass a special resolution shall (save as set out in sub paragraph (e) above) be called by notice of at least twenty-one (21) clear days and not less than ten (10) clear business days. All other extraordinary general meeting shall be called by at least fourteen (14) clear days and not less than ten (10) clear business days. The notice must specify the time and place of the meeting and, in the case of special business, the general nature of that business. In addition notice of every general meeting shall be given to all members of the Company other than such as, under the provisions of the Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, and also to the auditors for the time being of the Company.

Notwithstanding that a meeting of the Company is called by shorter notice than that mentioned above if permitted by the rules of the Designated Stock Exchange, it shall be deemed to have been duly called if it is so agreed:

- (i) in the case of a meeting called as an annual general meeting, by all members of the Company entitled to attend and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent (95%) in nominal value of the issued shares giving that right.

All business shall be deemed special that is transacted at an extraordinary general meeting and also all business shall be deemed special that is transacted at an annual general meeting with the exception of the following, which shall be deemed ordinary business:

- (aa) the declaration and sanctioning of dividends;
- (bb) the consideration and adoption of the accounts and balance sheet and the reports of the directors and the auditors;
- (cc) the election of directors in place of those retiring;
- (dd) the appointment of auditors and other officers;
- (ee) the fixing of the remuneration of the directors and of the auditors;
- (ff) the granting of any mandate or authority to the directors to offer, allot, grant options over or otherwise dispose of the unissued shares of the Company representing not more than twenty per cent (20%) in nominal value of its existing issued share capital; and
- (gg) the granting of any mandate or authority to the directors to repurchase securities of the Company.

(j) Transfer of shares

All transfers of shares may be effected by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange (as defined in the Articles) or in such other form as the board may approve and which may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the board may approve from time to time. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the board may dispense with the execution of the instrument of transfer by the transferee in any case in which it thinks fit, in its discretion, to do so and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof. The board may also resolve either generally or in any particular case, upon request by either the transferor or the transferee, to accept mechanically executed transfers.

The board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the principal register to any branch register or any share on any branch register to the principal register or any other branch register.

Unless the board otherwise agrees, no shares on the principal register shall be transferred to any branch register nor may shares on any branch register be transferred to the principal register or any other branch register. All transfers and other documents of title shall be lodged for registration and registered, in the case of

shares on a branch register, at the relevant registration office and, in the case of shares on the principal register, at the registered office in the Cayman Islands or such other place at which the principal register is kept in accordance with the Companies Law.

The board may, in its absolute discretion, and without assigning any reason, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

The board may decline to recognise any instrument of transfer unless a fee of such maximum sum as any Designated Stock Exchange (as defined in the Articles) may determine to be payable or such lesser sum as the Directors may from time to time require is paid to the Company in respect thereof, the instrument of transfer, if applicable, is properly stamped, is in respect of only one class of share and is lodged at the relevant registration office or registered office or such other place at which the principal register is kept accompanied by the relevant share certificate(s) and such other evidence as the board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The registration of transfers may be suspended and the register closed on giving notice by advertisement in a relevant newspaper and, where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange (as defined in the Articles), at such times and for such periods as the board may determine and either generally or in respect of any class of shares. The register of members shall not be closed for periods exceeding in the whole thirty (30) days in any year.

(k) Power for the Company to purchase its own shares

The Company is empowered by the Companies Law and the Articles to purchase its own Shares subject to certain restrictions and the Board may only exercise this power on behalf of the Company subject to any applicable requirements imposed from time to time by any Designated Stock Exchange (as defined in the Articles).

(l) Power for any subsidiary of the Company to own shares in the Company and financial assistance to purchase shares of the Company

There are no provisions in the Articles relating to ownership of shares in the Company by a subsidiary.

Subject to compliance with the rules and regulations of the Designated Stock Exchange (as defined in the Articles) and any other relevant regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.

(m) Dividends and other methods of distribution

Subject to the Companies Law, the Company in general meeting may declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by the board.

The Articles provide dividends may be declared and paid out of the profits of the Company, realised or unrealised, or from any reserve set aside from profits which the directors determine is no longer needed. With the sanction of an ordinary resolution dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Companies Law.

Except in so far as the rights attaching to, or the terms of issue of, any share may otherwise provide, (i) all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid but no amount paid up on a share in advance of calls shall for this purpose be treated as paid up on the share and (ii) all dividends shall be apportioned and paid pro rata according to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. The Directors may deduct from any dividend or other monies payable to any member or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

Whenever the board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the board may further resolve either (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment, or (b) that shareholders entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the board may think fit. The Company may also upon the recommendation of the board by an ordinary resolution resolve in respect of any one particular dividend of the Company that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, interest or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address, or in the case of joint holders, addressed to the holder whose name stands first in the register of the Company in respect of the shares at his address as appearing in the register or addressed to such person and at such addresses as the holder or joint holders may in writing direct. Every such cheque or warrant shall, unless the holder or joint holders otherwise direct, be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the register in respect of such shares, and shall be sent at his or their risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

Whenever the board or the Company in general meeting has resolved that a dividend be paid or declared the board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by the board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the board and shall revert to the Company.

No dividend or other monies payable by the Company on or in respect of any share shall bear interest against the Company.

(n) Proxies

Any member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member of the Company and shall be entitled to exercise the same powers on behalf of a member who is an individual and for whom he acts as proxy as such member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise if it were an individual member. Votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy.

(o) Call on shares and forfeiture of shares

Subject to the Articles and to the terms of allotment, the board may from time to time make such calls upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium). A call may be made payable either in one lump sum or by installments. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding twenty per cent. (20%) per annum as the board may agree to accept from the day appointed for the payment thereof to the time of actual payment, but the board may waive payment of such interest wholly or in part. The board may, if it thinks fit, receive from any member willing to advance the same, either in money or money's worth, all or any part of the monies uncalled and unpaid or installments payable upon any shares held by him, and upon all or any of the monies so advanced the Company may pay interest at such rate (if any) as the board may decide.

If a member fails to pay any call on the day appointed for payment thereof, the board may serve not less than fourteen (14) clear days' notice on him requiring payment of so much of the call as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment and stating that, in the event of non payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the board to that effect. Such forfeiture will include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding, remain liable to pay to the Company all monies which, at the date of forfeiture, were payable by him to the Company in respect of the shares, together with (if the board shall in its discretion so require) interest thereon from the date of forfeiture until the date of actual payment at such rate not exceeding twenty per cent. (20%) per annum as the board determines.

(p) Inspection of register of members

Pursuant to the Articles the register and branch register of members shall be open to inspection for at least two (2) hours on every business day by members without charge, or by any other person upon a maximum payment of HK\$2.50 or such lesser sum specified by the board, at the registered office or such other place at which the register is kept in accordance with the Companies Law or, upon a maximum payment of HK\$1.00 or such lesser sum specified by the board, at the Registration Office (as defined in the Articles), unless the register is closed in accordance with the Articles.

(q) Quorum for meetings and separate class meetings

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment of a chairman.

Save as otherwise provided by the Articles the quorum for a general meeting shall be two members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one third in nominal value of the issued shares of that class.

A corporation being a member shall be deemed for the purpose of the Articles to be present in person if represented by its duly authorised representative being the person appointed by resolution of the directors or other governing body of such corporation to act as its representative at the relevant general meeting of the Company or at any relevant general meeting of any class of members of the Company.

(r) Rights of the minorities in relation to fraud or oppression

There are no provisions in the Articles relating to rights of minority shareholders in relation to fraud or oppression. However, certain remedies are available to shareholders of the Company under Cayman law, as summarised in paragraph 3(f) of this Appendix.

