
HISTORY AND DEVELOPMENT

OUR BUSINESS HISTORY

Our Group was established in 2009. Prior to the founding of our Group, Mr. Lee, our chairman, chief executive officer and executive Director, started his career in the exhibition industry back in 1978 when he joined HKTDC. During his tenure of over 23 years with HKTDC until he left his position as director of exhibitions and publications of HKTDC in 2002, Mr. Lee took up various roles and had accumulated extensive industry knowledge and in-depth market understanding in the trade exhibition industry through his industry-related working experience. During the period from April 1984 to February 1987, Mr. Lee also served in the London office of HKTDC when he gained experiences in overseas exhibition industry and practices.

When our Group was established in 2009, our operating subsidiary, Mega Expo (HK), entered into a project management agreement ("**Project Management Agreement**") with GIIL in June 2009 for a term of three years commencing from the date of the Project Management Agreement, to provide trade exhibition management services to the Mega Show Part I New Wing for 2009; and other trade fairs, shows and exhibitions that GIIL may notify our Group from time to time during the term of the Project Management Agreement. GIIL was a company controlled by Mr. Cheung, who is also an industry player engaged in the exhibition organising industry and was an executive director of Sino Resources Group Limited (Stock Code: 223) (formerly known as Kenfair International (Holdings) Limited) until 2009. During his tenure at Sino Resources (formerly known as Kenfair International (Holdings) Limited), Mr. Cheung was the managing director of Sino Resources (formerly known as Kenfair International (Holdings) Limited) and was involved in the administration, operation, organisation and marketing of its trade exhibitions (including the Mega Shows). In 2009, Mr. Cheung resigned from his position in Sino Resources (formerly known as Kenfair International (Holdings) Limited) and started his own business, and at the relevant time GIIL had secured the rights for organising several trade exhibitions, including the Mega Shows for 2009. Mr. Lee has known and acquainted with Mr. Cheung for more than 20 years since 1991 when Mr. Lee was then working for HKTDC and Mr. Cheung and his business partners acted as the organiser to the Hong Kong International Toys & Gifts Show and Asian Gifts Premium & Household Products Show (which became the Mega Show Part I) which was first held in October 1992. Since then Mr. Cheung and his business partners gradually broadened the scope of the Hong Kong International Toys & Gifts Show and Asian Gifts Premium & Household Products Show, and the exhibition expanded into Part I and Part II since October 2003. To the best of our Directors' knowledge and as confirmed by Mr. Cheung, he and his business partners at that time considered the name of the exhibition to be too lengthy, and adopted the name of the exhibition of Mega Show to reflect the scale of the exhibition. With Mr. Lee's more than 20 years' experience in the exhibition industry, he considered that the business collaboration between our Group and Mr. Cheung had business potentials and it could also make well use of his experience in the exhibition industry. Hence, when Mr. Cheung approached him for possible business collaboration in 2009 to act as project manager for the Mega Show Part I New Wing for 2009, Mr. Lee negotiated with and our Group entered into the Project Management Agreement with GIIL in June the same year.

In September 2009, our Group further collaborated with GIIL Group and Pro-Capital Group, the then project manager of the Mega Show Part I Old Wing and the Mega Show Part II, and our Group was appointed to provide Exhibition Related Services for the Mega Show Part I Old Wing and the Mega Show Part II for 2009; and the parties thereto entered into similar arrangements again in 2010. Our Group had since then took up more substantial role in the Mega Shows. While our Group continued to act as the project manager for the Mega Show Part I New Wing, we acted as the sub-manager for the Mega Show Part I Old Wing and the Mega Show Part II to provide sub-management support for the exhibition in 2011. In 2012, our Group entered into another project management agreement with GIIL Group and we were engaged to act as the project manager for the entire Mega Shows.

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For further details of the agreement terms and the summary of exhibitions managed by us in collaboration with GIIL Group and/or Pro-Capital Group during the Track Record Period, please refer to the section headed "Business – Arrangement with GIIL Group and Pro-Capital Group" in this document.

