www.e-print.com.hk

eprint Group Limited
eprint 集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1884

Share Offer

Sole Sponsor

信達國際融資有限公司
CINDA INTERNATIONAL CAPITAL LIMITED

Sole Bookrunner and Sole Lead Manager

信達國際證券有限公司
CINDA INTERNATIONAL SECURITIES LIMITED

IMPORTANT: If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.

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SHARE OFFER

Total number of Offer Shares under the Share Offer	:	**125,000,000 Shares (subject to the Over-allotment Option)**
Number of Public Offer Shares	:	**12,500,000 Shares (subject to adjustment)**
Number of Placing Shares	:	**112,500,000 Shares (subject to adjustment and the Over-allotment Option)**
Offer Price	:	**Not more than HK$1.08 per Share and expected to be not less than HK$0.78 per Share, plus brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005% (payable in full on application and subject to refund on final pricing)**
Nominal value	:	**HK$0.01 per Share**
Stock code	:	**1884**

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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 "Documents Delivered to the Registrar of Companies and Available for Inspection" in Appendix V to this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies Ordinance. The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus.

The Offer Price is expected to be fixed by agreement between the Sole Lead Manager, on behalf of the Underwriters, and our Company on or around Tuesday, 26 November 2013 or such later time as may be agreed between the parties, but in any event, no later than Sunday, 1 December 2013. If, for any reason, the Sole Lead Manager, on behalf of the Underwriters, and our Company are unable to reach an agreement on the Offer Price by Sunday, 1 December 2013, the Share Offer will not become unconditional and will lapse immediately. The Offer Price will be not more than HK$1.08 per Share and is expected to be not less than HK$0.78 per Share although the Sole Lead Manager, on behalf of the Underwriters, and our Company may agree to a lower price. The Sole Lead Manager, on behalf of the Underwriters, may, with the consent of our Company, reduce the indicative Offer Price range below that stated in this prospectus (being HK$0.78 per Share to HK$1.08 per Share) at any time on or prior to the morning of the last date for lodging applications under the Public Offer. In such a case, notices of the reduction in the number of Public Offer Shares and/or the indicative Offer Price range will be published in the South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) and on the websites of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.eprintgroup.com.hk** as soon as practicable but in any event not later than the morning of the day which is the latest day for lodging applications under the Public Offer. For further information, see the sections headed "Structure and Conditions of the Share Offer" and "How to Apply for the Public Offer Shares" in this prospectus.

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

Pursuant to the termination provisions contained in the Public Offer Underwriting Agreement in respect of the Public Offer Shares, the Sole Lead Manager, on behalf of the Public Offer Underwriters, have the right in certain circumstances, in their absolute discretion, to terminate the obligation of the Public Offer Underwriters pursuant to the Public Offer Underwriting Agreement at any time prior to 8:00 a.m. on the Listing Date. Further details of the terms of the termination provisions are set out in the section headed "Underwriting – Public Offer underwriting arrangements – Public Offer – Grounds for termination". It is important that you refer to that section for further details.

20 November 2013

	2013
Latest time to complete electronic applications under the **HK eIPO White Form** service through the designated website at **www.hkeipo.hk** *(Note 2)*	11:30 a.m. on Monday, 25 November
Application lists for the Public Offer open *(Note 3)*	11:45 a.m. on Monday, 25 November
Latest time for lodging **WHITE** and **YELLOW** Application Forms and giving **electronic application instructions** to HKSCC *(Note 4)*	12:00 noon on Monday, 25 November
Latest time to complete payment of **HK eIPO White Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s)	12:00 noon on Monday, 25 November
Application lists close *(Note 3)*	12:00 noon on Monday, 25 November
Expected Price Determination Date *(Note 5)*	Tuesday, 26 November
Announcement of the Offer Price, the level of applications in the Public Offer, the level of indications of interest in the Placing and the basis of allocation of the Public Offer Shares to be published in the South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) and on the websites of the Stock Exchange at **www.hkexnews.hk** and our Company at **www.eprintgroup.com.hk** on or before *(Note 5)*	Monday, 2 December
Results of allocations in the Public Offer (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels. (See the section headed "How to Apply for the Public Offer Shares – Publication of results") from	Monday, 2 December
Results of allocations for the Public Offer will be available at **www.tricor.com.hk/ipo/result** with a "search by ID" function	Monday, 2 December
Share certificates (if applicable) in respect of wholly or partially successful applications to be despatched on or before *(Note 6)*	Monday, 2 December
HK eIPO White Form e-Auto Refund payment instructions/ Refund cheques in respect of wholly successful (if applicable) or wholly or partially unsuccessful applications to be despatched on or before *(Notes 6 and 7)*	Monday, 2 December
Dealings in Shares on the Main Board of the Stock Exchange to commence at 9:00 a.m. on	Tuesday, 3 December

Notes:

(1) All times refer to Hong Kong local time. Details of the structure of the Share Offer, including its conditions, are set out in the section headed "Structure and Conditions of the Share Offer".

(2) You will not be permitted to submit your application through the designated website at **www.hkeipo.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is a tropical cyclone warning signal number 8 or above or a "black" rainstorm warning signal in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Monday, 25 November 2013, the application lists will not open on that day. Further information is set out in the section headed "How to Apply for the Public Offer Shares – Effect of bad weather conditions on the opening of the application lists" in this prospectus.

(4) Applicants who apply for Public Offer Shares by giving electronic application instructions to HKSCC should refer to the section headed "How to Apply for the Public Offer Shares – Applying by giving electronic application instructions to HKSCC via CCASS" in this prospectus for details.

(5) The Offer Price is expected to be determined on or around Tuesday, 26 November 2013, but in any event, the expected time for determination of the Offer Price will not be later than Sunday, 1 December 2013. If, for any reason, the Offer Price is not agreed between the Sole Lead Manager, on behalf of the Underwriters, and our Company by Sunday, 1 December 2013, the Share Offer will not proceed.

(6) Applicants who apply with **WHITE** Application Forms or through **HK eIPO White Form** service for 1,000,000 Public Offer Shares or more under the Public Offer and have provided all information required by their Application Forms, may collect their refund cheque(s) (if applicable) and/or Share certificate(s) (if applicable) in person from our Hong Kong Share Registrar, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Monday, 2 December 2013. Applicants being individuals who are applying for 1,000,000 Public Offer Shares or more and is eligible for personal collection must not authorise any other person to make collection on their behalf. Applicants being corporations who are applying for 1,000,000 Public Offer Shares or more and is eligible for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporations' chop. Identification and (where applicable) authorisation documents acceptable to our Hong Kong Share Registrar, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, must be produced at the time of collection. Uncollected Share certificates and refund cheques will be despatched by ordinary post at the applicants' own risk to the addresses specified on the relevant Application Forms.

(7) e-Auto Refund payment instructions/refund cheques will be issued in respect of wholly or partially unsuccessful applications pursuant to the Public Offer and also in respect of wholly or partially successful applications in the event that the final Offer Price is less than the price payable per Offer Share on application. Part of the applicant's Hong Kong identity card number or passport number, or, if the application is made by joint applicants, part of the Hong Kong identity card number or passport number of the first-named applicant, provided by the applicant(s) may be printed on the refund cheque, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant's Hong Kong identity card number or passport number before cashing the refund cheque. Inaccurate completion of an applicant's Hong Kong identity card number or passport number may lead to delays in encashment of, or may invalidate, the refund cheque.

Share certificates for the Public Offer Shares will only become valid certificates of title at 8:00 a.m. on the Listing Date, provided that (i) the Share Offer has become unconditional in all respects; and (ii) the right of termination as described in the section headed "Underwriting – Public Offer underwriting arrangements – Public Offer – Grounds for termination" in this prospectus has not been exercised. Investors who trade Shares on the basis of publicly available allocation details before the receipt of Share certificates and before they become valid do so entirely at their own risk.

For details of the structure of the Share Offer, including the conditions thereof, please refer to the section headed "Structure and Conditions of the Share Offer" in this prospectus.

This prospectus is issued by our Company solely in connection with the Public Offer and the Public Offer Shares and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Public Offer Shares. This prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong.

You should rely only on the information contained in this prospectus and the Application Forms to make your investment decision. Our Company has not authorised anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not made in this prospectus or the Application Forms must not be relied on by you as having been authorised by our Company, any of the Sole Sponsor, Sole Bookrunner, Sole Lead Manager, any of the Underwriters, any of our or their respective directors, officers, representatives, or affiliates, or any other person or party involved in the Share Offer. Information contained in our website, located at www.eprintgroup.com.hk, does not form part of this prospectus.

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This summary aims to give you an overview of the information contained in this prospectus and should be read in conjunction with the full text of this prospectus. Since this is a summary, it does not contain all the information that may be important to you. You should read the whole prospectus, including our financial statements and the accompanying notes, before you decide to invest in the Offer Shares. There are risks associated with any investment. Some of the particular risks of investing in the Offer Shares are set forth in the section headed "Risk Factors". You should read that section carefully before you decide to invest in the Offer Shares.

OUR BUSINESS MODEL

We are one of the leading printing service providers in Hong Kong. We offer high quality and speedy printing and finishing services, in particular, advertisement printing, bound book printing and stationery printing in respect of a broad selection of paper products designed by customers, to suit their diversified needs through our extensive sales channels, integrated information technology infrastructure and production facilities situated in Hong Kong.

According to Euromonitor, in 2012, in terms of the amount spent by customers on printing services in Hong Kong, we were one of the top five printing companies and the largest printing company with retail channels in Hong Kong, with a market share of approximately 2.9% of the total customer value spend on printing services provided by all printing companies in Hong Kong in that year. We were also the printing company having the second largest number of stores in Hong Kong in 2012, according to Euromonitor.

Our sales channels

We have established extensive sales channels in Hong Kong comprising mainly our stores and websites. As at the Latest Practicable Date, we operated a total of 13 "e-print" stores and three "Invoice" stores, located at convenient locations in Hong Kong. We also maintain four websites for sales and marketing purposes, namely, *www.e-print.com.hk*, *www.e-invoice.com.hk*, *www.design-easy.com* and *www.photobook1010.com*. Customers with printing needs may obtain information relating to our services, delivery schedules and pricing through these channels and place order with us through any of our stores or the online self-service ordering platforms available at *customer.e-print.com.hk* and *www.design-easy.com*, where customers logging onto these platforms could complete the ordering process on a completely self-service basis. Customer may also place orders with us over the telephone or through e-mail, which will be handled by our customer support teams.

The following table sets forth the breakdown of our revenue derived from orders received through different channels during the Track Record Period:

	For the year ended 31 March						For the four months ended 31 July		CAGR (from the year ended 31 March 2011 to the year ended 31 March 2013)
	2011		2012		2013		2013		
Sales channels	*HK$'000*	*%*	*HK$'000*	*%*	*HK$'000*	*%*	*HK$'000*	*%*	*%*
Stores	100,815	47.2	111,234	43.8	114,254	40.1	39,670	39.1	6.5
Websites	67,952	31.8	91,684	36.1	100,054	35.2	36,997	36.4	21.3
Others *(Note)*	44,769	21.0	51,228	20.1	70,190	24.7	24,902	24.5	25.2
Total	**213,536**	**100.00**	**254,146**	**100.00**	**284,498**	**100.00**	**101,569**	**100.00**	**15.4**

Note: "Others" refers to revenue derived from orders received over the telephone and through e-mail.

These channels are complementary to each other. Customers may first obtain information about our service offering at our websites and then place order at our stores or through other channels which they find most convenient to them.

Our services and customers

Our printing services cover a variety of paper products. Such services can be generally categorised into (a) advertisement printing covering, among others, printing of paper placemats, menus and leaflets; (b) bound book printing covering, amongst others, printing of booklets with saddle stitching binding (i.e. binding by stabling sheets together where they fold at the spine) or perfect binding (i.e. binding a book block with glue or adhesive) or sewn perfect binding (i.e. binding a book block with thread); and (c) stationery printing covering, among others, printing of business cards, invoices and labels, etc.

To facilitate our customers to translate their ideas to a professional design, customers could make use of our web-based design tools and premade templates for major stationery products available at *www.design-easy.com* and our "Photobook 1010" design software available at *www.photobook1010.com* developed by us in-house to design their bespoke products for us to print. We also offer a wide selection of custom finishing services such as spot UV (i.e. application of varnish on a piece of paper), foil stamping (i.e. application of a heated metal die or colour pigments onto a piece of paper), embossing (i.e. creation of three-dimensional images or designs on the paper surface), holes drilling and perforation, folding, lamination and binding for orders printed by us, to enrich our service offering.

The following table sets out the revenue and gross profit margin attributable to each category of services provided for our customers during the Track Record Period:

	For the year ended 31 March									For the four months ended 31 July			CAGR (from the year ended 31 March 2011 to the year ended 31 March 2013)
	2011 Revenue		Gross profit margin	2012 Revenue		Gross profit margin	2013 Revenue		Gross profit margin	2013 Revenue		Gross profit margin	Revenue
	HK$'000	*%*	*%*	*HK$'000*	*%*	*%*	*HK$'000*	*%*	*%*	*HK$'000*	*%*	*%*	*%*
Printing services													
Advertisement printing	97,905	45.9	28.8	113,219	44.5	35.2	123,079	43.3	37.6	40,870	40.2	38.0	12.1
Bound book printing	57,449	26.9	23.2	70,700	27.8	30.9	82,805	29.1	29.5	32,295	31.8	31.2	20.1
Stationery printing	52,415	24.5	35.8	63,635	25.0	38.5	71,685	25.2	39.4	25,266	24.9	37.9	16.9
Sub-total:	207,769	97.3	29.0	247,554	97.3	34.8	277,569	97.6	35.7	98,431	96.9	35.8	15.6
Other services *(Note)*	5,767	2.7	60.3	6,592	2.7	61.3	6,929	2.4	56.8	3,138	3.1	74.5	9.6
Total	**213,536**	**100.0**	**29.9**	**254,146**	**100.0**	**35.5**	**284,498**	**100.0**	**36.2**	**101,569**	**100.00**	**37.0**	**15.4**

Note: "Other services" include the revenue from the sales of pre-ink stamps, crystal trophies and other miscellaneous services such as product courier.

We serve a large and diverse group of customers who place orders with us through our different sales channels. Our customers are mainly small and medium enterprises and based on the information provided by our customers when they place orders with us, our top five customers during the Track Record Period comprise a property agency, service companies and education institutions, and our sales to these top five customers, in aggregate, amounted to approximately 4.2%, 2.2%, 2.4% and 2.1%, respectively, of our total revenue for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013.

Our information technology infrastructure

We have been endeavoring to maintain and develop our information technology infrastructure to support the operations of our sales channels and other key business functions. We develop on our own and continuously enhance our integrated information system, the eprint management system, which computerises, centralises and standardises the information across our key operations. With our eprint management system, our key operations comprising the pre-press processing (such as print order review and checking), printing and logistics management, procurement and inventory planning can be conducted by our staff members through our computer system, thereby streamlining our operation procedures and increasing operational efficiency. For further details, please refer to the section headed "Business – Information technology" in this prospectus.

Our production facilities and capacity

Our production is principally undertaken at our workshops in Kwun Tong, Hong Kong, with a total saleable floor area of approximately 47,100 square feet, where a substantial part of our production processes are monitored by our eprint management system. As at 31 March 2011, 2012 and 2013 and 31 July 2013, the production capacity of our production facilities, which is measured in terms of the number of impressions of the printing machines involved in the printing process during such relevant period, in aggregate, was approximately 234.6 million, 261.4 million, 310.1 million and 103.5 million, respectively, and the utilisation rate amounted to approximately 71.5%, 74.6%, 71.4% and 76.5%, respectively, during the same period. For further details of our production capacity, utilisation rate and the basis of calculation, please refer to the section headed "Business – Our production – Production capacity" in this prospectus.