(s) Procedures on liquidation

A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares (i) if the Company shall be wound up and the assets available for distribution amongst the members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed *pari passu* amongst such members in proportion to the amount paid up on the shares held by them respectively and (ii) if the Company shall be wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Companies Law divide among the members in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

(t) Untraceable members

Pursuant to the Articles, the Company may sell any of the shares of a member who is untraceable if (i) all cheques or warrants in respect of dividends of the shares in question (being not less than three in total number) for any sum payable in cash to the holder of such shares have remained uncashed for a period of 12 years; (ii) upon the expiry of the 12 year period, the Company has not during that time received any indication of the existence of the member; and (iii) the Company has caused an advertisement to be published in accordance with the rules of the Designated Stock Exchange (as defined in the Articles) giving notice of its intention to sell such shares and a period of three (3) months, or such shorter period as may be permitted by the Designated Stock Exchange (as defined in the Articles), has elapsed since the date of such advertisement and the Designated Stock Exchange (as defined in the Articles) has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds, it shall become indebted to the former member of the Company for an amount equal to such net proceeds.

(u) Subscription rights reserve

The Articles provide that to the extent that it is not prohibited by and is in compliance with the Companies Law, if warrants to subscribe for shares have been issued by the Company and the Company does any act or engages in any transaction which would result in the subscription price of such warrants being reduced below the par value of a share, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the par value of a share on any exercise of the warrants.

3. CAYMAN ISLANDS COMPANY LAW

The Company is incorporated in the Cayman Islands subject to the Companies Law and, therefore, operates subject to Cayman Islands law. Set out below is a summary of certain provisions of Cayman Islands company law, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of Cayman Islands company law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar:

(a) Operations

As an exempted company, the Company's operations must be conducted mainly outside the Cayman Islands. The Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorised share capital.

(b) Share capital

The Companies Law provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on those shares shall be transferred to an account, to be called the "share premium account". At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Companies Law provides that the share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association in (a) paying distributions or dividends to members; (b) paying up unissued shares of the company to be issued to members as fully paid bonus shares; (c) the redemption and repurchase of shares (subject to the provisions of section 37 of the Companies Law); (d) writing-off the preliminary expenses of the company; and (e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course business.

The Companies Law provides that, subject to confirmation by the Grand Court of the Cayman Islands (the "Court"), a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, by special resolution reduce its share capital in any way.

The Articles includes certain protections for holders of special classes of shares, requiring their consent to be obtained before their rights may be varied. The consent of the specified proportions of the holders of the issued shares of that class or the sanction of a resolution passed at a separate meeting of the holders of those shares is required.

(c) Financial assistance to purchase shares of a company or its holding company

Subject to all applicable laws, the Company may give financial assistance to Directors and employees of the Company, its subsidiaries, its holding company or any subsidiary of such holding company in order that they may buy Shares in the Company or shares in any subsidiary or holding company. Further, subject to all applicable laws, the Company may give financial assistance to a trustee for the acquisition of Shares in the Company or shares in any such subsidiary or holding company to be held for the benefit of employees of the Company, its subsidiaries, any holding company of the Company or any subsidiary of any such holding company (including salaried Directors).

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company to another person for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and acting in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

(d) Purchase of shares and warrants by a company and its subsidiaries

Subject to the provisions of the Companies Law, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder and the Companies Law expressly provides that it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares. However, if the articles of association do not authorise the manner and terms of purchase, a company cannot purchase any of its own shares unless the manner and terms of purchase have first been authorised by an ordinary resolution of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Shares purchased by a company shall be treated as cancelled unless, subject to the memorandum and articles of association of the company, the directors of the company resolve to hold such shares in the name of the company as treasury shares prior to the purchase. Where shares of a company are held as treasury shares, the company shall be entered in the register of members as holding those shares, however, notwithstanding the foregoing, the company shall not be treated as a member for any purpose and shall not exercise any right in respect of the treasury shares, and any purported exercise of such a right shall be void, and a treasury share shall not be voted, directly or indirectly, at any meeting of the company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of the company's articles of association or the Companies Law. Further, no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) may be made to the company, in respect of a treasury share.

A company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases and the directors of a company may rely upon the general power contained in its memorandum of association to buy and sell and deal in personal property of all kinds.

Under Cayman Islands law, a subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

(e) Dividends and distributions

With the exception of section 34 of the Companies Law, there is no statutory provisions relating to the payment of dividends. Based upon English case law, which is regarded as be persuasive in the Cayman Islands, dividends may be paid only out of profits. In addition, section 34 of the Companies Law permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account (see paragraph 2(m) above for further details).

(f) Protection of minorities

The Cayman Islands courts ordinarily would be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of the company to challenge (a) an act which is ultra vires the company or illegal, (b) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company, and (c) an irregularity in the passing of a resolution which requires a qualified (or special) majority.

In the case of a company (not being a bank) having a share capital divided into shares, the Court may, on the application of members holding not less than one fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Court shall direct.

Any shareholder of a company may petition the Court which may make a winding up order if the Court is of the opinion that it is just and equitable that the company should be wound up or, as an alternative to a winding up order, (a) an order regulating the conduct of the company's affairs in the future, (b) an order requiring the company to refrain from doing or continuing an act complained of by the shareholder petitioner or to do an act which the shareholder petitioner has complained it has omitted to do, (c) an order authorising civil proceedings to be brought in the name and on behalf of the company by the shareholder petitioner on such terms as the Court may direct, or (d) an order providing for the purchase of the shares of any shareholders of the company by other shareholders or by the company itself and, in the case of a purchase by the company itself, a reduction of the company's capital accordingly.

Generally claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

(g) Management

The Companies Law contains no specific restrictions on the power of directors to dispose of assets of a company. However, as a matter of general law, every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

(h) Accounting and auditing requirements

A company shall cause proper books of account to be kept with respect to (i) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place; (ii) all sales and purchases of goods by the company; and (iii) the assets and liabilities of the company.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

(i) Exchange control

There are no exchange control regulations or currency restrictions in the Cayman Islands.

(j) Taxation

Pursuant to section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, the Company has obtained an undertaking from the Governor-in-Cabinet:

- (1) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciation shall apply to the Company or its operations; and
- (2) that the aforesaid tax or any tax in the nature of estate duty or inheritance tax shall not be payable on or in respect of the shares, debentures or other obligations of the Company.

The undertaking for the Company is for a period of twenty years from 14 December, 2010.

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are not party to any double tax treaties.

(k) Stamp duty on transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

(l) Loans to directors

There is no express provision in the Companies Law prohibiting the making of loans by a company to any of its directors.

(m) Inspection of corporate records

Members of the Company will have no general right under the Companies Law to inspect or obtain copies of the register of members or corporate records of the Company. They will, however, have such rights as may be set out in the Company's Articles.

An exempted company may maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as the directors may, from time to time, think fit. A branch register shall be kept in the same manner in which a principal register is by the Companies Law required or permitted to be kept. The company shall cause to be kept at the place where the company's principal register is kept a duplicate of any branch register duly entered up from time to time. There is no requirement under the Companies Law for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection.

(n) Winding up

A company may be wound up compulsorily by order of the Court; voluntarily; or, under supervision of the Court. The Court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the Court, just and equitable to do so.

A company may be wound up voluntarily when the members so resolve in general meeting by special resolution, or, in the case of a limited duration company, when the period fixed for the duration of the company by its memorandum or articles expires, or the event occurs on the occurrence of which the memorandum or articles provides that the company is to be dissolved, or, the company does not commence business for a year from its incorporation (or suspends its business for a year), or, the company is unable to pay its debts. In the case of a voluntary winding up, such company is obliged to cease to carry on its business from the time of passing the resolution for voluntary winding up or upon the expiry of the period or the occurrence of the event referred to above.

For the purpose of conducting the proceedings in winding up a company and assisting the Court, there may be appointed one or more than one person to be called an official liquidator or official liquidators; and the Court may appoint to such office such person or persons, either provisionally or otherwise, as it thinks fit, and if more persons than one are appointed to such office, the Court shall declare whether any act hereby required or authorised to be done by the official liquidator is to be done by all or any one or more of such persons. The Court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the Court. A person shall be qualified to accept an appointment as an official liquidator if he is duly qualified in terms of the Insolvency Practitioners Regulations. A foreign practitioner may be appointed to act jointly with a qualified insolvency practitioner.