According to the Industry Report, Mega Show Part I managed by us during 2012 ranked second in terms of number of exhibitors in Hong Kong. During the Track Record Period, the Mega Shows had attracted a high number of exhibitors and visitors with over 4,000 exhibitors and 55,000 visitors each year.

Apart from managing the Mega Shows in Hong Kong, in 2010, our Group also provided Exhibition Related Services to other organisers or project managers from time to time. We believe this international exposure further extend our relationships with other organisers or project managers and offer chances for us to contact the exhibitors and visitors in these other trade exhibitions, thereby providing a solid foundation for us to organise and manage similar overseas trade exhibitions.

Subsequently, our management made strategic moves and achieved various important milestones in our business expansion. In order to diversify our exhibition portfolios, in 2010, we ventured into the consumer exhibition market and managed our first consumer exhibition in the PRC and later our first consumer exhibition in Hong Kong.

In 2011 and 2012, with the vision to expand our geographical coverage and capture the potential business opportunities in the overseas markets, we organised our first overseas trade exhibition with an exhibition theme on gifts and premium in Singapore and the US.

In February 2012, with a view to exploring opportunities in organising trade exhibitions in different industry segments, we further collaborated with GIIL, the organiser of the first Berlin Expo, and acted as the project manager of the first Berlin Expo. Berlin Expo is a trade exhibition with exhibition theme on garment and apparels. Our Directors considered our attempt in developing new exhibitions could enrich our exhibition portfolios and enhance our Group's competitiveness and strengthen our market position in the trade exhibition industry. As our Directors considered Berlin Expo, as an exhibition with new theme, offered potential for further development, our Group took up the role as organiser for the second Berlin Expo in February 2013.

During the Track Record Period, save as being the organiser or project manager for various trade exhibitions, our Group also provided value-added services to cater for our exhibitors and target visitors. In October 2011, we launched our first issue of fair catalogue, an annual complimentary catalogue to be published every October to coincide with the peak sourcing season of global buyers. With an aim to develop an industry specific information platform to enhance business between the international buyers and Asian manufacturers, we publish and provide optional advertising services in our fair catalogue to exhibitors joining the trade exhibitions organised or managed by us for promotion of their own products.

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Below are the milestones in our business development since our establishment in 2009 and up to the Latest Practicable Date:

Time	Event
March 2009	Establishment of Mega Expo (HK)
October 2009	Took up the following roles in the Mega Shows: <ul style="list-style-type: none">– acted as the project manager of the Mega Show Part I New Wing– provided Exhibition Related Services to the Mega Show Part I Old Wing and the Mega Show Part II
March 2010	Ventured into the consumer exhibition market and acted as project manager of our first consumer exhibition in the PRC – Ningbo Consumer Expo
May 2011	Organised our first consumer exhibition in Hong Kong – Hong Kong International Buddhist Fair
October 2011	Launched our first issue of fair catalogue
November 2011	Organised our first overseas trade exhibition in Singapore with exhibition theme on gifts and premium – Singapore Asia Expo
February 2012	Acted as project manager to a trade exhibition with new exhibition theme on garment and apparels – Berlin Expo
August 2012	Organised our first trade exhibition in US with exhibition theme on gifts and premium – Vegas Expo
October 2012	Acted as the project manager of the Mega Shows
February 2013	Acted as the organiser of the Berlin Expo

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OUR CORPORATE HISTORY

Mega Expo (HK)

Mega Expo (HK) was previously known as Fine China Management Limited and was incorporated in Hong Kong on 11 March 2009. Its name was changed to Kenfair Exhibition (Hong Kong) Limited on 9 July 2009 and subsequently to Mega Expo (Hong Kong) Limited on 20 July 2012. It has an authorised share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each, of which one share was issued at par to GNL09 Limited, an Independent Third Party, as the first subscriber upon incorporation and such share was transferred at par to Mr. Lee on 27 April 2009. Mega Expo (HK) is principally engaged in the organisation and managing of trade exhibitions in Hong Kong.