Our Controlling Shareholders

During our business history, our Concerted Shareholders, namely, Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, have controlled each of the subsidiaries comprising our Group or shared the operating results in these subsidiaries. On 2 July 2013, in preparation for the Listing, our Concerted Shareholders executed the Acting in Concert Confirmation, whereby they confirmed the existence of their acting in concert arrangements in the past, as well as their intention to continue to act in the above manner upon the Listing to consolidate their control of our Group until the Acting in Concert Confirmation is terminated by the Concerted Shareholders in writing.

Immediately following the completion of the Share Offer, assuming no exercise of the Over-allotment Option and the options which have been granted under the Pre-IPO Share Option Scheme or may be granted under the Share Option Scheme, our Company will be held as to approximately 58.5%, 3.57%, 3.57%, 3.57%, 3.57% and 2.22% by eprint Limited, Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively. As at the Latest Practicable Date, eprint Limited was held as to approximately 21.62%, 21.62%, 21.62%, 21.62% and 13.52% by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively.

For further details of our corporate history, background of our Controlling Shareholders and the arrangement contemplated under the Acting in Concert Confirmation, please refer to the sections headed "History, Development and Reorganisation" and "Relationship with Controlling Shareholders" in this prospectus.

OUR COMPETITIVE STRENGTHS

We believe that our success to date and potential for future growth are attributable to a combination of our competitive strengths, including the followings: (i) we are a leading printing service provider in Hong Kong; (ii) we offer convenient, speedy and high quality printing services; (iii) we have extensive sales channels; (iv) we offer printing services for a broad selection of products at competitive prices; and (v) we have a dedicated and experienced management team.

For further details, please refer to the section headed "Business – Our competitive strengths" in this prospectus.

OUR BUSINESS STRATEGIES

Going forward, our vision is to continue to consolidate our market position and create value for our Shareholders, so that we will continue to remain as a leading printing service provider. To achieve our goal, the followings are our principal strategies:

- Expand our production capacity.
- Optimise our store network in Hong Kong.
- Replicate our success by expansion into new market(s).
- Continue to upgrade our information technology infrastructure and enhance our online self-service ordering platforms.
- Increase our brand awareness.

For further details, please refer to the section headed "Business – Our business strategies" in this prospectus.

SUMMARY OF FINANCIAL INFORMATION

Our results of operations are subject to the influence of numerous factors, the most significant of which are: (i) demand for our printing services; (ii) cost of raw materials; and (iii) market competition.

The summaries below should be read together with the consolidated financial information in Appendix I to this prospectus, including the accompanying notes.

Summary of consolidated statements of comprehensive income

	For the year ended 31 March						For the four months ended 31 July			
	2011		2012		2013		2012 (Unaudited)		2013	
	HK$'000	% to revenue	HK$'000	% to revenue	HK$'000	% to revenue	HK$'000	% to revenue	HK$'000	% to revenue
Revenue	213,536	100.0	254,146	100.0	284,498	100.0	93,138	100.0	101,569	100.0
Gross profit	63,785	29.9	90,269	35.5	102,915	36.2	34,260	36.8	37,536	37.0
Operating profit	29,296	13.7	49,255	19.4	50,551	17.8	17,400	18.7	7,304	7.2
Profit for the year/period	22,888	10.7	41,911	16.5	42,618	15.0	14,808	15.9	4,678	4.6

Summary of consolidated statements of financial position

	As at 31 March			As at 31 July
	2011	2012	2013	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Total non-current assets	84,345	87,622	105,470	107,404
Total current assets	60,121	87,872	86,486	92,957
Total current liabilities	94,314	90,501	75,870	87,006
Net current (liabilities)/assets	(34,193)	(2,629)	10,616	5,951
Total non-current liabilities	11,361	16,978	44,161	44,222
Net assets	38,791	68,015	71,925	69,133

Financial performance during the Track Record Period

We achieved steady growth in revenue at a CAGR of approximately 15.4% from the year ended 31 March 2011 to the year ended 31 March 2013. Our profit also grew at a CAGR of approximately 36.4% from the year ended 31 March 2011 to the year ended 31 March 2013.

Gross profit margin

During the Track Record Period, our gross profit margin increased from approximately 29.9% for the year ended 31 March 2011 to approximately 35.5% for the year ended 31 March 2012 and further to approximately 36.2% and 37.0%, respectively, for the year ended 31 March 2013 and the four months ended 31 July 2013. The increase was primarily a combined result of (i) the decrease in overall market price and our cost of paper; (ii) the adjustment in unit retail price of some of our services; (iii) the increase in costs of our certain printing services mainly due to certain production equipment we acquired and additional staff employed; and (iv) sales discounts we offered for some of our services during the Track Record Period.

Net profit margin

Our net profit margin increased from approximately 10.7% for the year ended 31 March 2011 to approximately 16.5% for the year ended 31 March 2012 and slightly decreased to approximately 15.0%, for the year ended 31 March 2013. The increase in net profit margin for the year ended 31 March 2012 primarily reflected our increase in gross profit margin as well as the fluctuations in other gain/loss in connection with disposals of property, plant and equipment and two subsidiaries. For the four months ended 31 July 2013, we recorded a net profit margin of approximately 4.6%. The fall in net profit margin for the four months ended 31 July 2013 was primarily attributable to the professional expenses of approximate HK$9.7 million in connection with the Company's Listing incurred during the period.

Net current liabilities/assets

We recorded net current liabilities position of approximately HK$34.2 million and HK$2.6 million as at 31 March 2011 and 2012, respectively. Our net current liabilities position as at 31 March 2011 and 31 March 2012 was primarily attributable to borrowings we used to finance our working capital requirements and capital expenditure. Such borrowings in aggregate amounted to approximately HK$41.7 million and HK$27.7 million, respectively, which accounted for approximately 44.2% and 30.6% of our total current liabilities as at 31 March 2011 and 2012, respectively. Due to the fact that the corresponding loan agreements include a repayment on demand clause giving the banks an unconditional right to call the loan at anytime notwithstanding any other terms and maturity as set out in the loan agreements, the borrowings were classified as current liabilities despite approximately HK$14.9 million and HK$13.8 million as at 31 March 2011 and 2012, respectively, were repayable over one year according to the corresponding loan agreements. Further, we had obligation under finance leases repayable within one year of approximately HK$13.9 million and HK$17.2 million as at 31 March 2011 and 2012, respectively, to finance our capital expenditure on certain long term assets comprising mainly plant and machinery. Attributable to the profit we generated during the Track Record Period and the repayment of our borrowings, we recorded net current assets of approximately HK$10.6 million and HK$6.0 million as at 31 March 2013 and 31 July 2013, respectively.

Key financial ratios

	As at/for the year ended 31 March			As at/for the four months ended 31 July
	2011	**2012**	**2013**	**2013**
Current ratio	0.6	1.0	1.1	1.1
Gearing ratio	156.5%	79.5%	96.2%	97.4%
Debt to equity ratio	112.9%	44.6%	N/A	10.0%
Return on equity	64.6%	78.5%	60.9%	N/A
Return on total assets	15.7%	26.2%	23.2%	N/A
Interest coverage	11.1	23.0	29.3	10.4

For further details, please refer to the section headed "Financial Information – Other key financial ratios" in this prospectus.

Listing expenses

Listing expenses represent professional fees, underwriting commission and fees, incurred in connection with the Listing. Listing expenses to be borne by our Company are estimated to be approximately HK$26.6 million, of which approximately HK$9.7 million is directly attributable to the issue of new Shares to the public and to be accounted for as a deduction from equity, and approximately HK$16.9 million has been or is expected to be reflected in our consolidated statement of comprehensive income. Approximately HK$10.9 million of the listing expenses in relation to services already performed has been reflected in the consolidated statement of comprehensive income of our Group for the Track Record Period, and the remaining amount of approximately HK$6.0 million is expected to be reflected in the consolidated statement of comprehensive income of our Group after the Track Record Period.

The listing expenses above are the latest practicable estimate for reference only and the actual amount may differ from this estimate. Our results of operations for the year ending 31 March 2014 is expected to be adversely affected by the non-recurring listing expenses in connection with the Listing.

Recent development

Based on our unaudited financial information for the six months ended 30 September 2013, our Group's revenue for the six months ended 30 September 2013 slightly increased when compared to that for the same period in 2012. There was no material change in the unit retail price of our printing services subsequent to the Track Record Period and up to the Latest Practicable Date. We believe the increase in our Group's revenue for the six months ended 30 September 2013 primarily reflected the increase in the number of completed orders, by approximately 6% to 15%, for our respective major types of printing services. Our Group's gross profit margin for the six months ended 30 September 2013 remained relatively stable when compared to the same period in 2012. As at 30 September 2013, we recorded net current assets of approximately HK$8.6 million. For details of our current assets and current liabilities, please refer to the section headed "Financial Information – Net current liabilities/assets".

Save as disclosed in the paragraphs headed "Listing expenses" and "Pre-IPO Share Option Scheme" in this section, our Directors confirm that there has been no material adverse change in the financial or trading position of our Group since 31 July 2013 up to the date of this prospectus, and that there has been no event since 31 July 2013 which would materially affect the information shown in the Accountant's Report in Appendix I to this prospectus.

SHARE OFFER STATISTICS

The figures in the following table are based on the assumptions that 500,000,000 Shares are in issue immediately after completion of the Share Offer (excluding any Shares which may fall to be issued upon the exercise of the Over-allotment Option and any options which have been granted under the Pre-IPO Share Option Scheme or may be granted under the Share Option Scheme, or any Share which may be issued or repurchased by our Company pursuant to the general mandates for issue or repurchase of Shares):

Market capitalisation	:	HK$390 million (Based on an Offer Price of HK$0.78) HK$540 million (Based on an Offer Price of HK$1.08)
Historical price/earnings multiple[(1)]	:	9.2 times (Based on an Offer Price of HK$0.78) 12.7 times (Based on an Offer Price of HK$1.08)
Unaudited pro forma adjusted net tangible assets per Share[(2)]	:	HK$0.30 (Based on an Offer Price of HK$0.78) HK$0.37 (Based on an Offer Price of HK$1.08)

Notes:

1. *The calculation of historical price/earnings multiple is based on profit attributable to equity holders of our Company for the year ended 31 March 2013, and on the assumption that 500,000,000 Shares were issued since 1 April 2012 and were in issue during the entire year.*

2. *The unaudited pro forma adjusted net tangible assets per Share have been arrived at after the adjustments referred to in the sections headed "Financial Information – Unaudited pro forma statement of adjusted net tangible assets" and "Unaudited Pro Forma Financial Information" set out in Appendix II to this prospectus.*

USE OF PROCEEDS

We estimate that the aggregate net proceeds from the Share Offer (after deducting underwriting fees and estimated expenses payable by us in connection with the Share Offer) will be approximately HK$89.7 million (or approximately HK$106.5 million assuming the Over-allotment Option is exercised in full), assuming an Offer Price of HK$0.93 per Share, which is the mid-point of the indicative Offer Price range of HK$0.78 to HK$1.08 per Share.

We currently intend to apply the net proceeds from the Share Offer as follows, assuming the Over-allotment Option is not exercised and an Offer Price of HK$0.93 per Share, which is the mid-point of the indicative Offer Price range of HK$0.78 to HK$1.08 per Share:

Allocation of net proceeds		**Intended applications**
Approximately 37.5% of the estimated net proceeds	:	For the expansion of our production capacity and post-press finishing capability, in which: • as to approximately 32.8% for acquiring new printing machines, a platesetter for undertaking the computer-to-plate process and post-press finishing equipment; and • as to approximately 4.7% for setting up new workshops to house such new machines and equipment.
Approximately 34.7% of the estimated net proceeds	:	For the repayment of banking facilities in respect of our production machinery held under finance lease to safeguard the financial position of our Group.
Approximately 18.0% of the estimated net proceeds	:	For the expansion of our store network by opening totally three "e-print" stores in Kowloon, one "e-print" store in the New Territories and one "Invoice" store on Hong Kong Island in 2013 and 2014, and extending our presence in four existing locations by relocating four stores upon expiry of the respective lease term in 2014, in which: • as to approximately 14.4% will be used for opening new stores; and • as to approximately 3.6% will be used for relocating existing stores.

Allocation of net proceeds		Intended applications
Approximately 5.7% of the estimated net proceeds	:	For upgrading our information technology infrastructure and enhancing our online self-service ordering platforms, in which: • as to approximately 2.8% will be used for upgrading our information technology infrastructure to enhance our eprint management system and adopting VoIP system to facilitate our internal operations and communications; • as to approximately 1.8% will be used for upgrading existing servers, acquiring additional servers and leasing premises for our new data centre; and • as to approximately 1.1% will be used for enhancing our online self-service ordering platforms.
Approximately 4.1% of the estimated net proceeds	:	For our Group's working capital.

For further details, please refer to the sections headed "Business – Our business strategies" and "Future Plans and Use of Proceeds" in this prospectus.

RISK FACTORS – HIGHLIGHTS

We believe that there are certain risks involved in our operations. Many of these risks are beyond our control and can be categorised into: (a) risks relating to our business; (b) risks relating to our operations; and (c) risks relating to the Shares and the Share Offer. We believe that the followings are some of the major risks that may have a material adverse effect on us:

- We do not enter into any long-term contract with our customers and may not be successful in developing repeat customers or attracting new customers, which may expose us to potential volatility in our business performance.

- Our business is susceptible to fluctuations of purchase costs for raw materials and consumables, and such fluctuations may materially and adversely affect our profitability and results of operations.

- We are subject to the risk of system failure caused by unexpected network interruptions, security breaches, attack by hackers or computer virus, and business interruption due to natural or man-made disasters.

- We have previous incidents of non-compliance with the laws and regulations and any enforcement action against us or the directors or the management members of any of our Group members may adversely affect our business and reputation.

- We may be subject to claims in connection with industrial accidents at our manufacturing facilities including employees' compensation claims and common law personal injury claims, and our insurance coverage may not adequately protect us against certain risk.

- Our planned expansion into new markets may be less successful than our business in the existing markets and our failure to manage our business in such markets effectively may materially and adversely affect our business, results of operations and prospects.

The risks mentioned above are not the only significant risks that may affect our business and results of operations. As different investors may have different interpretations and standards for determining materiality of a risk, you are cautioned that you should carefully read the entire section headed "Risk Factors" in this prospectus.

PRE-IPO SHARE OPTION SCHEME

As at the Latest Practicable Date, options to subscribe for an aggregate of 12,500,000 Shares, representing approximately 2.5% of the enlarged issued share capital of our Company immediately following the completion of the Share Offer and the Capitalisation Issue (excluding any Shares which may be issued pursuant to exercise of the Over-allotment Option and options which were granted under the Pre-IPO Share Option Scheme or options which may be granted under the Share Option Scheme), had been granted under the Pre-IPO Share Option Scheme. For details of the Pre-IPO Share Option Scheme, please refer to the section headed "Statutory and General Information – 14. Pre-IPO Share Option Scheme" in Appendix IV to this prospectus. By virtue of granting these share options, we expect that we will record a share-based payment expenses in our Group's consolidated statement of comprehensive income based on the fair value of the options granted under the Pre-IPO Share Option Scheme on the date of grant and the estimated Share price being the mid-point of the indicative Offer Price range. Such expense is currently estimated to be approximately HK$3.6 million, HK$1.5 million and HK$1.0 million for the years ending 31 March 2014, 2015 and 2016 respectively and may impact on our performance for the relevant years.