In the case of a members' voluntary winding up of a company, the company in general meeting must appoint one or more liquidators for the purpose of winding up the affairs of the company and distributing its assets. A declaration of solvency must be signed by all the directors of a company being voluntarily wound up within twenty-eight (28) days of the commencement of the liquidation, failing which, its liquidator must apply to Court for an order that the liquidation continue under the supervision of the Court.

Upon the appointment of a liquidator, the responsibility for the company's affairs rests entirely in his hands and no future executive action may be carried out without his approval.

A liquidator's duties are to collect the assets of the company (including the amount (if any) due from the contributories), settle the list of creditors and, subject to the rights of preferred and secured creditors and to any subordination agreements or rights of set-off or netting of claims, discharge the company's liability to them (pari passu if insufficient assets exist to discharge the liabilities in full) and to settle the list of contributories (shareholders) and divide the surplus assets (if any) amongst them in accordance with the rights attaching to the shares.

As soon as the affairs of the company are fully wound up, the liquidator must make up an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation thereof. At least twenty-one (21) days before the final meeting, the liquidator shall send a notice specifying the time, place and object of the meeting to each contributory in any manner authorised by the company's articles of association and published in the Gazette in the Cayman Islands.

(o) Reconstructions

There are statutory provisions which facilitate reconstructions and amalgamations approved by a majority in number representing seventy-five per cent. (75%) in value of shareholders or class of shareholders or creditors, as the case may be, as are present at a meeting called for such purpose and thereafter sanctioned by the Court. Whilst a dissenting shareholder would have the right to express to the Court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Court is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management.

(p) Compulsory acquisition

Where an offer is made by a company for the shares of another company and, within four (4) months of the offer, the holders of not less than ninety per cent. (90%) of the shares which are the subject of the offer accept, the offeror may at any time within two (2) months after the expiration of the said four (4) months, by notice in the prescribed manner require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Court within one (1) month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

(q) Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the court to be contrary to public policy (e.g. for purporting to provide indemnification against the consequences of committing a crime).

4. GENERAL

Conyers Dill & Pearman, the Company's special legal counsel on Cayman Islands law, have sent to the Company a letter of advice summarising certain aspects of Cayman Islands company law. This letter, together with a copy of the Companies Law, is available for inspection as referred to in the paragraph headed "Documents available for inspection" in Appendix VII to this prospectus. Any person wishing to have a detailed summary of Cayman Islands company law or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

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

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 3 December 2010. The Company has established a principal place of business in Hong Kong at Room 2703, 27th Floor, Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong and was registered as an overseas company in Hong Kong under Part XI of the Companies Ordinance on 10 January 2011. Mr. Ip has been appointed as the authorised representative of the Company for the acceptance of service of process and notices on behalf of the Company in Hong Kong at Room 2703, 27th Floor, Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong.

As the Company was incorporated in the Cayman Islands, it operates subject to the Companies Law and its constitution, which comprises a memorandum of association and the Articles. A summary of various parts of the constitution and relevant aspects of the Companies Law is set out in Appendix V to this prospectus.

2. Changes in share capital of the Company

As at the date of incorporation of the Company, its authorised share capital was HK\$380,000 divided into 38,000,000 Shares of HK\$0.01 each. Following its incorporation, one Share was allotted and issued, credited as fully paid to a subscriber, and was transferred to Brilliant One on 3 December 2010.

On 18 May 2011, in consideration of the transfer of the entire share issued share capital of Fidelia Investments and New Valiant from Brilliant One to the Company, the Company has allotted and issued 999 Shares, credited as fully paid, to Brilliant One.

Pursuant to the written resolutions of the sole Shareholder passed on 18 May 2011, the authorised share capital of the Company was increased from HK\$380,000 to HK\$20,000,000 by the creation of an additional 1,962,000,000 Shares.

Immediately following the Placing, the authorised share capital of the Company will be HK\$20,000,000 divided into 2,000,000,000 Shares and the issued share capital of the Company will be HK\$5,000,000 divided into 500,000,000 Shares fully paid or credited as fully paid. Save as disclosed in this prospectus, the Directors do not have any present intention to issue any part of the authorised but unissued share capital of the Company and, without prior approval of the Shareholders at general meeting, no issue of Shares will be made which would effectively alter the control of the Company.

Save as disclosed in this prospectus, there has been no alteration in the share capital of the Company since the date of its incorporation.

3. Written resolutions of the sole Shareholder

On 18 May 2011, resolutions in writing were passed by the sole Shareholder pursuant to which, among other matters:

- (a) the Company approved and adopted the Articles, the terms of which are summarised in Appendix V to this prospectus;
- (b) conditional on (i) the Listing Division granting listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus, and (ii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional and not being terminated in accordance with the terms of the Underwriting Agreement or otherwise:
 - (i) the Placing was approved and the Directors were authorised to allot and issue the Placing Shares pursuant to the Placing;
 - (ii) the rules of the Share Option Scheme, the principal terms of which are set out in the paragraph headed “Summary of the terms of the Share Option Scheme” in the section headed “Share Option Scheme” of this Appendix, were approved and adopted and the Directors were authorised, among others, to grant options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of options which may be granted under the Share Option Scheme;
 - (iii) conditional on the share premium account of the Company being credited as a result of the Placing, the Directors were authorised to capitalise an amount of HK\$3,749,990 standing to the credit of the share premium account of the Company and to appropriate such amount as capital to pay up in full at par 374,999,000 Shares for allotment and issue to the sole Shareholder whose name appear on the register of members of the Company at close of business of 17 May 2011, and the Directors were authorised to give effect to such capitalisation and distribution;
 - (iv) a general unconditional mandate was given to the Directors to allot, issue and deal with, otherwise than by way of (a) rights issue; or (b) the exercise of any of the subscription rights attaching to any options granted under the Share Option Scheme; or (c) any scrip dividend schemes or similar arrangements in accordance with the Articles of Association, or under the Placing or the Capitalisation Issue, Shares with an aggregate nominal amount not exceeding the sum of (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue immediately following completion of the Placing and the Capitalisation Issue; and (bb) the nominal amount of the share capital of the Company repurchased by the Company pursuant to the authority granted to the Directors as referred in paragraph (v) below, until the

conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by the Articles of Association or any laws applicable to the Company to be held, or the passing of an ordinary resolution by the Shareholders of the Company revoking or varying the authority given to the Directors, whichever occurs first; and

- (v) a general unconditional mandate was given to the Directors to exercise all powers of the Company to repurchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue immediately following completion of the Placing and the Capitalisation Issue, until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by the Articles or any laws applicable to the Company to be held, or the passing of an ordinary resolution by the Shareholders of the Company revoking or varying the authority given to the Directors, whichever occurs first.

4. Corporate reorganisation

The companies comprising the Group underwent a corporate reorganisation to rationalise the Group's structure in preparation for the listing of the Shares on the GEM which involved the following:

- (a) incorporation of New Valiant on 28 July 2010 with an authorised share capital of US\$50,000 divided into 50,000 ordinary shares of US\$1.00 each, one ordinary share was allotted and issued to GCA Professional Services at US\$1.00;
- (b) incorporation of Brilliant One on 29 July 2010 with an authorised share capital of US\$50,000 divided into 50,000 ordinary shares of US\$1.00 each and 100 ordinary shares were allotted and issued, credited as fully paid to Genius Ideas at US\$1.00 each;
- (c) incorporation of Fidelia Investments on 12 November 2010 with an authorised share capital of US\$50,000 divided into 50,000 ordinary shares of US\$1.00 each, one ordinary share was allotted and issued to GCA Professional Services at US\$1.00;
- (d) incorporation of the Company on 3 December 2010 in the Cayman Islands; one share was allotted and issued, credited as fully paid to Codan Trust Company (Cayman) Limited and transferred from Codan Trust Company (Cayman) Limited to Brilliant One at a consideration of HK\$0.01 on the same date;

- (e) transfer of 100 shares in the issued share capital of Brilliant One on 17 May 2011 from Genius Ideas to GCA Professional Services at the consideration of US\$1.00 each;
- (f) acquisition of the entire issued share capital of Best Aim, Linkson and GCCCS by Fidelia Investments from GCA Professional Services on 17 May 2011 in consideration of the allotment and issue of an aggregate three ordinary shares in Fidelia Investments, credited as fully paid, to GCA Professional Services;
- (g) acquisition of the entire issued share capital of GC Appraisal, Asset-Plus and GCA Holdings by New Valiant from GCA Professional Services on 17 May 2011 in consideration of the allotment and issue of an aggregate three ordinary shares in New Valiant, credited as fully paid, to GCA Professional Services;
- (h) acquisition of the entire issued share capital of Fidelia Investments and New Valiant by Brilliant One from GCA Professional Services on 17 May 2011 in consideration of the allotment and issue of 100 ordinary shares in Brilliant One, credited as fully paid, to GCA Professional Services;
- (i) increase of the authorised share capital of the Company from HK\$380,000 to HK\$20,000,000 by the creation of an additional 1,962,000,000 Shares; and
- (j) acquisition of the entire issued share capital of Fidelia Investments and New Valiant by the Company from Brilliant One on 18 May 2011 in consideration of the allotment and issue of 999 Shares, credited as fully paid, to Brilliant One.