Pursuant to the Reorganisation, the entire issued share capital of Mega Expo (HK) held by Mr. Lee was transferred to Expand Trade on 30 July 2012. Since then, Mega Expo (HK) had been a wholly owned subsidiary of Expand Trade up to the Latest Practicable Date.

Mega Expo Operations

Top Elite Management Limited was incorporated in the BVI on 2 January 2009. On 21 August 2009, its name was changed to Kenfair Operations Management Limited and subsequently to Mega Expo Operations Management Limited on 16 July 2012. It has an authorised share capital of US\$50,000 divided into 50,000 shares of US \$1.00 each, of which one share was issued to Mr. Lee at par on 24 April 2009. On 23 September 2009, Mega Expo Operations was registered as a non-Hong Kong company under Part XI of the Companies Ordinance. Mega Expo Operations is principally engaged in booth contracting management.

Pursuant to the Reorganisation, the entire issued share capital of Mega Expo Operations held by Mr. Lee was transferred to Expand Trade on 4 July 2012. Since then, Mega Expo Operations had been a wholly owned subsidiary of Expand Trade up to the Latest Practicable Date.

Ningbo Tianyi

On 7 May 2009, KEL and Ningbo Partner entered into a joint venture agreement to establish Ningbo Tianyi as a 70-30 joint venture company. Ningbo Tianyi was established on 8 September 2009 as a sino-foreign joint venture with limited liability with an approved registered capital of RMB2,000,000 (to be contributed as to RMB1,400,000 (in HK\$ dollar or US\$ equivalent) (70%) by KEL and RMB600,000 (30%) by Ningbo Partner) and a total investment amount of RMB2,000,000. The registered capital of Ningbo Tianyi was contributed by cash in full by each of KEL and Ningbo Partner in accordance with their respective obligations under the joint venture agreement and the laws and regulations of the PRC as at 23 March 2010.

Ningbo Tianyi obtained its Certificate of Approval for Establishment of Enterprises with Investment of Taiwan, Hong Kong, Macau and Overseas Chinese in the PRC (《台港澳僑投資企業批准證書》) (“**Certificates of Approval**”) on 11 August 2009, and its business licence on 8 September 2009. The approved business scope of Ningbo Tianyi included hosting and organising all kinds of economic and technical exhibitions and conference in the PRC; and holding of conference and providing consultation and management services in relation to the aforesaid business overseas.

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On 20 September 2010, KEL and Mega Expo (HK) entered into an equity transfer agreement pursuant to which KEL agreed to transfer its 70% equity interest in Ningbo Tianyi (i.e. paid-up capital of RMB1,400,000 (in HK\$ or USD equivalent)) to Mega Expo (HK) at a consideration of RMB1,400,000 (in HK\$ or USD equivalent) which was determined based on the then paid-up capital of Ningbo Tianyi. Approval for such transfer was obtained on 11 October 2010 from the relevant PRC regulatory authorities. The Certificate of Approval (《台港澳僑投資企業批准證書》) and Notice for the Company Registry Change (《准予變更登記通知書》) in respect of the transfer was granted to Ningbo Tianyi on 12 October 2010 and 16 November 2010, respectively.