DIVIDEND POLICY

We, through a general meeting, may declare dividends in any currency, but no dividend may be declared in excess of the amount recommended by our Board. During the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, the subsidiaries now comprising our Group declared dividends totalling approximately HK$16.2 million, HK$12.7 million, HK$38.7 million and HK$7.0 million, respectively. On 11 November 2013, a dividend of HK$8.0 million was declared and paid from our Group's internally generated funds to the then Shareholders. As at the Latest Practicable Date, all such dividends declared had been fully paid.

Any declaration and payments, as well as the amount of dividends, will be subject to the approval of our Board and factors including but not limited to our profitability, financial condition, business development requirements, working capital, business prospects, cash requirements, regulatory and contractual restrictions on our declaration and payment of dividends and other factors that our Directors deem relevant. Subject to, among others, the factors described above, our Directors currently intend to recommend dividends of around 30% or more of our net profit available for distribution to the Shareholders in the foreseeable future. For details of our dividend policy, please refer to the section headed "Financial Information – Dividend and dividend policy" in this prospectus.

Unless the context otherwise requires, the following expressions have the following meanings in this prospectus. Certain other terms are explained in the section headed "Glossary of Technical Terms".

"Acting in Concert Confirmation"	a deed of confirmation dated 2 July 2013 executed by our Concerted Shareholders, whereby they confirmed the existence of their acting in concert arrangements. A summary of the Acting in Concert Confirmation is set out in the section headed "History, Development and Reorganisation" in this prospectus
"Application Form(s)"	**WHITE** Application Form(s), **YELLOW** Application Form(s) and **GREEN** Application Form(s), individually or collectively, as the context may require
"Articles of Association" or "Articles"	the articles of association of the Company conditionally adopted on 13 November 2013 and effective on the Listing Date and as amended or supplemented from time to time, a summary of which is set out in Appendix III to this prospectus
"associate"	has the meaning ascribed to it under the Listing Rules
"Bannershop Group"	Bannershop Investment Limited and its subsidiaries (if any), which are Independent Third Parties. It is principally engaged in the design, production and installation of large format digital printing products
"Board of Directors" or "Board"	the board of Directors
"Business Day(s)"	any day(s) (other than a Saturday or a Sunday or a public holiday) on which banks in Hong Kong are generally open for normal banking business
"BVI"	the British Virgin Islands
"Capitalisation Issue"	the issue of a total of 374,900,000 Shares to be made upon the capitalisation of a sum of HK$3,749,000 standing to the credit of the share premium account of our Company upon completion of the Share Offer referred to in the section headed "History, Development and Reorganisation – Reorganisation – (5) Share Offer and Capitalisation Issue" in this prospectus
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC

"CCASS Clearing Participant"	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
"CCASS Custodian Participant"	a person admitted to participate in CCASS as a custodian participant
"CCASS Internet System"	the website operated by HKSCC to enable CCASS Investor participant and, upon authorisation by a CCASS Clearing Participant or a CCASS Custodian Participant, stock segregated account statement recipients of that CCASS Clearing Participant or CCASS Custodian Participant to access CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures in effect from time to time
"CCASS Investor Participant"	a person admitted to participate in CCASS as an investor participant, who may be an individual or joint individuals or a corporation
"CCASS Participant"	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant
"Chairman"	chairman of our Board
"China" or "PRC"	the People's Republic of China, which for the purpose of this prospectus and for geographical reference only, excludes Hong Kong, the Macau and Taiwan
"Companies Law"	the Companies Law (as revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
"Companies Ordinance"	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company", "our Company", "we" or "us"	eprint Group Limited (eprint集團有限公司), a company incorporated in the Cayman Islands on 10 January 2013 as an exempted company with limited liability
"Concerted Shareholders"	Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung

"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules, and unless the context requires otherwise, refers to the Concerted Shareholders and eprint Limited
"Dajinlai Technology"	大金來科技(深圳)有限公司 (Dajinlai Technology (Shenzhen) Company Limited), a WFOE established on 11 November 2009 in accordance with the laws of the PRC and an indirect wholly-owned subsidiary of our Company
"Deed of Indemnity"	a deed of indemnity dated 13 November 2013 and executed by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung, Mr. YP Leung and eprint Limited in favour of our Company (for itself and as trustee for its subsidiaries stated therein) containing the indemnities as more particularly referred to in the section headed "Statutory and General Information – 15. Estate duty, tax and other indemnity" in Appendix IV to this prospectus
"Deed of Non-Competition"	a deed of non-competition dated 13 November 2013 and executed by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung, Mr. YP Leung and eprint Limited in favour of our Company, details of which are disclosed in the section headed "Relationship with Controlling Shareholders – Non-compete undertakings" in this prospectus
"Design Easy"	Design Easy Limited (設計易(香港)有限公司), a company incorporated in Hong Kong with limited liability on 20 June 2007, which is an indirect wholly-owned subsidiary of our Company
"Digital Printing"	Digital Printing Centre Limited (數碼印刷中心有限公司), a company incorporated in Hong Kong with limited liability on 18 September 2008, which is an indirect wholly-owned subsidiary of our Company
"Director(s)"	the director(s) of our Company
"E-Print Bannershop Limited"	E-Print Bannershop Limited, a company incorporated in Hong Kong with limited liability on 11 May 2011, which is owned as to 50% indirectly by our Company and as to 50% by Bannershop Group, an Independent Third Party

"E-Print Group"	E-Print Group Limited, a limited liability company incorporated on 11 June 2008 in accordance with the laws of the BVI and a direct wholly-owned subsidiary of our Company
"E-Print Solutions"	E-Print Solutions Sdn. Bhd., a company incorporated in Malaysia with limited liability on 26 December 2007, which is owned as to 30% indirectly by our Company and as to 70% by an Independent Third Party
"eprint Digital Holding"	eprint Digital Holding Limited, a limited liability company incorporated on 15 January 2013 in accordance with the laws of the BVI and a direct wholly-owned subsidiary of our Company
"eprint Group (BVI)"	eprint Bannershop Group Limited, a limited liability company incorporated on 15 January 2013 in accordance with the laws of the BVI and a direct wholly-owned subsidiary of our Company
"eprint Limited"	eprint Limited, a limited liability company incorporated on 9 January 2013 in accordance with the laws of the BVI and owned as to 21.62%, 21.62%, 21.62%, 21.62% and 13.52% by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung
"Gangsui"	廣州港穗商品信息諮詢服務有限公司 (Guangzhou Gangsui Product Information Consultancy Services Limited), a company established in the PRC on 28 January 2010, an Independent Third Party
"Government" or "Hong Kong Government"	the government of Hong Kong
"GREEN Application Form(s)"	the application form(s) to be completed by the HK eIPO White Form Service Provider
"Group", "our Group", "we", "our" or "us"	our Company and our subsidiaries or, where the context so requires, with respect to the period before which our Company became the holding company of our current subsidiaries, our Company's current subsidiaries or the businesses operated by such subsidiaries or their predecessors (as the case may be)
"HK$" or "Hong Kong dollars"	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong

"HK eIPO White Form"	applying for Public Offer Shares to be issued in your own name by submitting applications online through the designated website at **www.hkeipo.hk**
"HK eIPO White Form Service Provider"	the HK eIPO White Form service provider on the designated website at **www.hkeipo.hk**
"HKFRSs"	the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certificated Public Accountants
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Share Registrar"	Tricor Investor Services Limited
"Independent Third Party(ies)"	a person(s) or company(ies) which is(are) not connected with (within the meaning of the Listing Rules) any directors, chief executives or substantial shareholders of our Company, any of its subsidiaries or any of their respective associates
"Invoice Limited"	Invoice Limited (寶明印刷有限公司), a company incorporated in Hong Kong with limited liability on 3 October 2005, which is owned as to 70% indirectly by our Company and as to 30% by Mr. Yip
"Issuing Mandate"	the general unconditional mandate given to our Directors by the Shareholders relating to the issue of new Shares, further details of which are contained in the section headed "Statutory and General Information – 3. Resolutions in writing of our Shareholders passed on 13 November 2013" in Appendix IV to this prospectus
"Kimley Technology"	Kimley Technology (HK) Limited (金來科技(香港)有限公司), a company incorporated in Hong Kong with limited liability on 19 March 2009, which is an indirect wholly-owned subsidiary of our Company
"Latest Practicable Date"	11 November 2013, being the latest practicable date prior to the printing of this prospectus for the purpose of ascertaining certain information contained in this prospectus

"Legal Counsel"	Mr. Jon K.H. Wong, a barrister-at-law of Hong Kong, advising on certain aspects of operation of our Group under the laws of Hong Kong
"Listing"	the listing of the Shares on the Main Board by the way of Share Offer
"Listing Date"	the date expected to be on or about 3 December 2013 on which the Shares are listed and from which dealings therein are permitted to take place on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
"Lucky Gainer"	Lucky Gainer Limited (旺豪有限公司), a company incorporated in Hong Kong with limited liability on 15 October 2004, which is an indirect wholly-owned subsidiary of our Company
"Macau"	the Macau Special Administrative Region of the PRC
"Main Board"	the stock market operated by the Stock Exchange prior to the establishment of the Growth Enterprise Market (excluding the options market) and which stock market continues to be operated by the Stock Exchange in parallel with the Growth Enterprise Market
"Mr. Chong"	Mr. Chong Cheuk Ki, a non-executive Director and a shareholder holding approximately 3.57% direct interest in our Company and approximately 21.62% interest in eprint Limited, our corporate Controlling Shareholder
"Mr. Lam"	Mr. Lam Shing Kai, a non-executive Director and a shareholder holding approximately 3.57% direct interest in our Company and approximately 21.62% interest in eprint Limited, our corporate Controlling Shareholder
"Mr. She"	Mr. She Siu Kee William, an executive Director and a shareholder holding approximately 3.57% direct interest in our Company and approximately 21.62% interest in eprint Limited, our corporate Controlling Shareholder
"Mr. WM Leung"	Mr. Leung Wai Ming, a non-executive Director and a shareholder holding approximately 3.57% direct interest in our Company and approximately 21.62% in eprint Limited, our corporate Controlling Shareholder

"Mr. Yip"	Mr. Yip Chi Man who holds 30% interest in Invoice Limited as at the date of this prospectus and a connected person
"Mr. YP Leung"	Mr. Leung Yat Pang, a non-executive Director and a shareholder holding approximately 2.22% direct interest in our Company and approximately 13.52% interest in eprint Limited, our corporate Controlling Shareholder
"MYR$"	Malaysian Ringgit, the lawful currency of Malaysia
"Offer Price"	the final Hong Kong dollar price per Offer Share (before brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) at which Shares are to be subscribed or purchased pursuant to the Share Offer, which will be not more than HK$1.08 and is expected to be not less than HK$0.78, to be determined as further described in the section headed "Structure and Conditions of the Share Offer – The Share Offer – Determination of the Offer Price" in this prospectus
"Offer Shares"	the Public Offer Shares and the Placing Shares, together, where relevant, with any additional Share, allotted and issued pursuant to the Over-allotment Option
"our stores"	physical stores including retail stores/collection points
"Over-allotment Option"	the option to be granted by our Company to the Placing Underwriters under the Placing Underwriting Agreement pursuant to which our Company may be required by the Sole Lead Manager (on behalf of the Placing Underwriters), to allot and issue up to 18,750,000 additional new Shares, representing 15% of the Offer Shares initially available under the Share Offer, at the Offer Price to cover over-allocation in the Placing, if any
"Over-allotment Shares"	up to 18,750,000 Shares which our Company may be required to issue at the Offer Price pursuant to the Over-allotment Option

"Placing"	the conditional placing by the Placing Underwriters of the Placing Shares for cash at the Offer Price plus brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005% of the Offer Price, details of which are described in the section headed "Structure and Conditions of the Share Offer" in this prospectus on and subject to the terms and conditions stated herein and in the Placing Underwriting Agreement
"Placing Shares"	the 112,500,000 new Shares initially being offered for subscription by our Company at the Offer Price under the Placing (subject to adjustment as described in the section headed "Structure and Conditions of the Share Offer") together with (unless the context otherwise requires) any Shares issued pursuant to any exercise of the Over-allotment Option
"Placing Underwriters"	the group of underwriters led by the Sole Lead Manager, who are expected to enter into the Placing Underwriting Agreement
"Placing Underwriting Agreement"	the conditional placing underwriting agreement relating to the Placing and to be entered into by, among others, our Company and the Sole Lead Manager on behalf of the Placing Underwriters on or about the Price Determination Date
"Pre-IPO Share Option Scheme"	the prelisting share option scheme approved and adopted by our Shareholders on 13 November 2013, the principal terms of which are summarised in the section headed "Statutory and General Information – 14. Pre-IPO Share Option Scheme" in Appendix IV to this prospectus
"Price Determination Date"	the date, expected to be on or about 26 November 2013 (Hong Kong time), when the Offer Price is determined and, in any event, no later than 1 December 2013
"Print Art"	Print Art Production Centre Limited, a company incorporated in Hong Kong on 9 July 2010 with limited liability, which is owned as to 51% by Mr. Yip and 49% by Independent Third Parties
"Promise Network"	Promise Network Printing Limited (保諾時網上印刷有限公司), a company incorporated in Hong Kong with limited liability on 3 October 2001, which is an indirect wholly-owned subsidiary of our Company

"Promise Network Holding"	Promise Network Holding Limited (保諾時網絡控股有限公司), a limited liability company incorporated on 15 January 2013 in accordance with the laws of the BVI and a direct wholly-owned subsidiary of our Company
"Pro-print"	Pro-print Production Printing Limited, a company incorporated in Hong Kong on 1 March 2005 with limited liability, which is wholly owned by Mr. Yip
"Public Offer"	the offer by our Company of the Public Offer Shares for subscription by the public in Hong Kong as described in "Structure and Conditions of the Share Offer" at the Offer Price (plus brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005% of the Offer Price) and on and subject to the terms and conditions stated herein and in the Application Forms relating thereto
"Public Offer Shares"	the 12,500,000 new Shares initially being offered for subscription by our Company at the Offer Price under the Public Offer (subject to adjustment as described in "Structure and Conditions of the Share Offer")
"Public Offer Underwriters"	the underwriters of the Public Offer named in the section headed "Underwriting – Public Offer Underwriters" in this prospectus
"Public Offer Underwriting Agreement"	the Public Offer underwriting agreement dated 19 November 2013 relating to the Public Offer entered into by, among others, our Company, the Sole Lead Manager and the Public Offer Underwriters
"Regulation S"	Regulation S under the US Securities Act
"related parties"	has the meaning as set out in the paragraph headed "Related party transactions" under note 29 to the Accountant's Report in Appendix I to this prospectus
"Reorganisation"	the reorganisation arrangements undertaken by our Group in preparation for the Listing, which are described in more detail in the sections headed "History, Development and Reorganisation" and "Statutory and General Information – 4. Group reorganisation" in Appendix IV to this prospectus

"Repurchase Mandate"	the general unconditional mandate to repurchase Shares given to the Directors by our Shareholders, further details of which are contained in the section headed "Statutory and General Information – 3. Resolutions in writing of our Shareholders passed on 13 November 2013" in Appendix IV to this prospectus
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"SAFE"	the State Administration of Foreign Exchange of the PRC (中國國家外滙管理局)
"SAIC"	the State Administration for Industry and Commerce of the PRC (中國國家工商行政管理局)
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of our Company, with a par value of HK$0.01 each
"Share Offer"	the Public Offer and the Placing
"Share Option Scheme"	the share option scheme conditionally adopted by our Company on 13 November 2013, the principal terms of which are summarised in the section headed "Statutory and General Information – 13. Share Option Scheme" in Appendix IV to this prospectus
"Shareholder(s)"	holder(s) of Shares
"Sole Bookrunner" and "Sole Lead Manager"	Cinda International Securities Limited, a licensed corporation under the SFO to carry on Type 1 (dealing in securities) regulated activity
"Sole Sponsor"	Cinda International Capital Limited, a licensed corporation under the SFO of carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities
"State", "state" or "PRC government"	the government of the PRC including all political subdivisions (including provincial, municipal and other regional or local government entities) and their instrumentalities thereof or, where the context requires, any of them

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary"	has the meaning ascribed to it in the Listing Rules
"Substantial Shareholder(s)"	has the meaning ascribed to it in the Listing Rules
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers (as amended, supplemented or otherwise modified from time to time)
"Track Record Period"	the period consisting of three financial years ended 31 March 2013 and the four months ended 31 July 2013
"Underwriters"	collectively, the Public Offer Underwriters and the Placing Underwriters
"Underwriting Agreements"	the Public Offer Underwriting Agreement and the Placing Underwriting Agreement
"US$" or "US dollars" or "USD"	United States dollars, the lawful currency of the United States of America
"US Securities Act"	the US Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
"WFOE"	wholly-foreign owned enterprise within the meaning prescribed under the PRC laws
"%"	per cent.