5. Repurchase by the Company of its own securities

This section contains information required by the Stock Exchange to be included in this prospectus concerning the repurchase by the Company of its own securities.

(A) Provisions of the GEM Listing Rules

The GEM Listing Rules permit a company listed on GEM to repurchase its securities on GEM subject to certain restrictions, the more important of which are summarised below:

(i) Shareholders' approval

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company listed on GEM must be approved in advance by an ordinary resolution of the shareholders, either by way of general mandate or by specific approval of a particular transaction.

Note: Pursuant to a resolution in writing passed by the sole Shareholder on 18 May 2011, a general unconditional mandate (the “Repurchase Mandate”) was given to the Directors authorising any repurchase by the Company of Shares on GEM or on any other stock exchange on which the securities of the Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, of up to 10% of the aggregate nominal amount of the share capital of the Company immediately following completion of the Placing and the Capitalisation Issue, such mandate to expire at the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by the Articles or applicable law to be held, or the passing of an ordinary resolution by Shareholders in general meeting revoking or varying the authority given to the Directors, whichever occurs first.

(ii) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with a company’s constitutive documents and the laws of the jurisdiction in which the company is incorporated or otherwise established. A listed company may not purchase its own securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. Under the Cayman Islands laws, any repurchases by the Company may be made out of profits of the Company, out of the share premium account 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. Any premium payable on a redemption or purchase over the par value of the Shares to be repurchased must be provided for out of profits or the share premium account of the Company or subject to the Companies Law, out of capital.

(B) Reasons for repurchases

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

(C) Funding of repurchases

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

On the basis of the current financial position of the Group as disclosed in this prospectus and taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital

and/or the gearing position of the Group as compared with the position disclosed in this prospectus. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

The exercise in full of the Repurchase Mandate, on the basis of 500,000,000 Shares in issue immediately after the listing of the Shares, would result in up to 50,000,000 Shares being repurchased by the Company during the period in which the Repurchase Mandate remains in force.

(D) General

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their associates currently intends to sell any Shares to the Company or its subsidiaries.

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

If, as a result of a securities repurchase, a shareholder's proportionate interest in the voting rights of the Company is increased, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**"). Accordingly, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

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

B. FURTHER INFORMATION ABOUT THE BUSINESS

Summary of material contracts

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

- (a) the share purchase agreement dated 18 May 2011 entered into between the Company, as purchaser, Brilliant One, as vendor and Mr. Ip and Mr. Wong as warrantors pursuant to which the Company agreed to purchase from

Brilliant One the entire issued share capital of Fidelia Investments and New Valiant and in consideration for the Company to allot and issue 999 new Shares, credited as fully paid, to Brilliant One;

- (b) the deed of non-competition dated 18 May 2011 made by Mr. Ip and Mr. Wong in favour of the Company (for itself and as trustee of the members of the Group), details of which are set out in the paragraph headed “Deed of Non-competition” under the section headed “Controlling, substantial and significant Shareholders” of this prospectus;
- (c) the Underwriting Agreement, the principal terms of which are summarised in the paragraph headed “Underwriting arrangements and expenses” under the section headed “Underwriting” of this prospectus;
- (d) the deed of indemnity dated 24 May 2011 executed by Mr. Ip and Mr. Wong in favour of the Company (on its own behalf and as trustee of the members of the Group) whereby the indemnifier(s) agreed to give certain indemnities in relation to tax and other matters including indemnities set out in the paragraph headed “Tax and other indemnities” below;
- (e) the option deed dated 20 May 2010 (the “**Option Deed**”), entered into between Billion Great, as vendor and Prosperity Investment, as purchaser pursuant to which Billion Great agreed to grant to Prosperity Investment a call option to purchase from Billion Great issued shares in Famous Boom in consideration of an option fee of HK\$1.00 and Glorious Bright Limited (a wholly owned subsidiary of Prosperity Investment) granting a loan in the sum of HK\$12,000,000 to Famous Boom;
- (f) the supplemental agreement dated 28 June 2010, entered into between Billion Great, as vendor and Prosperity Investment, as purchaser, to amend certain terms of the Option Deed;
- (g) the sale and purchase deed dated 14 February 2011, entered into between GC Appraisal as vendor and Genius Ideas as purchaser in relation to a trade mark with registration no. 301394604 in Hong Kong. In consideration for such transfer, Genius Ideas was to grant to GC Appraisal (and its nominees) a perpetual licence to use such trade mark;
- (h) the licence agreement dated 14 February 2011 (the “**GC Appraisal Licence Agreement**”), entered into between Genius Ideas as licensor and GC Appraisal as licensee in relation to the licensing of a trade mark with registration no. 301394604 in Hong Kong at no consideration;
- (i) the licence agreement dated 14 February 2011 (the “**GCCCS Licence Agreement**”), entered into between Genius Ideas as licensor and GCCCS as licensee in relation to the licensing of a trade mark with registration no. 301394604 in Hong Kong at no consideration;

- (j) the deed of termination dated 19 May 2011, entered into between Genius Ideas and GC Appraisal to terminate the GC Appraisal Licence Agreement; and
- (k) the deed of termination dated 19 May 2011, entered into between Genius Ideas and GCCCS to terminate the GCCCS Licence Agreement.

C. INTELLECTUAL PROPERTY RIGHTS OF THE GROUP

(a) Trade marks

As at the Latest Practicable Date, the Group did not own any trade mark.

(b) Domain names

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

Registrant Domain Name	Domain Name	Registration Date	Expiry Date
GCCCS	www.gca-career.com	9 July 2009	9 July 2013
GCCCS	www.gca-corpfin.com	9 July 2009	9 July 2013
GCCCS	www.gca-corpserv.com	26 February 2010	26 February 2015
GCCCS	www.gca-group.com	30 June 2009	30 June 2019
GCCCS	www.gca-survey.com	9 July 2009	9 July 2013
GCCCS	www.gca-training.com	9 July 2009	9 July 2013
GC Appraisal	www.gca-valuation.com	9 July 2009	9 July 2016
GC Appraisal	www.greaterchina-appraisal.com	22 February 2001	22 February 2016
GC Appraisal	www.gca.com.hk	3 November 1997	1 September 2013
Beijing Representative Office	www.gca-bj.com	3 June 2004	3 June 2014

D. FURTHER INFORMATION ABOUT THE DIRECTORS, MANAGEMENT AND STAFF**1. Substantial Shareholders**

So far as the Directors are aware, immediately following the completion of the Placing, but taking no account of any Shares which may be taken up or acquired under the Placing, the persons (other than the Directors or chief executive of the Company) with interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who are directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group will be as follows:

Name	Capacity/nature of interests	Number of Shares held (Note 1)	Percentage of shareholding
Brilliant One (Note 2)	Beneficial owner	375,000,000 (L)	75%
GCA Professional Services (Note 2)	Interest in controlled corporation	375,000,000 (L)	75%
Genius Ideas (Note 2)	Interest in controlled corporation	375,000,000 (L)	75%
Smart Pick (Note 2)	Interest in controlled corporation	375,000,000 (L)	75%
Easy Gain (Note 2)	Interest in controlled corporation	375,000,000 (L)	75%
GC Holdings (Note 2)	Interest in controlled corporation	375,000,000 (L)	75%
Mr. Wong (Note 2)	Interest in controlled corporation	375,000,000 (L)	75%

Notes:

1. The letter “L” denotes a long position in the shareholder’s interest in the share capital of the Company.
2. Brilliant One is wholly owned by GCA Professional Services. GCA Professional Services is owned as to 73% by Genius Ideas. Genius Ideas is owned as to 51% by Smart Pick, 42.88% by Easy Gain and 6.12% by Mr. Ip. Smart Pick is owned as to 58.76% by GC Holdings. GC Holdings is wholly and beneficially owned by Mr. Ip. Easy Gain is wholly and beneficially owned by Mr. Wong.