On 31 October 2011, Mega Expo (HK) and Ningbo Partner entered into an equity transfer agreement ("**Principal Agreement**") pursuant to which Ningbo Partner agreed to transfer its 30% equity interest in Ningbo Tianyi (i.e. paid-up capital of RMB600,000 (in HK\$ or USD equivalent)) to Mega Expo (HK) at a consideration of RMB600,000 (in HK\$ or USD equivalent) ("**Consideration**"), which was determined based on the then paid-up capital of Ningbo Tianyi. Each party agreed that Mega Expo (HK) should transfer the Consideration to the accounts designated by Ningbo Partner within ten business days from signing of the Principal Agreement and obtaining of the relevant board and shareholders' approval. As confirmed by our Directors, since Ningbo Partner had not completed the relevant foreign exchange accounts opening procedures, Mega Expo (HK) could not arrange for the transfer of the Consideration as stipulated in the Principal Agreement. Both parties to the Principal Agreement agreed to enter into the first supplemental agreement to the Principal Agreement on 2 August 2012, pursuant to which the parties thereto agreed to extend the payment date for the Consideration to 31 August 2012. On 7 December 2012, Mega Expo (HK) and Ningbo Partner entered into the second supplemental agreement to the Principal Agreement, pursuant to which the payment date was further extended to 30 June 2013.

The principal business activities of both Ningbo Tianyi and Shenzhen Hengjian are the provision of customer services such as handling customer enquiries in relation to trade exhibitions organised or participated by our Group, with the role of Ningbo Tianyi primarily in relation to the Berlin Expo, while Shenzhen Hengjian's role mainly in relation to provision of customer services to other trade exhibitions organised or participated by our Group. As our Directors consider that the Berlin Expo has been operating on track after its second edition in 2013, they consider that it would not be necessary to maintain a separate entity in the PRC only for handling customer enquiries for the Berlin Expo and that it would be more efficient and cost effective for Shenzhen Hengjian to take up the role of Ningbo Tianyi and provide customer services in the PRC in relation to all of our exhibitions rather than to maintain a separate PRC entity to provide customer services for the Berlin Expo. General management of the Berlin Expo has always been conducted by our management team in Hong Kong, and the deregistration of Ningbo Tianyi and the taking up of the role of Ningbo Tianyi by Shenzhen Hengjian will not affect or result in any transfer of management role of the Berlin Expo from Ningbo Tianyi to Shenzhen Hengjian. On 30 June 2013, Mega Expo (HK) and Ningbo Partner entered into a confirmation regarding, among others, that Mega Expo (HK) is not required to pay the Consideration to Ningbo Partner anymore pursuant to the Principal Agreement and the relevant supplemental agreements, and that all outstanding responsibilities of the parties pursuant to the Principal Agreement and the relevant supplement agreements shall be terminated. As advised by our PRC Legal Advisers, the confirmation is lawful and effective, and is binding upon being signed by Mega Expo (HK) and Ningbo Partner.

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Mega Expo (HK) has decided to deregister Ningbo Tianyi, and is arranging for the application and other relevant documentation. Our PRC Legal Advisers confirmed that Mega Expo (HK) can legally apply for the deregistration of Ningbo Tianyi with the application and other necessary documentation in accordance with the relevant PRC laws. As at the Latest Practicable Date, according to the local agency engaged by our Group to deregister Ningbo Tianyi, Ningbo Tianyi is in the process of tax liquidation. Upon completion of the tax liquidation, the local agency will on behalf of our Company apply for the deregistration approval or registration from the all other relevant PRC regulatory authorities.

Shenzhen Hengjian

On 30 November 2010, Shenzhen Hengjian was established by Mega Expo (HK) as a wholly foreign owned enterprise with limited liability in the PRC under the name of 深圳建發創劃展覽策劃有限公司 (Shenzhen Jianfa Chuanghua Exhibition Planning Limited*) (“**Shenzhen Jianfa**”) with a registered capital of US\$300,000 and a total investment of US\$300,000. The approved business scope of Shenzhen Jianfa includes engaging in exhibition display design, sales and marketing planning and providing related information consultation (restricted items not included) (for the aforesaid scope where permit management or relevant qualification is required to obtain before operation; to act in accordance with the relevant provisions).

Shenzhen Jianfa obtained its Certificate of Approval (《台港澳僑投資企業批准證書》) on 8 November 2010, and its business licence on 30 November 2010. As at 13 February 2011, the registered capital of Shenzhen Jianfa of US\$300,000 was fully paid-up by Mega Expo (HK) in accordance with the laws and regulations of the PRC.