Unless otherwise specified, statements contained in this prospectus assume no exercise of the Over-allotment Option.

All times refer to Hong Kong time.

Unless otherwise specified, reference to years in this prospectus are to calendar years.

In this prospectus, unless otherwise stated, certain amounts denominated in Malaysian Ringgit have been translated into HK dollars and vice versa at an exchange rate of MYR$0.4037 = HK$1.00, for illustration purposes only. Such conversions shall not be construed as representations that amounts in Malaysian Ringgit were or may have been converted into those currencies and vice versa at such rates or any other exchange rates.

All percentages and figures, including share ownership and operating data, have been rounded, and accordingly, totals of rows or columns of numbers in tables may not be equal to the apparent total of the individual items. Certain amounts and percentages figures included in this prospectus have been subject to rounding adjustments, or have been rounded to one or two decimal places. Where information is presented in thousands or millions of units, amount may have been rounded up or down.

If there is any inconsistency between the Chinese names of the entities or enterprises established in the PRC mentioned in this prospectus and their English translations, the Chinese names shall prevail. The English translation of the Chinese names of such PRC entities or enterprises are provided for identification purposes only.

This glossary of technical terms contains explanations of certain terms used in this prospectus as they relate to our Company and as they are used in this prospectus in connection with our business or us. These terms and their given meanings may not correspond to standard industry definitions.

"CAGR"	an acronym for compound annual growth rate
"credit-sales customers"	customers who settle their purchase price with us based on the credit terms granted by us
"customer value spend"	the amount in Hong Kong dollars spent by customers on printing services provided by printing companies in Hong Kong
"digital printing"	a technique of directly printing a digital-based image onto a printing medium, which eliminates many of the mechanical steps required for offset printing
"embossing"	a process through which three-dimensional images or designs are created on paper or other ductile materials, and is typically accomplished with a combination of heat and pressure on the paper
"eprint management system"	our integrated self-developed information management system to manage our pre-press, printing and post-press printing processes, procurement, inventory, logistics and customer relationship management
"foil stamping"	a process by which a heated metal die or color pigments are stamped onto paper and other substrates
"FTP"	file transfer protocol, which is generally used to transfer files between computers on a network
"GDP"	gross domestic product
"lamination"	the process through which paper and laminating materials are bound together
"offset printing"	a widely used printing technique where the inked image is transferred (or offset) from a plate first to a rubber blanket, then to the printing surface, which offers consistent high image quality
"perfect binding"	a type of binding where the book block is held together at the binding edge by glue or adhesive

"post-press"	a term used in the printing industry for the processes and procedures that take place after the printing, which include cutting, folding, assembling, UV spotting, embossing, vanishing and binding
"PPS"	an online bill payment solution that allows user to make payment through any tone-phone or internet-linked computer, from his/her pre-registered bank accounts of different designated banks
"pre-press"	a term used in the printing industry for the processes and procedures that take place between the creation of a print layout and the final printing
"printing plate"	a plate used in printing processes which may be made of metal, plastic, rubber or other materials. The image is put on the printing plate through photomechanical, photochemical or laser processes
"printing services"	for the purpose of this prospectus, it refers to all kinds of printing services provided for paper products, excluding printing of products made up of non-paper materials, such as plastic
"ream"	a standard quantity of 500 sheets of the same size and quality of paper
"registered printing company"	the establishment as "printing" and "printing agents" as reported by the Census and Statistics Department of Hong Kong
"saddle stitching binding"	binding by stabling sheets together where they fold at the spine
"sewn perfect binding"	a type of binding where the book block is sewn with thread
"UV spotting"	the process by which varnish is to be applied to the selected areas of printed objects and the objects are then exposed to ultraviolet lights, in order to provide the printed object with a higher resistance to abrasion and to achieve highlighting effect
"VoIP"	voice over internet protocol
"work-related injury(ies)"	an event of personal injury or death being suffered as a result of any accident arising out of and in the course of the employee's employment

This prospectus contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties, including the risk factors described in this prospectus. Forward-looking statements can be identified by words such as "may", "will", "should", "would", "could", "believe", "expect", "anticipate", "intend", "plan", "continue", "seek", "estimate" or the negative of these terms or other comparable terminology. Examples of forward-looking statements include, but are not limited to, statements we make regarding our projections, business strategy, prospects and development activities as well as other capital spending, financing sources, the effects of regulation, expectations concerning future operations, margins, profitability and competition. The foregoing is not an exclusive list of all forward-looking statements we make.

Forward-looking statements are based on our current expectation and assumptions regarding our business, the economy and other future conditions. We can give no assurance that these expectations and assumptions will prove to have been correct. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our results may differ materially from those contemplated by the forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. We caution you therefore against relying on any of these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global political economic, business, competitive, market and regulatory conditions and the following:

- our goals and strategies;
- our ability to stay abreast of market trends and maintain commercially reasonable relationships with our customers and suppliers;
- our ability to retain core team members and recruit qualified and experienced new team members;
- our ability to maintain an effective quality control system;
- other prospective financial information; and
- the other factors that are described in the section headed "Risk Factors" in this prospectus.

Any forward-looking statement made by us in this prospectus speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Subject to the requirements of applicable laws, rules and regulations, we undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise. All forward-looking statements contained in this prospectus are qualified by reference to this cautionary statement.

Potential investors should carefully consider all of the information set out in this prospectus and, in particular, should consider the following risks and special consideration associated with an investment in our Company before making any investment decision in relation to our Company. The occurrence of any of the following events could harm us. If any of these events occurs, the trading price of the Shares could decline and you may lose all or part of your investment.

RISKS RELATING TO OUR BUSINESS

We do not enter into any long-term contract with our customers and may not be successful in developing repeat customers or attracting new customers, which may expose us to potential volatility in our business performance.

We are principally engaged in the provision of printing services for a large and diverse group of customers in the printing market of Hong Kong. We do not enter into any long-term contract with our customers and our sales are made on the basis of individual print order received from our customers through different sales channels. There is no assurance that these customers will continue to place orders with us at the same volume, for the same category of services, or at all, in future. Further, our success is partly attributable to our ability to develop repeat customers and attract new customers, which depends on a variety of factors such as the effectiveness of our marketing strategies, sales coverage, market demand for our services and the degree of competition in the market. There is no assurance that we will be able to do so. Therefore, our results of operations may vary from period to period and may fluctuate significantly in the future.

Changes in customers' preferences or spending patterns may materially and adversely affect our business.

Our success depends, to a considerable extent, on our ability to continue to anticipate, identify and respond to the changing market trends and customer demands in a timely manner by, for example, improving our existing service quality, enhancing the user experience in our online self-service ordering platforms and/or expanding our services offering. Currently, we provide three major categories of printing services for our customers, namely, advertisement printing, bound book printing and stationery printing, in respect of a wide range of paper products including paper placemats, menus, leaflets, saddle stitching bound books, business cards, invoices and letterheads designed by our customers. There is no assurance that we will be able to continue to develop or launch services which are appealing to or popular amongst our customers or successfully meet their constantly changing demands in future. Further, since we serve a large and diverse customer group, it is difficult for us to accurately track their consumption pattern and effectively plan our marketing, procurement and production in response to changing market trends or consumer demands. Our failure to effectively anticipate, identify or respond to the changing market trends or consumer demands could adversely affect the level of acceptance by customers and competitiveness of our services, which in turn could materially and adversely affect our business, results of our operations and prospects.

In addition, our business is susceptible to adverse changes in customers' spending patterns due to, for example, wider use of electronic publication leading to an overall decrease in use of print materials, deterioration of economic conditions, economic uncertainty, inflation or increasing unemployment rate, which could materially and adversely affect our business, results of operations and prospects.

We face intense competition in the printing industry and we may not be successful in competing against our competitors.

According to Euromonitor, the printing market in Hong Kong is currently an oligopoly, with a few number of players dominating the market even though the rest of the industry is highly fragmented. We are therefore expected to face intense competition from major printing companies which have stronger financial resources and larger in size in the industry.

Further, our success relies, to a certain extent, on the use of advanced information technology infrastructure to operate our integrated online self-service ordering platforms and the eprint management system to monitor and manage our key operation stages and our ability to provide a broad selection of services at competitive prices. We also from time to time develop and enhance the information technology customised for our business to increase operational efficiency and launch new design features on our websites to add value to our services. There is no assurance that our competitors will not adopt similar operation model such as developing software with similar features as or better features than our software and offering their services at more competitive prices than ours and as a result, market competition will be intensified. Intense competition may exert pressure on the price and profitability of our printing services and there is no assurance that we will be able to continue to effectively compete against such competitors in terms of service offering and quality, pricing, customer services, sales coverage, delivery schedule, scale, production capacity and technological expertise. Should we fail to compete successfully in the future, our results of operations and prospects will be materially and adversely affected.

We rely on market recognition of our trade names and face the risks associated with negative publicity.

We believe that the continued growth and success of our Group rest partly with our ability to protect and enhance the value of our brand. We have launched various websites for sales and marketing purposes under our core brand "e-print" targeting at different customer segments, including *www.e-print.com.hk*, *www.e-invoice.com.hk*, *www.design-easy.com* and *www.photobook1010.com*. For further details, please refer to the section headed "Business – Our sales channels – Our trade names" in this prospectus. Notwithstanding our effort in marketing and promotion, there is no assurance that we will continue to be successful in maintaining our brand awareness. In the event that there are incidents or publications resulting in adverse publicity against us or our brand or trade names, our market recognition and reputation may deteriorate, thereby materially and adversely affecting our business, results of operations and prospects.

Our planned expansion into new markets may be less successful than our business in the existing markets and our failure to manage our business in such markets effectively may materially and adversely affect our business, results of operations and prospects.

To capture growth opportunities, expand our brand coverage and generate alternative income stream, we plan to optimise our store network which will involve the opening of new stores and relocating our existing stores in Hong Kong. In addition to our planned growth in Hong Kong market, we intend to expand our presence to South East Asia and Macau. Please refer to the section headed "Business – Our business strategies" in this prospectus for further details. There is no assurance that such future plans will be successfully implemented or result in profitability as expected or that our revenue will continue to grow in the future at the same rate as it did during the Track Record Period, or at all. For our planned expansion into overseas markets where we have little or no operating experience, we need to overcome the hurdles that these new markets may have different business and regulatory environments, competitive conditions, consumer preferences and discretionary spending patterns from our existing markets. We may also need to incur substantial cost to develop our business in such markets and to hire, train and retain employees who share our business philosophy and culture. There is also no assurance that our business partner(s) (if any) in such markets will continue to cooperate with us or to perform its obligations under the relevant cooperation agreements to be entered into, if any. As a result, our business in these new markets may be less successful than our business in our existing markets.

Our future expansion may also place substantial demands on our management and our operational, technological, financial and other resources. In order to manage and support our growth, we must enhance our existing operational and administrative systems, strengthen our financial and management controls, improve our staff's remuneration package and continue to manage our relationship with suppliers and customers. Any of our failure to manage these risks effectively and efficiently would negatively impact on our ability to capitalise any new business opportunity, thereby materially and adversely affecting our results of operations and prospects.

We need additional capital to fund the expansion plan and growth in the future, which we may not be able to obtain on acceptable terms, or at all.

We may need additional capital to fund our capital expenditure associated with our expansion plan such as the proposed acquisition of new production machineries and the expansion of our store network. There is no assurance that we will generate sufficient cash flow from our operating activities for our intended expansion plans. In the event we do not have such operating cash flow, we will need to obtain alternative financing. There is no assurance that we will be able to obtain adequate financing on acceptable terms, or at all. Our ability to obtain additional capital on acceptable terms will be subject to a variety of uncertainties, including:

- investor perceptions of and appetite for securities of companies engaged in the printing business;
- conditions in the capital and financial markets in which we may seek to raise funds;
- our future cash flows, financial condition and results of operations; and
- economic, political and other conditions in Hong Kong and the rest of the world.

We may be required to scale back our planned capital expenditures, which may adversely affect our ability to achieve economies of scale and implement our planned growth strategy. If we raise additional funding, our interest and debt repayment obligations will increase. The terms of any future debt facilities may also impose restrictive covenants that may restrict our business and operations or result in dilution of shareholding of the Shareholders in the case of equity financing. Our inability to raise additional funds in a timely manner and on terms favourable to us, or at all, may have a material adverse effect on our financial condition, results of operations and prospects.

Hong Kong is our principal market and our business is susceptible to any material deterioration in the economic, political and regulatory environment in Hong Kong.

Most of our operations and production facilities are currently located in Hong Kong and all of our sales were generated in Hong Kong during the Track Record Period. We expect that Hong Kong will continue to be our principal market and place of operation. Accordingly, if Hong Kong experiences any adverse economic, political or regulatory conditions due to events beyond our control, such as local economic downturn, natural disasters, contagious disease outbreaks, terrorist attacks, or if the government adopts regulations that place restrictions or burdens on us or on our industry in general, our business, results of operations and prospects would be materially and adversely affected. In addition, we have limited business presence in overseas jurisdictions, and may have difficulties in relocating our entire business operation to other geographic markets if there is any material deterioration in the economic, political and regulatory environment in Hong Kong.

RISKS RELATING TO OUR OPERATIONS

Our business is susceptible to fluctuations of purchase costs for raw materials and consumables, and such fluctuations may materially and adversely affect our profitability and results of operations.

Our profitability depends to a large extent on our ability to anticipate and react to changes in the purchase costs of our principal raw materials. Our total cost of raw materials and consumables accounted for approximately 60.4%, 59.8%, 58.7% and 59.1% of our cost of sales for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, respectively. The major raw materials used in our production are paper, zinc printing plates and printing ink, with paper as our principal raw materials, representing approximately 70.8%, 68.7%, 66.0% and 64.3% of our cost of raw materials and consumables for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, respectively. Prices of paper may be subject to fluctuation from time to time. Please refer to the section headed "Financial Information – Factors affecting our results of operations and financial conditions – Cost of raw materials and consumables" for sensitivity analysis of change in paper prices to our profits during the Track Record Period.

The availability of our principal raw materials can fluctuate and is subject to factors beyond our control such as natural disasters, general economic conditions and government regulations, and our suppliers may be affected by factors such as rising labour costs and other expenses which may be passed onto their customers resulting in higher costs for goods and services supplied to us. There is no assurance that we will be able to accurately anticipate and react to the changes in the supply and demand and hence the prices of our principal raw materials, or that we will be able to pass the increased purchase costs of our raw materials to our customers. Should we fail to do so, our business, results of operations and prospects would be materially and adversely affected.

We may face shortage in supply of raw materials which may materially and adversely affect our business and results of operations.