2. Interests of Directors in the share capital of the Company and its associated corporations

Immediately following completion of the Placing and taking no account any shares which may fall to be allotted and issued or repurchased by the Company pursuant to the mandates as referred to in the paragraph headed “Further information about the Company” in this Appendix, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which, once the Shares are listed, will have to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or will be required, pursuant to section 352 of the SFO, to be entered in the register as referred to therein, or will be required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange, will be as follows:

(a) The Company

Name	Capacity/nature of interests	Number of Shares held (Note 1)	Percentage of shareholding
Mr. Ip (Note 2)	Interest in controlled corporation	375,000,000(L)	75%

Notes:

1. The letter “L” denotes a long position in the shareholder’s interest in the share capital of the Company.
2. 375,000,000 Shares are held by Brilliant One. Brilliant One is wholly owned by GCA Professional Services. GCA Professional Services is owned as to 73% by Genius Ideas. Genius Ideas is owned as to 51% by Smart Pick and 6.12% by Mr. Ip. Smart Pick is owned as to 58.76% by GC Holdings. GC Holdings is wholly and beneficially owned by Mr. Ip.

(b) Associated corporations

Name	Name of associated corporation	Capacity/nature of interests (Note 1)	Number of Shares held	Approximate percentage of interest in associated corporation
Mr. Ip (Note 2)	Brilliant One	Interest in controlled corporation	200	100%
Mr. Ip (Note 2)	GCA Professional Services	Interest in controlled corporation	730	73%
Mr. Ip (Note 2)	Genius Ideas	Interest in controlled corporation	5,100	51%
Mr. Ip (Note 2)	Genius Ideas	Beneficial owner	612	6.12%
Mr. Ip (Note 2)	Smart Pick	Interest in controlled corporation	5,876	58.76%
Mr. Ip (Note 2)	GC Holdings	Beneficial owner	1	100%
Mr. Leung (Note 3)	Smart Pick	Beneficial owner	1,192	11.92%

Notes:

1. The letter “L” denotes a long position in the shareholder’s interest in the share capital of the relevant associated corporation.
2. The Company is owned as to 75% by Brilliant One. Brilliant One is wholly owned by GCA Professional Services. GCA Professional Services is owned as to 73% by Genius Ideas. Genius Ideas is owned as to 51% by Smart Pick and 6.12% by Mr. Ip. Smart Pick is owned as to 58.76% by GC Holdings. GC Holdings is wholly and beneficially owned by Mr. Ip. Therefore, Brilliant One, GCA Professional Services, Genius Ideas, Smart Pick and GC Holdings are deemed to be the associated corporations pursuant to the SFO.
3. The Company is owned as to 75% by Brilliant One. Brilliant One is wholly owned by GCA Professional Services. GCA Professional Services is owned as to 73% by Genius Ideas. Genius Ideas is owned as to 51% by Smart Pick. Smart Pick is beneficially owned as to 11.92% by Mr. Leung. Therefore, Brilliant One, GCA Professional services, Genius Ideas and Smart Pick are deemed to be the associated corporations pursuant to the SFO.

3. Particulars of Directors’ service contracts and Directors’ remuneration*Particulars of service contracts*

Each of the executive Directors has entered into a service contract with the Company. The terms and conditions of each of such service contracts are similar in all material respects. The service contracts are initially for a fixed term of three

years commencing from 18 May 2011 and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after initial fixed term. Each of these executive Directors is entitled to the respective basic salary set out below. An executive Director is required to abstain from voting and is not counted in the quorum in respect of any resolution of the Directors regarding the amount of the monthly salary and the discretionary bonus payable to him. The current basic annual salaries of the executive Directors are as follows:

Name	Amount
Mr. Ip	HK\$2,400,000
Mr. Leung	HK\$2,160,000

Each of the independent non-executive Directors has entered into a letter of appointment with the Company. The terms and conditions of each of such letters of appointment are similar in all material respects. Each of the independent non-executive Directors is appointed with an initial term of three years commencing from 18 May 2011 subject to termination in certain circumstances as stipulated in the relevant letters of appointment. The annual remuneration payable to the independent non-executive Directors under each of the letters of appointment are as follows:

Name	Amount
Mr. Au-Yang Cheong Yan Peter	HK\$180,000
Mr. Wu Chi Keung	HK\$150,000
Mr. Wan Kam To	HK\$144,000

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

Remuneration of the Directors

The aggregate remuneration paid by the Company to the Directors in respect of each of the two financial years ended 31 March 2010 were HK\$1,528,000 and HK\$1,590,000 respectively.

Pursuant to the current arrangements, it is estimated that an aggregate amount of HK\$4,973,000 will be paid to the Directors as remuneration for the year ending 31 March 2012.

The Company's policy concerning the remuneration of the Directors is that the amount of remuneration is determined by reference to the relevant Director's experience, workload and the time devoted to the Group.

4. Agency fees or commissions

Save as disclosed in this prospectus, within the two years immediately 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 share or loan capital of the Company or any of its subsidiaries.

5. Related party transaction

During the Track Record Period, the Group has entered into the following related party transactions:

- (a) On 1 April 2004, GC Appraisal and ChinaDataBank Limited (“**ChinaDataBank**”) entered into a service agreement pursuant to which ChinaDataBank was to provide data research services to GC Appraisal. The fee payable under such service agreement was HK\$25,000 per month, which was later revised to HK\$35,000 per month from May 2006, further revised to HK\$50,000 per month from April 2007 and HK\$60,000 from April 2008. The agreement was terminated on 1 April 2010;
- (b) During the period from 1 April 2008 to 31 December 2010, GC Appraisal appointed KP Cheng & Co., a partnership business which Mr. Cheng is the sole proprietor, for the provision of sub-contracting services at the total consideration of HK\$102,000;
- (c) During the period from 1 April 2008 to 31 December 2010, GC Appraisal appointed Mr. Cheng to introduce clients to GC Appraisal at the total consideration of HK\$32,647;
- (d) During the period from 1 April 2008 to 31 December 2010, GC Appraisal appointed Mr. Ip to introduce clients to GC Appraisal at the total consideration of HK\$649,293;
- (e) During the period from 1 April 2008 to 31 December 2010, GC Appraisal paid to Mega Treasure (HK) Limited (“**Mega Treasure**”), a company in which Mr. Cheng is beneficially interested, rental payments in the total amount of HK\$2,980,000;
- (f) During the period from 1 April 2008 to 31 December 2010, Path Immigration Consultant Limited (“**Path Immigration**”), a company in which Mr. Ip and Mr. Cheng are beneficially interested, appointed GC Appraisal for the provision of professional services in connection with valuation of market value of the properties located at Guangzhou, Beijing, Shenzhen and Hong Kong at the total consideration of HK\$26,000;