On 10 September 2012, a shareholder’s resolution of Shenzhen Jianfa was duly passed to resolve to change its name to the present name of Shenzhen Hengjian. Such change of name was approved by the Market Supervision Administration of Shenzhen Municipality (深圳市市場監督管理局) on 12 September 2012 and the corresponding revised business licence and Certificate of Approval was granted on 27 September 2012 and 19 October 2012 respectively.

Since its establishment and up to the Latest Practicable Date, Shenzhen Hengjian remained as a direct wholly owned subsidiary of Mega Expo (HK). The principal business activities of Shenzhen Hengjian are the provision of customer services in the PRC, such as handling customer enquiries, in relation to trade exhibitions organised or participated by our Group.

i-MegAsia

On 17 March 2011, i-MegAsia was incorporated in Hong Kong with an authorised share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each, of which one share was issued at par to Mr. Lee upon incorporation. i-MegAsia was incorporated to engage in the publication of fair catalogue.

Pursuant to the Reorganisation, the entire issued share capital of i-MegAsia held by Mr. Lee was transferred to Expand Trade on 30 July 2012. Since then, i-MegAsia had been a wholly owned subsidiary of Expand Trade up to the Latest Practicable Date.

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Mega Expo (Berlin)

Mega Berlin Limited was incorporated in the BVI on 8 May 2012. Its name was changed to Mega Expo (Berlin) Limited on 1 August 2012. It has an authorised share capital of US\$50,000 divided into 50,000 shares of US \$1.00 each, of which one share was issued at par to Mr. Lee on 11 May 2012. Mega Expo (Berlin) is principally engaged in organising and managing Berlin Expo.

Pursuant to the Reorganisation, the entire issued share capital of Mega Expo (Berlin) held by Mr. Lee was transferred to Expand Trade on 4 July 2012. Since then, Mega Expo (Berlin) had been a wholly owned subsidiary of Expand Trade up to the Latest Practicable Date.

Mega Expo (BVI) and Mega Expo (SG)

Kenfair Exhibition (Hong Kong) Limited was incorporated in the BVI on 21 March 2011. Its name was changed to Mega Expo (Hong Kong) Limited on 12 July 2012. It has an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1.00 each, of which one share was issued at par to Mr. Lee upon incorporation. On 3 October 2011, Mega Expo (BVI) was registered as a non-Hong Kong company under Part XI of the Companies Ordinance. On 16 April 2013, Mega Expo (SG) was registered in Singapore as a branch of Mega Expo (BVI). Mega Expo (BVI) is principally engaged in organising and managing the Singapore Asia Expo.

Pursuant to the Reorganisation, the entire issued share capital of Mega Expo (BVI) held by Mr. Lee was transferred to Expand Trade on 4 July 2012. Since then, Mega Expo (BVI) had been a wholly owned subsidiary of Expand Trade up to the Latest Practicable Date.

Profit Topmark

Profit Topmark Limited was incorporated in the BVI on 6 April 2011 with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1.00 each, of which one share was issued at par to Davies Nominees Limited, an Independent Third Party as the subscriber, upon incorporation and such share was transferred at par to Mr. Lee on 1 August 2011. Profit Topmark was inactive as at the Latest Practicable Date.

Pursuant to the Reorganisation, the entire issued share capital of Profit Topmark held by Mr. Lee was transferred to Expand Trade on 8 August 2012. Since then, Profit Topmark had been a wholly owned subsidiary of Expand Trade up to the Latest Practicable Date.

Mega Expo (USA)

Kenfair Exhibition (U.S.A.) Limited was incorporated in the BVI on 31 May 2011. Its name was changed to Mega Expo (U.S.A.) Limited on 12 July 2012. It has an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1.00 each, of which one share was issued at par to Mr. Lee upon incorporation. Mega Expo (USA) was registered as a foreign corporation in Nevada, US, on 12 April 2013. Mega Expo (USA) is principally engaged in organising and managing Vegas Expo and holds the entire interest in the issued share capital of Mega Expo (U.S.A.) Inc.