We must obtain raw materials on a timely basis in order to deliver speedy printing services for customers as well as to meet their expectation. However, except for woodfree and coated paper which we may enter into bulk purchase agreement with our major suppliers to lock-in the price and supply of such raw materials for the next one to three months from the date of the relevant bulk purchase agreement, we generally do not enter into any long-term supply agreement with our suppliers for the supply of principal raw materials. It is our policy to maintain low but safe level of inventory based on the historical consumption amount of our major raw materials, as our Directors believe that our principal raw materials are readily available. Nevertheless, there is no assurance that we will continue to be able to secure a stable supply of major raw materials at competitive prices in a timely manner or at all in the future. In the event that we are unable to do so or we experience shortage of principal raw materials we need, our production and delivery may be delayed or disrupted, thereby materially and adversely affecting our business, results of operations and reputation.

We are subject to the risk of system failure caused by unexpected network interruptions, security breaches, attack by hackers or computer virus, and business interruption due to natural or man-made disasters.

Our business operation depends significantly on the reliability of our information technology infrastructure particularly our self-developed online self-service ordering platforms through which our customers can place orders for our printing services, and our eprint management system which computerises and integrates our key operation functions. However, there is no assurance that we will successfully maintain the satisfactory performance, reliability, security and availability of our information technology infrastructure. Such failure may be caused by unexpected network interruptions, security breaches, attacked by hackers or computer virus.

Further, our operation may also be interrupted if any of our stores, production sites or information technology infrastructure suspends operations due to the occurrence of events such as fires, floods, hardware and software failures, powerloss, telecommunication failure, terrorist attacks or other natural or man-made disasters.

If any of the events mentioned above occurs, our business operation may be disrupted for an indefinite period of time, thereby damaging our reputation and materially and adversely affecting our business.

We face possible infringement of our intellectual property rights.

Our success depends to a certain extent on our ability to maintain a unique image for each of our websites, the trade secrets of our eprint management system and other intellectual property protection for our technologies and know-how as well as our ability to defend ourselves against potential infringement claims by any third party. We have registered our trademarks, such as our logo in Hong Kong and have registered our software copyrights in respect of our eprint management system in the PRC. Notwithstanding our effort in protecting our intellectual property rights, there is no assurance that our measures are adequate or that we will always be able to identify cases of infringement such as unauthorised use of our trademarks or know-how by our suppliers, customers, competitors or any other third party. We may face considerable difficulties and time consuming and costly litigation in order to enforce our intellectual property rights. Accordingly, any case of such infringements may result in a decrease in our sales, an erosion of our goodwill, brand image and reputation, thereby materially and adversely affecting our results of operations and reputation.

We have previous incidents of non-compliance with the laws and regulations and any enforcement action against us or the directors or the management members of any of our Group members may adversely affect our business and reputation.

Some of our subsidiaries did not fully comply with certain legal and statutory requirements in Hong Kong or the PRC during the Track Record Period including: (i) Companies Ordinance; (ii) Factories and Industrial Undertakings Ordinance; (iii) Waste Disposal Ordinance; (iv) Water Pollution Control Ordinance; and (v) Regulation under Administrative Regulations on the Housing Fund. Pursuant to the relevant laws and regulations, the possible legal consequences and maximum liability include payment of fines and/or sentences of imprisonment of the directors or management members of our relevant Group members. Please refer to the section headed "Business – Regulatory compliance – Major non-compliance matters of our Group during the Track Record Period and as at the Latest Practicable Date" in this prospectus for further details of these incidents, possible legal consequences, maximum financial impacts and the rectification measures taken by us.

If any of the government agencies takes enforcement action against us for these non-compliance incidents, we may be ordered to pay fines and/or other penalties, incur legal costs arising from any successful legal action against us or the directors or the management members of our Group members and may result in business disruption and/or negative media coverage, which could adversely affect our business, results of operations and reputation.

We may be subject to claims in connection with industrial accidents at our manufacturing facilities including employees' compensation claims and common law personal injury claims, and our insurance coverage may not adequately protect us against certain risk.

Due to the nature of our operations, we are subject to the risks of our employees being exposed to industrial-related accidents at our premises. During the Track Record Period and up to the Latest Practicable Date, we received a total of 28 claims in relation to work injuries of our employees or ex-employees. As at the Latest Practicable Date, of these 28 claims, 24 claims with compensation totalling approximately HK$626,000 were settled with the relevant employees or ex-employees. For the remaining four claims which were outstanding as at the Latest Practicable Date, our Directors estimate that, based on past experience and subject to the Labour Department's assessment, the aggregate amount involved was approximately HK$160,000. For further details, please refer to the section headed "Business – Environmental protection, health and work safety – Health and work safety" in this prospectus.

We cannot assure that industrial accidents, whether due to malfunctions of machinery or other reasons, will not occur in future at our premises and that any compensation to be paid by us will be fully covered by our insurance policy. Under such circumstances, we may be subject to employees' compensation claims, common law personal injury claims and/or administrative penalty, and if we are found to be liable and a substantial amount of damages was awarded by the court against us or substantial amount of penalty is imposed by the governmental authority on us and the insurance coverage maintained by us is not able to cover such payment, we may have to pay out of our own resources for any uninsured loss, damages and liabilities, and, our business, financial condition results of operations and reputation may be adversely affected.

Our business operation is subject to the risk of infringement of third party intellectual property rights.

As more particularly described in the section headed "Regulations – Hong Kong regulatory overview – (D) Intellectual property" in this prospectus, under the Copyright Ordinance (Chapter 528 of the laws of Hong Kong), a person may incur civil liability for "secondary infringement" if that person possesses, sells, distributes or deals with a copy of a work which is, and which he knows or has reason to believe to be, an infringing copy of the work for the purposes of or in the course of any trade or business without the consent of the copyright owner.

As the materials we print are provided by our customers, there is no assurance that our business operations do not or will not inadvertently infringe the copyright or other intellectual property rights of third parties or become a party to such dispute. All materials provided by our customers to us for printing may be subject to copyright or other legal protections. The exact determination of the scope of copyright or other intellectual property rights can be very complex. In the event of any intellectual property rights disputes between our customers and the owners of the relevant intellectual property right, we may become a party to such disputes. Intellectual property disputes may last for a significant period of time and require considerable personnel and financial resources. If the outcome of such a legal dispute is adverse to us, we could be ordered to pay substantial license fees, royalties and/or damages. Any infringement of third-party copyrights or other intellectual property rights or any lawsuits relating hereto could have a material adverse effect on our results of operations and reputation.

We have had net current liabilities at times during the Track Record Period, which may expose us to liquidity risks in the future if we were unable to refinance certain loans when they come due.

We recorded net current liabilities of approximately HK$34.2 million and HK$2.6 million as at 31 March 2011 and 2012, respectively. Our net current liabilities position as at 31 March 2011 and 2012 was primarily attributable to borrowings we used to finance our working capital requirements and capital expenditure. Such borrowings in aggregate accounted for approximately 44.2% and 30.6% of our total current liabilities as at 31 March 2011 and 2012, respectively. Due to the fact that the corresponding loan agreements include a repayment on demand clause giving the banks an unconditional right to call the loan at anytime notwithstanding any other terms and maturity as set out in the loan agreements, the borrowings were classified as current liabilities. For further details, please refer to the section headed "Financial Information – Net current liabilities/assets" in this prospectus.

We cannot assure you that we will not experience periods of net current liabilities in future. A net current liabilities position would expose us to liquidity risks if we were unable to refinance certain loans when they become due. There can be no assurance that we will always be able to obtain the necessary funding to refinance our short-term borrowings upon maturity and finance our capital commitments. If we were unable to refinance such borrowings when due, and we were not otherwise able to repay such amounts at maturity, we may be in default of such loans, which may result in cross-defaults. In such circumstances, our business, liquidity, financial condition, results of operations and prospects could be materially and adversely affected.

We engage external processing agents and service providers to provide service for us and their failure to meet our requirements may materially and adversely affect our business and reputation.

During the Track Record Period, we engaged external processing agents and service providers to provide certain pre-press and post-press finishing services and the production of other products such as pre-ink stamps and crystal trophies which we do not have the relevant production expertise. For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, subcontracting fees charged by these processing agents and service providers in aggregate accounted for approximately 11.3%, 9.9%, 7.7% and 4.1%, respectively, of our cost of sales.

Although we believe that we have stable relationship with our external processing agents and service providers and the services we have subcontracted are readily available in Hong Kong or the PRC, any failure to retain our key processing agents or service providers and our failure to engage a suitable replacement on time or on acceptable terms or at all, our business and results of operations may be adversely affected.

Further, there is no assurance that we are able to monitor or manage these processing agents and service providers' performance as directly and effectively as our staff members. These processing agents or service providers may fail to meet our deadlines, required quality standards or comply with our specifications. The occurrence of any of these events may adversely affect our business and reputation.

We currently do not own the premises on which we carry out our business, and we are exposed to the risks associated with the commercial real estate rental market.

As at the Latest Practicable Date, all of the properties occupied by us for our operations, including our stores, production workshops and office premises, etc., were leased from third parties. Accordingly, we are susceptible to the rental fluctuation from time to time. Rental expenses accounted for approximately 2.7%, 3.6%, 4.7% and 4.8%, respectively, of our total revenue for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013. In the event that there is any significantly increase in the rental expenses for our existing leased properties, our operating expenses and pressure on our operating cash flows will increase, thereby materially and adversely affecting our business, results of operations and prospects.

In addition, there is no assurance that we will successfully renew the lease agreements for the relevant premises on commercially acceptable terms, or at all. There is also no assurance that such tenancy agreements will not be terminated before its expiration. Termination of our leases may occur beyond our control, such as breaches of agreements by the lessor or the tenant of the premises or invalidation of lease agreements due to the lessors' lack of title to lease the properties. Further, as at the Latest Practicable Date, in order to achieve synergy in marketing and reduce our rental expenses, we and Bannershop Group, our strategic partner, agreed to procure E-Print Bannershop Limited to lease properties for our respective store operations, and to share the rental expenses and other outgoings in proportion to our respective ownership in E-Print Bannershop Limited. There is no assurance that such arrangement will continue in future or the terms of the said agreement will be duly performed by our counterparty. For further details, please refer to "Business – Properties – Premises sharing arrangements with Bannershop Group" in this prospectus.

If, for whatever reason, any of our leases is expired or otherwise terminated or the leasing arrangement between us and Bannershop Group ceases, we may need to relocate to alternative premises or shut down our operations at the relevant sites. Relocations of any part of our operations may cause disruptions to our business and require significant expenditure, and we may have to pay significantly higher rents which may materially and adversely affect our business, financial condition and results of operations. There is also no assurance that such alternative site will be available at a comparable location or on comparable terms to that of the original lease, or at all.

Two of our leased properties may contain additions or alterations without formal approval and three of our leased properties are under sub-leasing arrangement which are in breach or potential breach of the relevant tenancy agreements.

Our Group entered into tenancy agreements with the landlords in respect of certain properties for use as our stores, production workshops, office premises and other uses. Based on the building inspection report prepared by Asset Appraisal Limited in October 2013, two leased properties in relation to our stores were suspected to have certain additions and alterations of structures, and our Directors have confirmed that the said additions and alterations were not constructed by us. In addition, three leased properties in relation to our stores sub-leased from E-Print Bannershop Limited have not yet obtained formal consent from the respective landlords for such sub-leasing arrangement.

In the event that (a) an order is being imposed by the relevant government authority on the properties, the landlords may be required to rectify the irregularities such as to remove the additions or alterations; or (b) the landlords insist that the sub-lease by E-Print Bannershop Limited to our Group has failed to comply with the terms of the relevant tenancy agreements, our operation at the relevant sites may be required to be suspended until such irregularities have been rectified or we may need to relocate our stores. Our Directors estimate that such relocation costs (if any) will be around HK$300,000 for each of such properties.

We may fail to protect the personal information of our customers, which may expose us to claims, litigation or other legal proceedings brought by our customers.

We receive and maintain certain personal and transaction information of our customers when they place orders with us or when they sign-up as our members. If our security network is breached and such information is as a result stolen or obtained by unauthorised persons, we may then be subject to claims, litigation or other legal proceedings brought by our customers or negative press coverage. Should any of such events take place, our reputation and brand image may be negatively affected and our management may be distracted from the running of our business and incur unforeseen losses and expenses which may arise from such claims, litigation or other legal proceedings.

Our operations in overseas jurisdictions may subject us to additional operational and legal risks.

As at the Latest Practicable Date, our key operations were in Hong Kong with office in Shenzhen, the PRC and branch offices in Guangzhou, Maoming and Zhaoqing, the PRC, which were primarily responsible for performing pre-press work, information technology and other administrative functions. As set out in the section head “Business – Our business strategies” in this prospectus, we also plan to expand our presence to South East Asia and Macau.

Our existing and future operations outside Hong Kong expose us to a number of additional risks, such as fluctuations in labour cost, interest and foreign exchange rates, the effects of local social and political instability, local governmental policies, changes in legal and regulatory regimes, changes in the applicable tax rate, changes in labour conditions, changes in local market conditions and the ongoing costs and compliance with the laws and regulations of different jurisdictions. If we fail to manage these risks effectively, such risks may have a material adverse effect on our business and results of operations.

We may lose, or may not be able to attract or retain our key management personnel.

Our current management personnel, which comprise Mr. She, Mr. Tsui Pak Wai, Mr. Fung Hong Keung, Mr. Chan Wai Keung, Mr. Lee Hon Wai, Mr. Cheang Ngai Wang and Ms. Zhang Yiqing, possess in-depth know-how in their respective areas of expertise, and have made significant contribution to our Group's business development. Details of our current management personnel, including their relevant areas of expertise, are set forth in the section headed "Directors and Senior Management" in this prospectus. Our continued success is dependent, to a large extent, on the ability to attract and retain the services of our key management personnel. Accordingly, if we lose or are unable to attract or retain any of our key personnel and thereby losing their services without suitable and timely replacements, there may then be disruption to our operations as well as loss of important business relations, which may materially and adversely affect our results of operations and prospects.

Our business operations may be adversely affected by difficulties in recruiting, motivating and retaining skilled labour, and the increasing labour costs.

We believe that hiring, motivating and retaining suitable employees continue to be an integral part of our success as a printing company. Highly service-oriented and skilled individuals are in short supply and competition for such employees is always intense. If we are unable to recruit, motivate and retain a sufficient number of skilled employees at commercial reasonable costs, our printing process may be delayed and service quality may be deteriorated, which may materially and adversely affect our business and results of operations.

Our business and results of operations may also be adversely affected by the increasing labour costs in Hong Kong. For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, staff costs for production accounted for approximately 17.7%, 17.9%, 19.8% and 21.4%, respectively, of our cost of sales. In the future, staff costs may continue to increase significantly due to intense competition for skilled labour and additional legislation which may be enacted by the Hong Kong or PRC government to increase the minimum wages or to increase the employers' obligations to pay for employee benefits and welfare. Any significant increases in labour costs and our failure to pass on the increased cost burden to the customers could have a material adverse effect on our business, financial condition and results of operations.

We may be unable to detect, deter and prevent all instances of fraud or other misconduct committed by our employees, customers or other third parties, which may negatively impact our results of operation and reputation.

We receive and handle certain amount of cash for the daily operation of our stores. During the Track Record Period and up to the Latest Practicable Date, we were not aware of any instances of fraud or theft on the part of our employees, customers or other third parties at our stores. However, there is no assurance that there will be no such instance in the future and we may not be able to effectively detect and prevent the occurrence of such instances. Any such instance and any past act which has gone undetected can subject us to financial losses and may negatively impact our results of operations and reputation.