- (g) During the period from 1 April 2008 to 31 December 2010, GC Appraisal appointed KL Partnership Limited, a company in which Mr. Leung is beneficially interested, for the provision of sub-contracting services at the total consideration of HK\$18,000;
- (h) During the period from 1 April 2010 to 31 December 2010, GCCCS appointed Path Immigration for the provision of rental services at the total consideration of HK\$73,000;
- (i) During the period from 1 April 2010 to 31 December 2010, GCA Professional Services appointed GCCCS for the provision of provision of back-office administration and company secretarial services at the total consideration of HK\$360,000;
- (j) During the period from 1 April 2010 to 31 December 2010, GC Capital, a direct wholly owned subsidiary of GCA Professional Services, appointed GC Appraisal for the provision of appraisal services for a client of GC Capital at the total consideration of HK\$147,000;
- (k) During the period from 1 June 2010 to 31 December 2010, GC Capital appointed GCCCS for the provision of general back-office administration and company secretarial services at the total consideration of HK\$420,000;
- (l) During the period from 1 April 2010 to 31 December 2010, KP Cheng & Co appointed GC Appraisal for the provision of appraisal services at the total consideration of HK\$30,000;
- (m) During the period from 1 April 2010 to 31 December 2010, Prosperity Management Services Limited (“**Prosperity Management**”) appointed GCCCS for the provision of corporate services and consultancy at the total consideration of HK\$98,666;
- (n) During the period from 1 April 2010 to 31 December 2010, KP Cheng & Co paid to Linkson rental payment in the total amount of HK\$307,000;
- (o) During the period from 1 April 2010 to 31 December 2010, Prosperity Management paid to Linkson rental payment in the total amount of HK\$123,222;
- (p) During the period from 1 April 2010 to 31 December 2010, Prosperity Management paid to GCCCS for the purchase of property, plant and equipment in the total amount of HK\$43,000; and
- (q) During the period from 1 April 2010 to 31 December 2010, GC Appraisal paid to Mr. Leung a commission in the amount of HK\$1,000.

For further details in relation to the related party transactions, please refer to note 32 to the financial statements in the Accountants' Report set out in Appendix I to this Prospectus.

6. Disclaimers

Save as disclosed in this prospectus:

- (a) and taking no account of any Shares which may be taken up or acquired under the Placing, the Directors are not aware of any person who will, immediately following the completion of the Placing, have an interest or short position in the Shares or underlying shares of the Company which will have to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or who will be, directly or indirectly, interested in 10% or more of the nominal value or any class of share capital carrying rights to vote in all circumstances at general meetings of the Company;
- (b) none of the Directors or chief executive of the Company will have an interest or short position in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to the Company and the Stock Exchange, in each case once the Shares are listed on the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or will be required, pursuant to section 352 of the SFO, to be entered in the register as referred to therein, or will be required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange;
- (c) none of the Directors or the experts named in the paragraph headed "Qualifications of experts" of this Appendix is interested in the promotion of the Company, or in any assets which have been within the two years immediately preceding the issue of this prospectus acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (d) none of the Directors or the experts named in the paragraph headed "Qualifications of experts" in the section headed "Other information" of this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of the Group taken as a whole;

- (e) none of the experts named in the paragraph headed “Qualifications of experts” in the section headed “Other information” of this Appendix has any shareholding in the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (f) no remuneration or other benefits in kind have been paid by the Company to any Director since the date of incorporation of the Company, nor are any remuneration or benefits in kind payable by the Company to any Director in respect of the current financial year under any arrangement in force as at the Latest Practicable Date.

E. SHARE OPTION SCHEME

Summary of terms of the Share Option Scheme

The following is a summary of the principal terms of the Share Option Scheme but does not form part of, nor was it intended to be part of, the Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the Share Option Scheme:

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Company to grant options to the employee, adviser, consultant, service provider, agent, customer, partner or joint-venture partner of the Company or any subsidiary (including any director of the Company or any subsidiary) who is in full-time or part-time employment with or otherwise engaged by the Company or any subsidiary at the time when an option is granted to such employee, adviser, consultant, service provider, agent, customer, partner or joint-venture partner or any person who, in the absolute discretion of the Board (the “Eligible Participants”), has contributed or may contribute to the Group as incentive or reward for their contribution to the Group.

(b) Grant and acceptance of options

Subject to the terms of the Share Option Scheme, the Directors may, in its absolute discretion, make offer to the Eligible Participants.

An offer shall be made to an Eligible Participant in writing in such form as the Directors may from time to time determine and shall remain open for acceptance by the Eligible Participant concerned for a period of 21 days from the date upon which it is made provided that no such offer shall be open for acceptance after the 10th anniversary of the adoption date of the Share Option Scheme or the termination of the same.

An offer shall be deemed to have been accepted by an Eligible Participant concerned in respect of all Shares which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the offer duly signed by the Eligible Participant, together with a non-refundable remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within such time as may be specified in the offer (which shall not be later than 21 days from, and inclusive of, the date of offer).

Any offer may be accepted by an Eligible Participant in respect of less than the total number of Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof.

(c) Price of Shares

The subscription price for Shares under the Share Option Scheme shall be determined at the discretion of the Directors but in any event will not be less than the highest of (a) the closing price of the Shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the date of grant of the particular option, which must be a Business Day; (b) the average of the closing price of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five Business Days immediately preceding the date of grant of that particular option; and (c) the nominal value of a Share on the offer date of the particular option.

(d) Maximum number of Shares

- (i) The maximum number of Shares in respect of which options may be granted at any time under the Share Option Scheme together with options which may be granted under any other share option schemes for the time being of the Group shall not exceed such number of Shares as equals 10% of the issued share capital of the Company at the date of approval of the Share Option Scheme. On the basis of a total of 500,000,000 Shares in issue as at the Listing Date, the relevant limit will be 50,000,000 Shares which represent 10% of the issued Shares at the Listing Date. The Company may seek approval by its shareholders in general meeting to refresh the 10% limit provided that the total number of Shares available for issue under options which may be granted under the Share Option Scheme and any other schemes of the Group in these circumstances must not exceed 10% of the issued share capital of the Company at the date of approval of refreshing of the limit. Options previously granted under the Share Option Scheme and any other share option schemes of the Group (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or any other share option schemes and exercised options) will not be counted for the purpose of calculating the limit as refreshed.

- (ii) The Company may seek separate approval by its shareholders in general meeting for granting options beyond the 10% limit provided the options in excess of the limit are granted only to Eligible Participant specifically identified by the Company before such approval is sought. The Company will send a circular to the shareholders containing a generic description of the specified Eligible Participant who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participant with an explanation as to how the terms of the options serve such purpose, and such information as may be required under the GEM Listing Rules from time to time.
- (iii) The limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other options granted and yet to be exercised under any other share option schemes of the Group must not exceed 30% of the Shares in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes of the Group if this will result in the limit being exceeded.
- (iv) Unless approved by the Company's shareholders in the manner set out below, the total number of Shares issued and to be issued upon exercise of the options granted to each grantee (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the Shares in issue. Where any further grant of options to an Eligible Participant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by shareholders of the Company in general meeting with such Eligible Participant and his associates abstaining from voting. The Company must send a circular to its shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the options to be granted (and options previously granted to such Eligible Participant), and such information as may be required under the GEM Listing Rules from time to time. The number and terms (including the subscription price) of options to be granted to such Eligible Participant must be fixed before shareholders' approval and the date of meeting of the Board for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price. The exercise of any option shall be subject to the shareholders of the Company in general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Directors shall make available sufficient of the then authorised but unissued share capital of the Company to allot the Shares on the exercise of any option.

(e) Exercise of options

An option may be exercised at any time during the period to be determined and identified by the Board to each grantee at the time of making an offer for the grant of an option, but in any event no later than 10 years from the date of grant but subject to the early termination of the Share Option Scheme.

Subject to terms of the Share Option Scheme, an option shall be exercisable in whole or in part in the circumstances by giving notice in writing to the Company stating that the option is thereby exercised and the number of Shares in respect of which it is so exercised. Each such notice must be accompanied by a non-refundable remittance for the full amount of the subscription price for Shares in respect of which the notice is given. Within 21 days after receipt of the notice and, where appropriate, receipt of the auditors' certificate, the Company shall accordingly allot the relevant number of Shares to the grantee (or his legal personal representative) credited as fully paid.