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Pursuant to the Reorganisation, the entire issued share capital of Mega Expo (USA) held by Mr. Lee was transferred to Expand Trade on 4 July 2012. Since then, Mega Expo (USA) had been a wholly owned subsidiary of Expand Trade up to the Latest Practicable Date.

Mega Expo (U.S.A.) Inc.

Mega Expo (U.S.A.) Inc. was incorporated in the US on 12 April 2013, and is authorised to issue 100 shares with a par value of US\$0.001 each. On 6 May 2013, 100 shares of Mega Expo (U.S.A.) Inc. were allotted and issued to Mega Expo (USA) for US\$100. Mega Expo (U.S.A.) Inc. is incorporated with a view to organising and managing the Vegas Expo.

New Heyday

On 19 March 2012, New Heyday was incorporated in the BVI. It has an authorised share capital of US\$50,000 shares divided into 50,000 shares of US\$1.00 each, of which one share was allotted and issued at par to each of Mr. Lee and Mr. Cheung on 15 June 2012. The said one share held by and registered in the name of Mr. Cheung in New Heyday was held on trust pursuant to a declaration of trust dated 19 November 2012 in favour of Mr. Lee for administrative convenience. New Heyday is a holding company, holding the entire interest in the issued share capital of Idea Trade.

Pursuant to the Reorganisation, the entire share capital of New Heyday was transferred to Expand Trade on 19 November 2012, details of which are set out in the section headed "Reorganisation" in this document. Since then, New Heyday had become a wholly owned subsidiary of Expand Trade up to the Latest Practicable Date.

Idea Trade

On 30 May 2012, Idea Trade was incorporated in the BVI with an authorised share capital of US\$50,000 shares divided into 50,000 shares of US\$1.00 each. On 15 June 2012, New Heyday subscribed for and was allotted and issued one share in the share capital of Idea Trade at par value. Since its incorporation and up to the Latest Practicable Date, Idea Trade was a wholly owned subsidiary of New Heyday. Idea Trade is principally engaged in holding certain licences in connection with the trade exhibitions held in HKCEC.

Mega Expo Travel

On 19 September 2012, Mega Expo Travel was incorporated in Hong Kong with an authorised share capital of HK\$2,000,000 divided into 2,000,000 shares of HK\$1.00 each, of which 500,000 shares were issued at par to Expand Trade upon incorporation. Mega Expo Travel was inactive as at the Latest Practicable Date. Since its incorporation, Mega Expo Travel had been a wholly owned subsidiary of Expand Trade up to the Latest Practicable Date. Mega Expo Travel is intended to be used to carry on the provision of travel and accommodation services to exhibitors and visitors as and when our Directors consider appropriate. We would only submit the application for travel licence to the relevant governmental authority in the future as and when our Directors considered appropriate.

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Expand Trade

On 30 May 2012, Expand Trade was incorporated in the BVI with an authorised share capital of US\$50,000 shares divided into 50,000 shares of US\$1.00 each. On 15 June 2012, Business Good subscribed for and was allotted and issued one share in the share capital of Expand Trade at par value. Expand Trade is an intermediate holding company of our Group.

Pursuant to the Reorganisation, the entire share capital of Expand Trade was transferred to our Company on 3 October 2013, details of which are set out in the section headed “Reorganisation” in this document. Since then, Expand Trade had been a wholly owned subsidiary of our Company up to the Latest Practicable Date.

Our Company

For the purpose of the [••], our Company was incorporated on 21 August 2012 in the Cayman Islands under the Companies Law as an exempted company with limited liability with an authorised share capital of HK\$100,000 divided into 1,000,000 shares of HK\$0.10 each. As a result of the Reorganisation, our Company became the ultimate holding company of our Group, holding the entire interest in the issued share capital of Expand Trade. Details of the Reorganisation are set out in the section headed “Reorganisation” in this document.