Our historical financial information may not necessarily reflect our performance in the future.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, our total revenue amounted to approximately HK$213.5 million, HK$254.1 million, HK$284.5 million and HK$101.6 million, respectively, with gross profit amounted to approximately HK$63.8 million, HK$90.3 million, HK$102.9 million and HK$37.5 million, respectively. However, such historical financial information is merely an analysis of our past performance, it does not reflect the performance of our business in the future, nor does it have any positive implication. Instead of our historical financial information, the future performance of our business depends on our capabilities to secure new business opportunities and keeping our costs at a minimum, and other factors which may be beyond our control.

We may experience an adverse change in our financial results for the year ending 31 March 2014 which is attributable to the listing expenses incurred in relation to the Share Offer.

The total listing expenses for the Share Offer to be borne by our Company are estimated to be approximately HK$26.6 million, of which approximately HK$9.7 million is directly attributable to the issue of new Shares to the public and to be accounted for as a deduction from equity, and approximately HK$16.9 million is expected to be charged to our consolidated statement of comprehensive income. Approximately HK$10.9 million of the listing expenses in relation to services already performed has been charged to the consolidated statement of comprehensive income of our Group for the Track Record Period, and approximately HK$6.0 million is expected to be charged to the consolidated statement of comprehensive income of our Group after the Track Record Period.

Such amount of listing expenses is the latest practicable estimate for reference only, and the actual amount may differ from this estimate. Our Directors expect that our results of operations may experience an adverse change for the year ending 31 March 2014, which is attributable to this significant non-recurring listing expenses in connection with the Listing.

RISKS RELATING TO THE SHARES AND THE SHARE OFFER

There is no prior market for the Shares and the liquidity and market price of the Shares may be volatile.

Prior to the Share Offer, there has been no public market for the Shares. The Offer Price for the Shares will be determined by the Sole Lead Manager and us on the Price Determination Date. The Offer Price may not be indicative of the price at which the Shares will trade following the completion of the Share Offer and the Capitalisation Issue. There is no assurance that there will be active trading market for the Shares, or if it exists, that it can be sustained following the completion of the Share Offer and the Capitalisation Issue, or that market prices of the Shares will not fall below the Offer Price. The price and trading volume of the Shares may be highly volatile subject to factors such as, among others:

- investors' perceptions of us and our future business plans, results of operations and prospects;

- change in our senior management;
- unanticipated business interruptions caused by outbreaks of diseases, natural disasters or accidents;
- potential litigation or regulatory investigations, if any;
- variations of our results of operations and financial position;
- changes in the policies and developments related to the industry in which we operate; and
- economics and other general factors.

Issuance of new Shares or equity linked securities may cause dilution in shareholding.

We may require additional funds due to changes in business conditions or other future developments relating to our existing operations, acquisitions or strategic partnerships. If additional funds are raised by way of issuance of new Shares or equity linked securities other than on a pro rata basis to existing Shareholders, the percentage of ownership of the existing Shareholders, the earnings per Share and the net asset value per Share would diminish.

Issuance of Shares pursuant to the Pre-IPO Share Option Scheme will result in dilution to your shareholding in our Company and dilution of the earnings per Share and granting of share options under the Pre-IPO Share Option Scheme or other equity incentive awards will require us to recognise share-based payment expenses.

We adopted our Pre-IPO Share Option Scheme on 13 November 2013. As at the Latest Practicable Date, options to subscribe for an aggregate of 12,500,000 Shares had been granted to eight grantees under the Pre-IPO Share Option Scheme. Issuance of Shares pursuant to the exercise of the options granted under the Pre-IPO Share Option Scheme will cause dilution to your shareholding in our Company and dilution to the earnings per Share and may cause dilution to the net asset per Share. In addition, we are required to recognise share-based compensation as expenses. By virtue of granting these share options, we expect that we will record a share-based payment expenses in our Group's consolidated statement of comprehensive income based on the fair value of the options granted under the Pre-IPO Share Option Scheme on the date of grant and the mid-point of the indicative Offer Price range and which is currently estimated to be approximately HK$3.6 million, HK$1.5 million and HK$1.0 million for the years ending 31 March 2014, 2015 and 2016 respectively and may impact on our performance for the relevant years. If we grant additional options or other equity incentive awards in the future, we could incur significant compensation charges and our profit for the year/period and earnings per Share may be adversely affected. Please refer to the section headed ''Statutory and General Information – 14. Pre-IPO Share Option Scheme'' in Appendix IV to this prospectus for further information of our Pre-IPO Share Option Scheme and particulars of the grantees thereof.

Future sale of the Shares or major divestment of Shares by any major Shareholder could adversely affect the Share prices.

The sale of a significant number of the Shares in the public market after the Share Offer, or the perception that these sales may occur, could adversely affect the market price of the Shares. Except as provided under the Listing Rules or otherwise described in the sections headed "History, Development and Reorganisation" and "Underwriting" in this prospectus, there is no restriction imposed on Controlling Shareholders and corporate investors to dispose of their shareholdings. Any major disposal of Shares by any of our major Shareholders may cause the market price of our Shares to fall. In addition, these disposals may make it more difficult for us to issue new Shares in the future at a time and price our Directors deem appropriate, thereby limiting our ability to raise capital.

Historical dividends are not indicative of future dividends.

A dividend of approximately HK$16.2 million, HK$12.7 million, HK$38.7 million and HK$7.0 million was declared by the subsidiaries comprising our Group to its respective shareholders during the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, respectively. On 11 November 2013, a dividend of HK$8.0 million was declared and paid to the then Shareholders. Such historical dividends should not be used by the potential investors as a guide to our future dividend policy. There is no assurance that dividends will be declared or paid in the future, at a similar level or at all. The past dividend rates should not be used as a reference or basis to determine the amount of dividends in the future. The amount of any dividends to be declared in the future will be subject to, among other factors, the discretion of our Directors, having considered our profitability, financial condition, business development requirements, working capital, business prospects, cash requirements, regulatory and contractual restrictions on our declaration and payment of dividends and other factors that our Directors deem relevant.

We cannot guarantee the accuracy of the statistics and facts with respect to the printing industry and the economy of Hong Kong in this prospectus.

This prospectus contains information and statistics relating to the economy and printing industry derived from various official government publications and organisations which we believe are reliable. While we believe that such information and statistics are appropriate sources for such information, and our Directors have taken reasonable care in the reproduction of the information and 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, such information has not been prepared or independently verified by us, the Sole Sponsor or any of our or their respective affiliates or advisers. Therefore, we make no representation as to the accuracy of such information and statistics, which may not be consistent with other information compiled within or outside Hong Kong or available from other sources. Due to possibly flawed or ineffective research methods or discrepancies between the published research result and actual market practice, such information and statistics may be inaccurate or may not be comparable to information and statistics produced with respect to other countries. Accordingly, potential investors should not place undue reliance on any of such information and statistics contained in this prospectus.

Investors should not rely on any information contained in the press articles or other media regarding us and the Share Offer.

Prior to the publication of this prospectus, there might have been press articles and media coverage regarding us and the Share Offer which might include certain financial information, financial projections, and other information about us which do not appear in this prospectus. Such information might not be sourced from or authorised by us. Hence, we do not accept any responsibility for, and we cannot guarantee and make no representation as to, the appropriateness, accuracy, completeness or reliability of such information. Potential investors are therefore cautioned to make their investment decisions based solely on the information contained in this prospectus.

Investors may experience difficulties in enforcing their shareholders' rights because our Company is incorporated in the Cayman Islands, and the protection to minority shareholders under the Cayman Islands law may be different from that under the laws of Hong Kong or other jurisdictions.

Our Company is incorporated in the Cayman Islands and its affairs are governed by the Articles, the Companies Law and common law applicable in the Cayman Islands. The laws of the Cayman Islands may differ from those of Hong Kong or other jurisdictions where investors may be located. As a result, minority shareholders may not enjoy the same rights as pursuant to the laws of Hong Kong or such other jurisdictions. A summary of the Cayman Islands law on protection of minority shareholders is set out in paragraph 3(f) in Appendix III to this prospectus.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus includes particulars given in compliance with the Companies Ordinance, the Securities and Futures (Stock Market Listing) Rules and the Listing Rules for the purposes of giving information to the public with regard to our Group. Our Directors collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement in this prospectus misleading.

UNDERWRITING

This prospectus is published solely in connection with the Public Offer, which forms part of the Share Offer. For applicants under the Public Offer, this prospectus and the Application Forms set out the terms and conditions of the Public Offer.

The Listing is sponsored by the Sole Sponsor. The Public Offer is fully underwritten by the Public Offer Underwriters under the terms of the Public Offer Underwriting Agreement, subject to the agreement on the Offer Price between the Sole Lead Manager (on behalf of the Underwriters) and our Company on or before the Price Determination Date. The Share Offer is managed by the Sole Lead Manager. Further details of the Underwriters and the underwriting arrangements are set out in the section headed "Underwriting – Public Offer underwriting arrangements" in this prospectus.

SELLING RESTRICTIONS

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

No action has been taken to permit a public offering of the Offer Shares in any jurisdiction other than Hong Kong or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this prospectus and the offering and sales of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorisation by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Offer Shares have not been publicly offered or sold, directly or indirectly, in the PRC or the United States.

INFORMATION ON THE SHARE OFFER

The Offer Shares are offered solely on the basis of the information contained and representations made in this prospectus and the Application Forms and on the terms and subject to the conditions set out herein and therein. No person is authorised to give any information in connection with the Share Offer 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 our Company, the Sole Lead Manager, the Sole Sponsor, the Underwriters, any of our or their respective directors, agents, employees or advisers or any other party involved in the Share Offer.

Details of the structure of the Share Offer, including its conditions, are set out in the section headed "Structure and Conditions of the Share Offer", and the procedures for applying for the Public Offer Shares are set out in the section headed "How to Apply for the Public Offer Shares" in this prospectus and on the relevant Application Forms.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, our Shares in issue and to be issued pursuant to (i) the Share Offer (including any Shares which may be issued pursuant to the exercise of the Over-allotment Option); and (ii) the exercise of any options that were granted or may be granted under our Pre-IPO Share Option Scheme or Share Option Scheme.

No part of the equity or debt securities of our Company is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or is proposed to be sought in the near future.

Under section 44B(1) of the Companies Ordinance, any allotment made in respect of any application will be invalid if the listing of, and permission to deal in, our Shares on the Stock Exchange is refused before the expiration of three weeks from the date of the closing of the application lists, or such longer period (not exceeding six weeks) as may, within the said three weeks, be notified to our Company by or on behalf of the Stock Exchange.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of listing of, and permission to deal in, our Shares on the Stock Exchange and our Company's compliance with the stock admission requirements of HKSCC, our 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 our Shares on the Stock Exchange or 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 our Shares to be admitted into CCASS.

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Share Offer are recommended to consult their professional advisors if they are in any doubt as to the tax implications of subscription for, purchasing, holding, disposing of and dealing in our Shares. It is emphasised that none of our Group, the Sole Lead Manager, the Sole Sponsor, the Underwriters, any of our or their respective directors, agents or advisors or any other person involved in the Share Offer accepts responsibility for the tax effects or liabilities resulting from your subscription for, purchase, holding, disposal of, or, dealing in our Shares.

HONG KONG SHARE REGISTER AND STAMP DUTY

All Shares issued pursuant to applications made will be registered on our Company's share register of members to be maintained in Hong Kong. Our principal register of members will be maintained by our Company's principal share registrar in the Cayman Islands.

Dealings in our Shares registered in the share register of our Company in Hong Kong will be subject to Hong Kong stamp duty.

Unless determined otherwise by our Company, dividends payable in Hong Kong dollars in respect of Shares will be paid to the Shareholders listed on the Hong Kong share register of our Company, by ordinary post, at the Shareholders' risk, to the registered address of each Shareholder.

OVER-ALLOTMENT AND STABILISATION

In connection with the Share Offer, the Sole Lead Manager, its affiliates or any person acting for them, as stabilising manager (the "**Stabilising Manager**"), on behalf of the Underwriters, may effect transactions with a view to stabilising or supporting the market price of our Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilising Manager, its affiliates or any person acting for them, to conduct any such stabilising action.

In connection with the Share Offer, our Company is expected to grant to the Placing Underwriters the Over-allotment Option, which is exercisable in full or in part by the Sole Lead Manager (on behalf of the Placing Underwriters) no later than 30 days after the last day for lodging applications under the Public Offer. Pursuant to the Over-allotment Option, our Company may be required to issue at the Offer Price up to an aggregate of 18,750,000 Shares, representing 15% of the total number of Shares initially available under the Share Offer, to cover over-allocation in the Placing, if any.

Further details with respect to stabilisation and the Over-allotment Option are set out in the section headed "Underwriting – Over-allotment and stabilisation" in this prospectus.

PROCEDURES FOR APPLICATION FOR PUBLIC OFFER SHARES

The application procedures for the Public Offer Shares are set out in the section headed "How to Apply for the Public Offer Shares" in this prospectus and on the relevant Application Forms.

STRUCTURE OF THE SHARE OFFER

Details of the structure of the Share Offer, including its conditions, are set out in the section headed "Structure and Conditions of the Share Offer" in this prospectus.

ROUNDING

Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

COMMENCEMENT OF DEALINGS IN THE SHARES

Dealings in the Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Tuesday, 3 December 2013 and Shares will be traded in board lot of 4,000 Shares. The stock code for the Shares is 1884.

LANGUAGE TRANSLATION

In this prospectus, if there is any inconsistency between the Chinese names of the entities or enterprises established in China and their English translations, the Chinese names shall prevail. English translation of company names in Chinese or another language marked with "*" is for identification purpose only.

The English language version of this prospectus has been translated into the Chinese language and English and Chinese versions of this prospectus are being published separately. If there is any inconsistency between the English and Chinese versions, the English version shall govern.

In preparation for the Listing, we have sought the following waiver from strict compliance with the relevant provisions of the Listing Rules:

CONTINUING CONNECTED TRANSACTIONS

Members of our Group have entered into certain transactions which would constitute continuing connected transactions of our Company under the Listing Rules after the Listing. We have applied to the Stock Exchange for, and the Stock Exchange has granted a waiver from strict compliance with the announcement and (where applicable) the independent Shareholders' approval requirements set out in Chapter 14A of the Listing Rules for such continuing connected transactions. Further details of such continuing connected transactions and the waiver are set out in the section headed "Connected Transactions" in this prospectus.