Though there is no specified minimum period under the Share Option Scheme for which an option must be held or the performance target which must be achieved before an option can be exercised under the terms and conditions of the Share Option Scheme, the Directors may make such grant of options, subject to such terms and conditions in relation to the minimum period of such options to be held and/or the performance targets to be achieved as the Directors may determine in their absolute discretion.

(f) Restrictions on the time of grant of options

No option shall be granted by the Directors under the following circumstances:

- (i) after a price sensitive development has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been announced pursuant to the requirements of the GEM Listing Rules; and
- (ii) during the period commencing one month immediately preceding the earlier of:
 - (aa) the date of the meeting of the Board for the approval of the annual results, interim results or quarterly results of the Company; and
 - (bb) the deadline for the Company to publish its annual results, interim results or quarterly results announcement under the GEM Listing Rules,and ending on the date of the results announcements.

(g) Rights are personal to grantees

An option shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest whatsoever in favour of any third party over or in relation to any option or enter into any agreement to do so.

(h) Rights on ceasing employment

The option period in respect of any option shall automatically terminate and that option (to the extent not already exercised) shall automatically lapse on the date on which the grantee ceases to be an Eligible Participant by reason of a termination of his employment on any one or more of the grounds specified in paragraph (u)(v).

(i) Rights on death

In the event of the grantee ceasing to be an Eligible Participant by reason of his death before exercising the option in full and where the grantee is any employee of the Group none of the events which would be a ground for termination of his employment under paragraph (h) above arises, his personal representative(s) may exercise the option (to the extent not already exercised) in whole or in part within a period of 12 months following the date of death, or such longer period as the Directors may determine.

(j) Cancellation of options

Where the Company cancels options and offers new options to the same option holder, the offer of such new options may only be made under the Share Option Scheme with available options (to the extent not yet granted and excluding the cancelled options) within the limit approved by the shareholders of the Company as mentioned in paragraph (d) above.

(k) Effect of alterations to share capital

In the event of any alteration in the capital structure of the 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 or other offer of securities to holders of Shares (including any securities convertible into share capital or warrants or options to subscribe for any share capital of the Company, but excluding options under the Share Option Scheme and options under any other similar employee share option scheme of the Company), consolidation, sub-division or reduction of the share capital of the Company or otherwise howsoever, then, in any such case (other than in the case of capitalisation of profits or reserves) the Company shall instruct the auditors to certify in writing:

(A) the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular grantee, to:

(aa) the number or nominal amount of Shares to which the Share Option Scheme or any option(s) relates (insofar as it is/they are unexercised); and/or

(bb) the subscription price; and/or

(cc) the maximum number of Shares referred to in paragraph (d); and/or

(dd) the method of the exercise of the option(s),

and an adjustment as so certified by the auditors shall be made, provided that:

(aa) any such adjustment must give a grantee the same proportion of the equity capital as that to which that person was previously entitled;

(bb) 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;

(cc) 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;

(dd) the issue of securities of the Company as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and

(ee) to the advantage in any respect of the grantee without specific prior approval of the Shareholders.

- (B) in respect of any such adjustment, other than any made on a capitalisation issue, the auditors must confirm to the Directors in writing that the adjustment so made satisfies the requirements above.

(l) Rights on a general offer

If a general or partial offer is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all its reasonable endeavours to procure that such offer is extended to all the grantees 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 becomes or is declared unconditional, the grantee shall, notwithstanding any other term on which his options were granted, be entitled to exercise the option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company at any time thereafter and up to the close of such offer (or any revised offer).

(m) Rights on winding up

In the event a notice is given by the 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 the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all grantees (containing an extract of the provisions of this paragraph) and thereupon, each grantee or his 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 the Company by giving notice in writing to the 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 the 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 referred to above, allot and issue the relevant Shares to the grantee credited as fully paid.

(n) Rights on a compromise or arrangement

Other than a general or partial offer or a scheme of arrangement contemplated in paragraph (o) below, in the event of a compromise or arrangement between the Company and its members or creditors being proposed for the purpose of or in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme or arrangement and any grantee or his personal representative(s) may by notice in writing to the Company accompanied by a remittance of the full amount of the subscription price in respect of which the notice is given (such notice to be received by the Company

not later than two Business Days prior to the proposed meeting) exercise the option (to the extent not already exercised) either to its full extent or to the extent specified in such notice.

(o) Rights on a scheme of arrangement

If a general or partial offer by way of scheme of arrangement is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all its reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, the Shareholders. If such scheme of arrangement is formally proposed to the Shareholders, the grantee shall, notwithstanding any other term on which his options were granted, be entitled to exercise the option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company at any time thereafter and the record date for entitlements under the scheme of arrangement.

(p) Ranking of Shares

Shares to be allotted and issued upon the exercise of an option will be subject to all the provisions of the Articles for the time being in force and will rank *pari passu* in all respects with the 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 the 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 therefor shall be before the Exercise Date. A Share allotted upon the exercise of an option shall not carry voting rights until the name of the grantee has been duly entered onto the register of members of the Company as the holder thereof.

(q) Duration and administration of the Share Option Scheme

The Share Option Scheme shall be valid and effective commencing from the adoption date of the Share Option Scheme until the termination date as provided therein (which being the close of business of the Company on the date which falls ten years from the date of the adoption of the Share Option Scheme), after which period no further options will be granted but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options granted or exercised prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme. The Share Option Scheme shall be subject to the administration of the Directors whose decision on all matters arising in relation to the Share Option Scheme or its interpretation or effect shall (save as otherwise provided herein and in the absence of manifest error) be final and binding on all persons who may be affected thereby.

(r) Alterations to the terms of the Share Option Scheme

Subject to the GEM Listing Rules, the Share Option Scheme may be altered from time to time in any respect by a resolution of the Directors except that the following alterations shall require the prior sanction of the Shareholders in general meeting (with all grantees and their associates abstaining from voting and the votes taken by poll):

- (i) alterations of the provisions relating to the matters set out in Rule 23.03 of the GEM Listing Rules cannot be altered to the advantage of Eligible Participant without the prior approval of the Shareholders in general meeting;
- (ii) any alteration to the terms and conditions of the provisions of the Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Scheme; and
- (iii) any change to the authority of the Directors or administrator of the Share Option Scheme in relation to any alteration to the terms of the Share Option Scheme must be approved by the Shareholders in general meeting.

The amended terms of the Share Option Scheme or the options must still comply with the relevant requirements of the GEM Listing Rules and any guidance/interpretation of the GEM Listing Rules issued by the Stock Exchange from time to time.

(s) Conditions of the Share Option Scheme

The Share Option Scheme is conditional upon:

- (i) the Listing Division granting the listing of, and permission to deal in, any Shares to be issued by the Company pursuant to the exercise of options in accordance with the terms and conditions of the Share Option Scheme;
- (ii) commencement of dealings of Shares on GEM; and
- (iii) the passing of the necessary resolution to approve and adopt the Share Option Scheme by the shareholders of the Company in general meeting or by way of written resolution and to authorise the Directors to grant options at their absolute discretion thereunder and to allot, issue and deal with Shares pursuant to the exercise of any options granted under the Share Option Scheme.

(t) Grant of options to connected persons or any of their associates

Each grant of options to any of the Directors, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors (excluding the independent non-executive Director who is the proposed grantee of the option (if any)). Where any grant of options to a substantial shareholder of the Company 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) to such person in the 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and
- (ii) 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 shareholders of the Company. The Company must send a circular to its shareholders. All connected persons of the Company must abstain from voting at such general meeting, except that any connected person may vote against the relevant resolution at the general meeting provided that its intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such options must be taken on a poll. The circular must contain:

- (i) details of the number and terms (including the subscription price) of the options to be granted to each Eligible Participant, which must be fixed before the Shareholders' meeting and the date of the meeting of the Board for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price;
- (ii) a recommendation from the independent non-executive Directors to the independent Shareholders as to voting; and
- (iii) the information as may be required under the GEM Listing Rules from time to time.