DIRECTORS

Name	Residential Address	Nationality
Executive Directors		
Mr. She Siu Kee William	Flat D, 27/F, Block 12 Laguna City, 17 Laguna Street Cha Kwo Ling Kowloon, Hong Kong	Chinese
Mr. Tsui Pak Wai	Room 303, Wang Yip House Wang Tau Hom Estate Lok Fu, Kowloon, Hong Kong	Chinese
Mr. Fung Hong Keung	Flat 9, 33/F, Block 4 Shing Chung House, Mei Chung Court Shatin, New Territories, Hong Kong	Chinese
Non-executive Directors		
Mr. Lam Shing Kai	Flat B, 9/F, Tower 1 Vision City, 1 Yeung Uk Road Tsuen Wan, New Territories, Hong Kong	Chinese
Mr. Leung Wai Ming	Flat C, 62/F, Block 2 Island Resort 28 Siu Sai Wan Road Chai Wan, Hong Kong	Chinese
Mr. Leung Yat Pang	Room 819, 8/F, Tsui Ning House Tsui Wan Estate Chai Wan, Hong Kong	Chinese
Mr. Chong Cheuk Ki	Flat A, 34/F, Block 3 La Cite Noble, 1 Ngan O Road Tseung Kwan O Kowloon, Hong Kong	Chinese
Independent non-executive Directors		
Dr. Lung Cheuk Wah	Flat 3003, Block A, Kornhill Quarry Bay, Hong Kong	Chinese
Mr. Chan Chi Yu	Flat 20C, Tower One Elegant Terrace, 36 Conduit Road Mid-levels, Hong Kong	Chinese
Mr. Chi Man Shing Stephen	Flat B, 23/F, Block 6 8 Sceneway Road, Sceneway Garden Lam Tin, Kowloon, Hong Kong	Australian
Ms. Luk Mei Yan	Flat C, 9/F, Greenland Court 88 Ma Tau Wai Road, To Kwa Wan Kowloon, Hong Kong	Chinese

PARTIES INVOLVED IN THE SHARE OFFER

Sole Sponsor	Cinda International Capital Limited 45th Floor, COSCO Tower 183 Queen's Road Central Hong Kong
Sole Bookrunner and Sole Lead Manager	Cinda International Securities Limited 45th Floor, COSCO Tower 183 Queen's Road Central Hong Kong
Legal Advisers to the Company	*As to Hong Kong Law* Li & Partners 22nd Floor, World-Wide House Central, Hong Kong *As to Cayman Islands Law* Appleby 2206-19 Jardine House 1 Connaught Place Central Hong Kong *As to PRC law* Jingtian & Gongcheng 34th Floor, Tower 3, China Central Place 77 Jianguo Road, Chaoyang District Beijing, PRC
Legal Advisers to the Sole Sponsor and the Underwriters	*As to Hong Kong Law* Deacons 5th Floor Alexandra House 18 Chater Road Central Hong Kong *As to PRC law* Jia Yuan Law Offices F408, Ocean Plaza 158 Fu Xing Men Nei Avenue, Xi Cheng District Beijing, PRC
Auditor and Reporting Accountant	PricewaterhouseCoopers Certified Public Accountants 22/F, Prince's Building, Central Hong Kong
Receiving Bank	Bank of China (Hong Kong) Limited 1 Garden Road Central Hong Kong

Headquarter and principal place of business in Hong Kong	Flat A3, 1/F, Phase 3 Kwun Tong Industrial Centre 448-458 Kwun Tong Road Kwun Tong Hong Kong
Registered Office	4th Floor, Harbour Place 103 South Church Street George Town, PO Box 10240 Grand Cayman KY1-1002 Cayman Islands
Company secretary	Mr. Fung Hong Keung *HKICPA, FCCA, MHKIoD*
Authorised representatives	Mr. She Siu Kee William *(Chairman)* Flat D, 27/F, Block 12 Laguna City, 17 Laguna Street Cha Kwo Ling Kowloon, Hong Kong Mr. Fung Hong Keung Flat 9, 33/F, Block 4 Shing Chung House, Mei Chung Court Shatin, New Territories, Hong Kong
Audit committee	Ms. Luk Mei Yan *(Chairlady)* Dr. Lung Cheuk Wah Mr. Chi Man Shing Stephen
Remuneration committee	Dr. Lung Cheuk Wah *(Chairman)* Mr. Chan Chi Yu Mr. She Siu Kee William
Nomination committee	Mr. Chi Man Shing Stephen *(Chairman)* Dr. Lung Cheuk Wah Mr. She Siu Kee William
Cayman Islands principal share registrar and transfer office	Appleby Trust (Cayman) Ltd. Clifton House 75 Fort Street P.O. Box 1350 Grand Cayman KY1-1108 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
Compliance adviser	Cinda International Capital Limited 45th Floor, COSCO Tower 183 Queen's Road Central Hong Kong
Principal bankers	Bank of China (Hong Kong) Limited 14th Floor, Bank of China Tower 1 Garden Road Central Hong Kong
	Dah Sing Bank, Limited 36th Floor, Dah Sing Financial Centre 108 Gloucester Road Hong Kong
Company website address	www.eprintgroup.com.hk*

* The contents of the website do not form part of the prospectus.

HONG KONG REGULATORY OVERVIEW

This section sets forth a summary of the major laws and regulations applicable to our business in the Hong Kong.

(A) Health and Safety

Factories and Industrial Undertakings

The Factories and Industrial Undertakings Ordinance (Chapter 59 of the laws of Hong Kong) provides for the safety and health protection to workers in an industrial undertaking. Under the Factories and Industrial Undertakings Ordinance, every proprietor shall as far as reasonably practicable take care of the safety and health at work of all persons employed by it at the industrial undertaking by:

(i) providing and maintaining plant and work systems that are safe and without risks to health;

(ii) making arrangements for ensuring safety and absence of risks to health in connection with the use, handling, storage and transport of articles and substances;

(iii) providing all necessary information, instruction, training, and supervision for ensuring safety and health;

(iv) providing and maintaining safe access to and egress from the workplaces; and

(v) providing and maintaining a working environment that is safe and without risks to health.

A proprietor who contravenes these duties commits an offence and is liable to a fine of HK$500,000. A proprietor who contravenes these duties wilfully and without reasonable excuse commits an offence and is liable to a fine of HK$500,000 and to imprisonment for 6 months.

Section 9 of the Factories and Industrial Undertakings Ordinance requires the person having the management or control of a notifiable workplace (as defined in the ordinance) shall give the Commissioner for Labour notification of his workplace in the prescribed form before the first occasion on which any industrial process is commenced or any industrial operation is carried on in the workplace and notification of change in the location or name of the workplace or in the nature of the industrial process or industrial operation carried on therein in the prescribed form before the change takes effect.

A proprietor who contravenes this duty is liable on conviction to a maximum fine of HK$10,000.

Factories and Industrial Undertakings (Safety Management) Regulation

The Factories and Industrial Undertakings (Safety Management) Regulation (Chapter 59AF of the laws of Hong Kong) (the "**FIUSMR**") requires proprietors covered by the regulation to implement a safety management system, which consists of 14 elements. Besides the adoption of the safety management system, the proprietors are also required to carry out safety audits or safety reviews of their safety management systems, according to the number of workers employed.

A proprietor specified in part 2 of schedule 3 of the FIUSMR shall appoint, in the approved form, a person (who may be an employee of the proprietor), being a person who is capable of competently carrying out a safety review, to be the safety review officer to conduct a safety review in relation to the relevant industrial undertaking. The relevant proprietor shall ensure that safety reviews are conducted at least once in each 12 months or at a shorter interval when so required in writing by the Commissioner for Labour.

The FIUSMR also requires a proprietor specified in part 3 of schedule 3 of the FIUSMR to appoint a registered safety auditor to conduct a safety audit in relation to the industrial undertaking and ensure that safety audits are conducted at least once in each 12 months or at a shorter interval when so required in writing by the Commissioner for Labour.

Based on the number of employees currently working in our factory premises, our Group falls into both part 2 and part 3 of schedule 3 of FIUSMR. Our Group has to (i) prepare and revise as often as may be necessary a written policy statement in relation to the safety policy of the relevant industrial undertaking; (ii) bring such statement and any revision of it to the notice of all the workers in the undertaking; and (iii) make a copy of the statement available for inspection upon request by an occupational safety officer.

A proprietor specified in part 3 of schedule 3 of the FIUSMR shall also establish a safety committee having the function of identifying, recommending and keeping under review measures to improve the safety and health of the workers in the relevant industrial undertaking and implement any measures (so far as is reasonably practicable) recommended by any safety committee so established in relation to matters of safety and health at work of the workers in the undertaking.

Any person who contravenes any one of the above duties in respect of (a) the safety management system, safety review and safety audit commits an offence and is liable on conviction to a fine of HK$200,000 and to imprisonment for 6 months; (b) the safety policy and safety committee commits an offence and is liable on conviction to a fine of HK$100,000 and to imprisonment for 3 months.

Occupational Safety and Health

The Occupational Safety and Health Ordinance (Chapter 509 of the laws of Hong Kong) provides for the safety and health protection to employees in workplaces, both industrial and non-industrial.

Employers must as far as reasonably practicable ensure the safety and health in their workplaces by:

(i) providing and maintaining plant and work systems that are safe and without risks to health;

(ii) making arrangement for ensuring safety and absence of risks to health in connection with the use, handling, storage or transport of plant or substances;

(iii) providing all necessary information, instruction, training, and supervision for ensuring safety and health;

(iv) providing and maintaining safe access to and egress from the workplaces; and

(v) providing and maintaining a working environment that is safe and without risks to health.

Failure to comply with the above provisions constitutes an offence and the employer is liable on conviction to a fine of HK$200,000. An employer who fails to do so intentionally, knowingly or recklessly commits an offence and is liable on conviction to a fine of HK$200,000 and to imprisonment for 6 months.

The Commissioner for Labour may also issue improvement notices against non-compliance of this Ordinance or the Factories and Industrial Undertakings Ordinance, or suspension notices against activity of workplace which may create imminent hazard to the employees. Failure to comply with such notices constitutes an offence punishable by a fine of HK$200,000 and HK$500,000 respectively and imprisonment of up to 12 months.

Occupiers Liability

The Occupiers Liability Ordinance (Chapter 314 of the laws of Hong Kong) regulates the obligations of a person occupying or having control of premises on injury resulting to persons or damage caused to goods or other property lawfully on the land.

The Occupiers Liability Ordinance imposes a common duty of care on an occupier of premises to take such care as in all the circumstances of the case is reasonable to see that the visitor will be reasonably safe in using the premises for the purposes for which he is invited or permitted by the occupier to be there.

(B) Employment

Employees' Compensation

The Employees' Compensation Ordinance (Chapter 282 of the laws of Hong Kong) establishes a no-fault and non-contributory employee compensation system for work injuries and lays down the rights and obligations of employers and employees in respect of injuries or death caused by accidents arising out of and in the course of employment, or by prescribed occupational diseases.

Under the Employees' Compensation Ordinance, if an employee sustains an injury or dies as a result of an accident arising out of and in the course of his employment, his employer is in general liable to pay compensation even if the employee might have committed acts of faults or negligence when the accident occurred. Similarly, an employee who suffers incapacity or dies arising from an occupational disease is entitled to receive the same compensation as that payable to employees injured in occupational accidents.

According to Section 40 of the Employees' Compensation Ordinance, all employers (including contractors and subcontractors) are required to take out insurance policies to cover their liabilities both under the Employees' Compensation Ordinance and at common law for injuries at work in respect of all their employees (including full-time and part-time employees). An employer who fails to comply with the Employees' Compensation Ordinance to secure an insurance cover is liable on conviction to a fine of HK$100,000 and imprisonment for 2 years.

According to Section 48 of the Employees' Compensation Ordinance, an employer shall not, without the consent of the Commissioner for Labour, terminate, or give notice to terminate, the contract of service of an employee (who has suffered incapacity or temporary incapacity in circumstances which entitle him to compensation under the Employees' Compensation Ordinance) before occurrence of certain events. Any person who commits breach of this provision is liable on conviction to a maximum fine of $100,000.

Minimum Wage

The Minimum Wage Ordinance (Chapter 608 of the laws of Hong Kong) provides for a prescribed minimum hourly wage rate (currently set at HK$30 per hour) during the wage period for every employee engaged under a contract of employment under the Employment Ordinance.

Any provision of the employment contract which purports to extinguish or reduce the right, benefit or protection conferred on the employee by this Ordinance is void.

(C) Environmental Protection

Water Pollution Control

The Water Pollution Control Ordinance (Chapter 358 of the laws of Hong Kong) controls the effluent discharged from all types of industrial, commercial, institutional and construction activities into public sewers, rainwater drains, river courses or water bodies. For any industry/trade generating wastewater discharge (except domestic sewage that is discharged into communal foul sewers or unpolluted water to storm drains), they are subject to licensing control by the Director of Environmental Protection.

All discharges, other than domestic sewage to a communal sewer or unpolluted water to a communal drain, must be covered by a water pollution control licence. The licence specifies the permitted physical, chemical and microbial quality of the effluent and the general guidelines are that the effluent does not damage sewers or pollute inland or inshore marine waters.

According to the Water Pollution Control Ordinance, unless being licensed under the Water Pollution Control Ordinance, a person who discharges any waste or polluting matter into the waters or discharges any matter into a communal sewer or communal drain in a water control zone commits an offence and is liable to imprisonment for 6 months and (a) for a first offence, a fine of HK$200,000; (b) for a second or subsequent offence, a fine of HK$400,000, and in addition, if the offence is a continuing offence, to a fine of HK$10,000 for each day during which it is proved to the satisfaction of the court that the offence has continued.

Waste Disposal

The Waste Disposal Ordinance (Chapter 354 of the laws of Hong Kong) controls the production, storage, collection, treatment, recycling and disposal of wastes. At present, livestock waste, clinical waste and chemical waste are subject to specific controls whilst unlawful deposition of waste is prohibited. Import and export of waste is generally controlled through a permit system.

The Company shall observe and comply with the Waste Disposal Ordinance and its subsidiary regulations including the Waste Disposal (Chemical Waste) (General) Regulation. Under the Waste Disposal (Chemical Waste) (General) Regulation, anyone who produces chemical waste or causes it to be produced has to register as a chemical waste producer. The waste must be packaged, labeled and stored properly before disposal. Only a licensed collector can transport the waste to a licensed chemical waste disposal site for disposal. Chemical waste producers also need to keep records of their chemical waste disposal for inspection by the staff of the Environmental Protection Department.

A person shall not produce or cause to be produced chemical waste unless he is registered as a chemical waste producer. A person who contravenes this duty commits an offence and is liable to a fine of HK$200,000 and to imprisonment for 6 months.

Air Pollution

The Air Pollution Control Ordinance (Chapter 311 of the laws of Hong Kong) is the principal legislation in Hong Kong for controlling emission of air pollutants and noxious odour from construction, industrial and commercial activities and other polluting sources. Subsidiary regulations of the Air Pollution Control Ordinance impose control on air pollutant emissions from certain operations through the issue of licences and permits.

Noise Pollution

Noise Control Ordinance (Chapter 400 of the laws of Hong Kong) controls the noise from construction, industrial and commercial activities.

(D) Intellectual Property

Copyright Ordinance

Under the Copyright Ordinance (Chapter 528 of the laws of Hong Kong), a person may incur civil liability for "secondary infringement" if that person possesses, sells, distributes or deals with a copy of a work which is, and which he knows or has reason to believe to be, an infringing copy of the work for the purposes of or in the course of any trade or business without the consent of the copyright owner.

However, the person will only be liable if, at the time he committed the act, he knew or had reason to believe that he was dealing with infringing copies.

Under section 31 of the Copyright Ordinance, the copyright in a work is infringed by a person who, without the licence of the copyright owner, among others, possesses for the purpose of or in the course of any trade or business or sells or lets for hire, or offers or exposes for sale or hire a copy of a work which is, and which he knows or has reason to believe to be, an infringing copy of the work.

The Copyright Ordinance also imposes criminal liability under section 118 which provides that a person commits an offence if he, without the consent of the copyright owner of a copyright work, makes for sale or hire an infringing copy of the work or possesses an infringing copy of the work with a view to its being, among others, sold or let for hire by any person for the purpose of or in the course of that trade or business.

There is a specific provision against copying service business under Section 119A of the Copyright Ordinance which imposes criminal liability when a person, for the purpose of or in the course of a copying service business, possesses a reprographic copy of a copyright work as published in a book, magazine or periodical, being a copy that is an infringing copy of the copyright work. The Copyright Ordinance provides, among other defences, that it is a defence for the person charged to prove that he did not know and had no reason to believe that the copy of a copyright work in question was an infringing copy of the copyright work.

The Copyright Ordinance provides any person who contravenes Sections 118 or 119A of the Copyright Ordinance shall be guilty of an offence and shall be liable to a fine of HK$50,000 and to imprisonment for 4 years.

The Directors confirm that they do not have any actual knowledge nor have any reason to believe that any materials submitted by the customers to the Group for printing is an infringing copy of any work within the meaning of the Copyright Ordinance.