Shareholders' approval is also required for any change in the terms of options granted to an Eligible Participant who is a substantial shareholder of the Company or an independent non-executive Director, or any of their respective associates.

(u) Lapse of option

The Option Period (as defined in the Share Option Scheme) in respect of any option shall automatically terminate and that option (to the extent not already exercised) shall automatically lapse on the earliest of:

- (i) the expiry of the Option Period;
- (ii) the expiry of any of the periods referred to in paragraphs (h), (i), (l), (m), (n) or (o), where applicable;
- (iii) the date on which the grantee of an option ceases to be an Eligible Participant by reason of the termination of his employment or engagement on grounds including, but not limited to, persistent or serious misconduct, bankruptcy, insolvency, making any arrangement or composition with his creditors generally, or conviction of any criminal offence (other than an offence which in the opinion of the Directors does not bring the grantee or any member of the Group into disrepute);
- (iv) the date on which the Directors shall exercise the Company's right to cancel the option by reason of a breach of paragraph (g) by the grantee in respect of that or any other option; or
- (v) the date of the commencement of the winding-up of the Company.

(v) Termination

The Company by an ordinary resolution in general meeting may at any time terminate the operation of the Share Option Scheme and in such event no further options will be offered but in all other respects the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme and options granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(w) Miscellaneous

Any dispute arising in connection with the number of Shares of an option, any of the matters referred to in paragraph (k) above shall be referred to the decision of the auditors who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final, conclusive and binding on all persons who may be affected thereby.

(x) Present status of the Share Option Scheme

Application has been made to the Listing Division for the approval of the Share Option Scheme, the subsequent grant of options under the Share Option Scheme and the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any share options which may be granted under the Share Option Scheme which shall represent 10% of the Shares in issue on the date of Listing. As at the date of this prospectus, no options have been granted or agreed to be granted under the Share Option Scheme.

(y) Value of options

The Directors consider it inappropriate to disclose the value of options which may be granted under the Share Option Scheme as if they had been granted as at the Latest Practicable Date. Any such valuation will have to be made on the basis of certain option pricing model or other methodology, which depends on various assumptions including, the subscription price, the exercise period, interest rate, expected volatility and other variables. As no options have been granted, certain variables are not available for calculating the value of the options. The Directors believe that any calculation of the value of the options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to investors.

F. OTHER INFORMATION**1. Tax and other indemnities**

Each of Mr. Ip and Mr. Wong (collectively, the “**Indemnifiers**”), entered into a deed of indemnity (the “**Deed of Indemnity**”) referred to in the paragraph headed “Summary of material contracts” of this Appendix, under which they have given joint and several indemnities in favour of the Group in respect of, among other things, the amount of any and all taxation falling on any member of the Group resulting from or by reference to any income, profits, gains, transactions, events, matters or things earned, accrued, received, entered into or occurring on or up to the Listing Date, save:

- (i) to the extent that provision has been made for such taxation or claim in the combined audited accounts of the Company for the two years ended 31 March 2010 and the nine months ended 31 December 2010;
- (ii) to the extent that such taxation or liability would not have arisen but for any act or omission by any of members of the Group voluntarily effected without the prior written consent or agreement of the Indemnifiers (such consent or agreement not to be unreasonably withheld or delayed), otherwise than in the ordinary course of business after the Listing Date;
- (iii) for which any of the members of the Group is primarily liable as a result of transactions entered into in the ordinary course of business after the Listing Date; and

- (iv) to the extent that such taxation or claim arises or is incurred as a result of any retrospective change in the law or the interpretation or practice thereof by the Hong Kong Inland Revenue Department or any other relevant authority (including the PRC, the Cayman Islands and the British Virgin Islands) coming into force after the Listing Date or to the extent such taxation or claim arises or is increased by an increase in rates of taxation after the Listing Date with retrospective effect.

In addition, each of the Indemnifiers jointly and severally further undertakes to indemnify and keep each of the members of the Group fully indemnified against all claims (including any taxation claims), actions, demands, proceedings, judgments, losses, liabilities, damages, costs, charges, fees, expenses and fines of whatever nature suffered or incurred by any of the members of the Group directly or indirectly as a result of or in connection with:

- (i) the deregistration of the Beijing Representative Office; and
- (ii) the Group holding interest in Beijing Xincheng and/or any non-compliance of laws, rules and/or regulations applicable to Beijing Xincheng.

The Directors have been advised that no material liability for estate duty is likely to fall on any member of the Group in such jurisdictions in which such companies comprising the Group are incorporated.

2. Litigation

As at the Latest Practicable Date, the Group is not engaged in any litigation or claim of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group.

3. Sponsors

The Joint Sponsors have made an application on behalf of the Company to the Stock Exchange for listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus.

4. Preliminary expenses

The estimated preliminary expenses of the Company are approximately US\$2,200 and are payable by the Company.

5. Promoter

The Company has no promoter.

6. Qualifications of experts

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

Name	Qualification
Conyers Dill & Pearman (“ CDP ”)	Cayman Islands attorneys-at-law
Emperor Capital	A licensed corporation for Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
Hills & Co. (“ Hills ”)	Legal advisers on PRC laws
RHL Appraisal Limited (“ RHL ”)	Property valuer
RSM Nelson Wheeler (“ RSM ”)	Certified public accountants
RSM Nelson Wheeler Tax Advisory Limited (“ RSM Tax Advisory ”)	Tax adviser
Vinco Capital	A licensed corporation for Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

7. Consents of experts

Each of CDP, Emperor Capital, Hills, RHL, RSM, RSM Tax Advisory and Vinco Capital has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its letter, report, and/or valuation certificate and/or legal opinion (as the case may be) and the references to its name in the form and context in which they respectively appear.

8. 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 Ordinance so far as applicable.

9. Registration procedures

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

10. Miscellaneous

Save as disclosed herein:

- (a) Within the two years immediately preceding the date of this prospectus:
 - (i) no share or loan capital of the Company has been issued, agreed to be issued or is proposed to be issued as fully or partly paid either for cash or for a consideration other than cash;
 - (ii) 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 the Company;
 - (iii) no commission has been paid or payable (except to sub-underwriter) for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares; and
 - (iv) no founder, management or deferred shares of the Company have been issued or agreed to be issued.
- (b) The Directors are not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2010 (being the date to which the latest audited financial statements of the Group were made up).

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were the written consents referred to in the paragraph headed “Consents of experts” in the section headed “Other information” of Appendix VI to this prospectus, and copies of the material contracts referred to in the paragraph headed “Summary of material contracts” in the section headed “Further information about the business” of Appendix VI to this prospectus.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the offices of Michael Li & Co. at 14th Floor, Printing House, 6 Duddell Street, Central, Hong Kong, during normal business hours up to and including the date which is 14 days from the date of this prospectus:

- (a) the memorandum and articles of association of the Company;
- (b) the accountants’ report of the Group prepared by RSM, the text of which is set out in Appendix I to this prospectus;
- (c) the letter on unaudited pro forma financial information issued by RSM, the text of which is set out in Appendix II to this prospectus;
- (d) the letters on profit estimate for the financial year ended 31 March 2011 issued by RSM and the Joint Sponsors respectively, the texts of which are set out in Appendix III to this prospectus;
- (e) the letter with summary of value and valuation certificate relating to the property interests of the Group prepared by RHL, the text of which is set out in Appendix IV to this prospectus;
- (f) the letter prepared by CDP summarising certain aspects of the Cayman Islands company law referred to in Appendix V to this prospectus;
- (g) the Companies Law;
- (h) the service contracts referred to in the paragraph headed “Particulars of Directors’ service contracts and Directors’ remuneration” in the section headed “Further information about the Directors, management and staff” in Appendix VI to this prospectus;
- (i) the rules of the Share Option Scheme referred to in the paragraph headed “Share Option Scheme” in Appendix VI to this prospectus;
- (j) the material contracts referred to in the paragraph headed “Summary of material contracts” in the section headed “Further information about the business” in Appendix VI to this prospectus; and
- (k) the written consents referred to in the paragraph headed “Consents of experts” in the section headed “Other information” in Appendix VI to this prospectus.