(E) Counterfeiting currency notes

Crimes Ordinance

According to section 98(1) of the Crimes Ordinance (Chapter 200 of the laws of Hong Kong), a person who makes a counterfeit of a currency note or protected coin, intending that he or another shall pass or tender it as genuine, commits an offence and is liable on conviction on indictment to imprisonment for 14 years. Moreover, under section 103(1) of the Crimes Ordinance, a person who, without the consent in writing of the Monetary Authority, reproduces on any substance whatsoever, and whether or not to the correct scale, any Hong Kong currency note or any part of a Hong Kong currency note, commits an offence and is liable on summary conviction to imprisonment for 6 months and a fine of HK$20,000.

(F) Obscene and indecent articles

Control of Obscene and Indecent Articles Ordinance

According to section 21 of the Control of Obscene and Indecent Articles Ordinance (Chapter 390 of the laws of Hong Kong) ("**COIAO**"), anyone who publishes, possesses or imports for the purpose of publication any obscene article is liable to a fine of HK$1 million and to imprisonment for 3 years. Moreover, under section 22 of the COIAO, anyone who publishes an indecent article to a juvenile is liable to a fine of HK$400,000 and to imprisonment for 12 months on first conviction and HK$800,000 and imprisonment for 12 months for a second or subsequent conviction.

PRC REGULATORY OVERVIEW

Regulation Relating to Foreign Investment

The Company Law and Wholly Foreign-owned Enterprise Law

The establishment, operation and management of corporate entities in the PRC is governed by the *Company Law of the PRC* (《中華人民共和國公司法》) (the "**PRC Company Law**"), which was promulgated by the Standing Committee of the National People's Congress (the "**NPC**") on 29 December 1993 and came into effect on 1 July 1994. The PRC Company Law was subsequently amended on 25 December 1999, 28 August 2004 and 27 October 2005. Under the PRC Company Law, companies in the PRC can be established either as limited liability companies or joint stock limited liability companies. All of the Group's PRC operating subsidiaries are limited liability companies. The shareholders of a limited liability company must contribute the registered capital amount of the company in cash or a combination of cash and assets, and a PRC certified public account must verify the proper receipt by the company of such capital contributions before issuing a capital verification report for submission to the business registration authorities. The PRC Company Law applies to both PRC domestic companies and foreign-invested companies.

Apart from the PRC Company Law, foreign invested enterprises are also subject to other PRC laws and regulations governing the foreign invested enterprise. Article 218 of the PRC Company Law states where other PRC laws and regulations governing foreign investment differ from the provisions of the PRC Company Law, the former shall prevail.

The establishment procedures, approval procedures, registered capital requirements, foreign exchange matters, accounting practices, taxation and labour matters of foreign invested companies is regulated by, in the case of wholly foreign-owned enterprises, the *Wholly Foreign-owned Enterprise Law of the PRC* (《中華人民共和國外資企業法》), which was promulgated on 12 April 1986 and amended on 31 October 2000 by the Standing Committee of the NPC, and the *Regulations for the Implementation of the Wholly Foreign-owned Enterprises Law of the PRC* (《中華人民共和國外資企業法實施細則》), which was promulgated on 12 December 1990 by the Ministry of Foreign Trade and Economy and amended by the State Council on 12 April 2001.

The Provisions on Guiding Foreign Investment and the Catalogue for the Guidance of Foreign Investment

The Provisions on Guiding Foreign Investment (《指導外商投資方向規定》) (the "**Foreign Investment Provisions**") and the *Catalogue for the Guidance of Foreign Investment* (《外商投資產業指導目錄》) (the "**Foreign Investment Catalogue**") constitute the basis for applicable policies regarding the examination and approval of foreign investment projects and foreign invested enterprises in the PRC.

In 1995, the State Planning Commission, the State Economic and Trade Commission and the Ministry of Foreign Trade and Economic Cooperation jointly promulgated the *Interim Provisions on Guiding Foreign Investment* (《指導外商投資方向暫行規定》) and the Foreign Investment Catalogue, classifying all foreign investment projects into one of four categories: (i) encouraged projects, (ii) permitted projects, (iii) restricted projects and (iv) prohibited projects. On 11 February 2002, the State Council promulgated the Foreign Investment Provisions, re-stating the four classifications of foreign investment projects. The Foreign Investment Provisions entered into force on 1 April 2002 and the Interim Provisions on Guiding Foreign Investment were simultaneously repealed. The Foreign Investment Catalogue has been revised several times since it was first promulgated, with the most significant revisions taking place in 2002, 2004, 2007 and 2011. The version of the Foreign Investment Catalogue currently in effect was jointly promulgated by the National Development and Reform Commission (the "**NDRC**") and the Ministry of Commerce of the PRC (the "**MOFCOM**") on 24 December 2011 and came into effect on 30 January 2012.

The purpose of the Foreign Investment Provisions and the Foreign Investment Catalogue is to direct foreign investment into certain priority industry sectors while restricting or prohibiting investment in other sectors. If the industry in which the investment is to occur falls into the encouraged category, foreign investment can be conducted through the establishment of a wholly foreign owned enterprise or a joint venture enterprise and in certain cases preferential tax treatment might be available. If restricted, foreign investment may be conducted through the establishment of a wholly foreign owned enterprise if certain requirements are met or in some cases must be conducted through the establishment of a joint venture enterprise, with varying minimum shareholdings for the Chinese party depending on the particular industry. If prohibited, foreign investment of any kind is not allowed. Any industry not falling into any of the encouraged, restricted or prohibited categories is classified as a permitted industry for foreign investment. If permitted, foreign investment can be conducted through the establishment of a wholly foreign owned enterprise or a joint venture enterprise. Under the Foreign Investment Catalogue (2011), development of software products fall into the encouraged category, and thus are encouraged for the foreign-invested enterprises to step in.

Measures for the Administration on Foreign Investment in Commercial Fields

Under the PRC laws, foreign-invested companies engaging in commission-agency, wholesale, retail or franchise business are classified as foreign-invested commercial companies and regulated by *Measures for the Administration on Foreign Investment in Commercial Fields* (《外商投資商業領域管理辦法》) and a series of supplemental rules (collectively, the "**Foreign-invested Commercial Company Rules**"). The establishment of a foreign-investment commercial company shall meet certain requirements as provided in the Foreign-invested Commercial Company Rules (including requirements on registered capital, total investment, duration of operation, compliance with city planning, status of annual inspection and payment of registered capital, etc.) and should be approved by the MOFCOM or its local counterparts before it can begin its operation.

Regulations relating to Overseas Listing

On 8 August 2006, six PRC regulatory agencies, including the Chinese Securities Regulatory Commission (the "**CSRC**"), promulgated a rule entitled *Provisions Regarding Mergers and Acquisitions of Domestic Enterprises by Foreign Investors* (《關於外國投資者併購境內企業的規定》, the "**M&A Rules**"), which became effective on 8 September 2006 and were subsequently amended on 22 June 2009. The M&A Rules include provisions that purport to require offshore special purpose companies, controlled directly or indirectly by PRC companies or individuals with a view to listing on an overseas stock exchange with their operating companies or assets in China, to obtain the approval of the CSRC prior to the listing and trading of their securities on any overseas stock exchange.

Our PRC legal counsel, Jingtian & Gongcheng, has confirmed that, because we are not directly or indirectly controlled by PRC companies or individuals, we are not required to obtain any approval from CSRC or any other PRC governmental authorities under current PRC laws for the Share Offer and Listing under current PRC laws and regulations.

Regulations Relating to Intellectual Property

China has adopted comprehensive legislation governing intellectual property rights, including trademarks, patents, copyrights and domain names. China is a signatory to the main international conventions on intellectual property rights and has been a member of the Agreement on Trade related Aspects of Intellectual Property Rights since its accession to the WTO in December 2001.

Trademark Law

Trademarks are protected by the *Trademark Law of the PRC (Revised in 2013)* (《中華人民共和國商標法(2013年修正)》) which was adopted in 1982 and subsequently amended in 1993, 2001 and 2013 as well as the Implementation Regulation of the PRC Trademark Law adopted by the State Council in 2002. The Trademark Office under the SAIC handles trademark registrations and grants a term of ten years to registered trademarks which may be renewed for consecutive ten-year periods upon request by the trademark owner. Trademark license agreements must be filed with the Trademark Office for record. As with patents, the PRC Trademark Law has adopted a "first-to-file" principle with respect to trademark registration. Where a trademark for which a registration has been made is identical or similar to another trademark which has already been registered or been subject to a preliminary examination and approval for use on the same kind of or similar commodities or services, the application for registration of such trademark may be rejected. Any person applying for the registration of a trademark may not prejudice the existing right first obtained by others, nor may any person register in advance a trademark that has already been used by another party and has already gained a "sufficient degree of reputation" through such party's use.

Copyright Law

The Copyright Law of the PRC (Revised in 2010) (《中華人民共和國著作權法(2010年修訂)》) extends copyright protection to internet activities, products disseminated over the internet and software products. In addition, there is a voluntary registration system administered by the China Copyright Protection Center.

The Rules of Protection on Information Network Dissemination Rights (Revised in 2013) (《信息網絡傳播權保護條例(2013年修訂)》) address copyright issues relating to the internet. In addition, *Provisions of the Supreme People's Court on Several Issues concerning the Application of Law in Hearing Civil Dispute Cases Involving Infringement of the Right of Dissemination on Information Networks* (《最高人民法院關於審理侵害信息網絡傳播權民事糾紛案件適用法律若干問題的規定》), or the Provisions, states that any web user or web service provider who makes any works, performance or audio-video product, for which others have the right of dissemination through information networks, available on any information network without authorisation shall be decided by the people's courts to have infringed upon the right of dissemination through information networks unless otherwise provided in laws or administrative regulations. The Provisions further provides that where a web service provider fails to take necessary measures, such as deleting, blocking or breaking relevant links, in a timely manner after receiving the notice on any infringement of the right of dissemination through information networks issued by a right holder, the people's court shall decide that it clearly knows such infringement act.

Software Products

Administrative Measures for Software Products (《軟件產品管理辦法》) (the "**Software Measures**"), issued by the MIIT, which became effective in April 2009 and replaced measures which had been in effect since 2000, permit software developers and producers to sell or license their software products independently or through agents, and software products developed in the PRC can be registered with the local provincial government authorities in charge of the information industry and filed with the MIIT. Upon registration, the software products are granted registration certificates which are valid for five years and may be renewed upon expiration. Under policies promulgated by the State Council, software products developed in the PRC which satisfy the requirements of the Software Measures and have been registered and filed in accordance with the Software Measures may enjoy certain types of preferential treatment. State Council policies provide that the MIIT and other relevant departments may supervise and inspect the development, production, sale, import and export of software products in the PRC.

Regulation Relating to Foreign Currency Exchange

Under the *PRC Foreign Currency Administration Rules* (《中華人民共和國外匯管理條例》), promulgated in 1996 and revised in 1997 and as amended in 2008 and various regulations issued by the SAFE and other relevant PRC government authorities, the Renminbi is convertible into other currencies for the purpose of current account items, such as trade related receipts and payments and the payment of interest and dividend. The conversion of Renminbi into other currencies and remittance of the converted foreign currency outside the PRC for the purpose of capital account items, such as direct equity investments, loans and repatriation of investment, requires the prior approval from the SAFE or its local office. Payments for transactions that take place within the PRC must be made in Renminbi. Unless otherwise approved, PRC companies may repatriate foreign currency payments received from abroad or retain the same abroad. Foreign-invested enterprises may retain foreign exchange in accounts with designated foreign exchange banks subject to a cap set by the SAFE or its local office. Foreign exchange proceeds under the current accounts may be either retained or sold to a financial institution engaging in settlement and sale of foreign exchange pursuant to relevant rules and regulations of the State. For foreign exchange proceeds under the capital accounts, approval from the SAFE is required for its retention or sale to a financial institution engaging in settlement and sale of foreign exchange, except where such approval is not required under the rules and regulations of the State.

Regulation on Taxation

Enterprise Income Tax

On 16 March 2007, the National People's Congress promulgated *The Law of the PRC on Enterprise Income Tax* (《中華人民共和國企業所得税法》). On 6 December 2007, the State Council promulgated *the Regulations for the Implementation of the Law on Enterprise Income Tax* (《中華人民共和國企業所得税法實施條例》)(collectively, the "**EIT Law**"). The EIT Law came into effect on 1 January 2008. According to the EIT Law, taxpayers consist of resident enterprises and non-resident enterprises. Resident enterprises refer to enterprises that are established in accordance with PRC laws, or that are established in accordance with the laws of foreign countries but whose actual or de facto control is administered from within the PRC. Non-resident enterprises refer to enterprises that are set up in accordance with the laws of foreign countries and whose actual administration is conducted outside the PRC, but who (whether or not through the establishment of institutions in the PRC) derive income from the PRC. Under the EIT Law and relevant implementing regulations, a uniform corporate income tax rate of 25 per cent is applicable. However, if non-resident enterprises have not established institutions in the PRC, or if they have established institutions in the PRC but there is no actual relationship between the relevant income derived in the PRC and the institutions set up by them, enterprise income tax is set at the rate of 10 per cent.

Value-added Tax

The Provisional Regulations of the PRC on Value-added Tax (《中華人民共和國增值税暫行條例》) were promulgated by the State Council on 13 December 1993, came into effect on 1 January 1994 and were amended on 10 November 2008. *The Detailed Rules for the Implementation of the Provisional Regulations of the PRC on Value-added Tax (Revised in 2011)* (《中華人民共和國增值税暫行條例實施細則(2011年修訂)》) were promulgated by the Ministry of Finance on 25 December 1993 and were amended and came into effect on 1 November 2011. According to the Provisional VAT Regulations and the Provisional VAT Implementation Rules, all enterprises and individuals engaged in the sale of goods, the provision of processing, repair and replacement services, and the importation of goods within the territory of the PRC must pay value-added tax. For taxpayers selling or importing goods other than those specifically listed in the Provisional VAT Implementation Rules, or for taxpayers providing processing, repairs and replacement services, the value-added tax rate is 17 per cent.

Business Tax

Pursuant to *The Provisional Regulations of the PRC on Business Tax* (《中華人民共和國營業稅暫行條例》), effective from 1 January 1994 and as amended on 10 November 2008, and its implementation rules, all institutions and individuals providing taxable services, transferring intangible assets or selling real estate within the PRC must pay business tax. The scope of services which constitute taxable services and the rates of business tax are prescribed in the List of Items and Rates of Business Tax (營業稅稅目稅率表) attached to the regulation.

Regulations on Employment and Social Security

Employment Laws

The Employment Contract Law (《中華人民共和國勞動合同法》), which was implemented on 1 January 2008 and amended on 28 December 2012 and put into effect on 1 July 2013, is primarily aimed at the regulation of employee/employer rights and obligations, including matters with respect to the establishment, performance and termination of labour contracts. Under the law, (i) employers must pay employees double income in circumstances where an employer fails to enter into an employment contract within one year with an employee who works for the employer for a period exceeding one month. Where such period exceeds one year, the parties are deemed to have entered into a labour contract with an "unfixed term"; (ii) employees who fulfill certain criteria, including having worked for the same employer for 10 years or more, may demand that the employer execute a labour contract with an unfixed term; (iii) employees must adhere to regulations concerning commercial confidentiality and non-competition; (iv) an upper limit not exceeding the cost of training supplied to the employee has been set on the amount of compensation an employer may seek for an employee's breach of contract; (v) employees in respect of whom employers have not in accordance with law made social insurance contributions may terminate their employment contracts; (vi) employers who demand money or property from employees by way of guarantee or any other method may be fined a maximum of RMB2,000; and (vii) employers who intentionally deprive employees of any part of their salary must, in addition to their full salary, pay employees compensation in the order of 50 per cent to 100 per cent of the amount of salary so deprived.

Social Insurance and housing funds

As required under *Regulation of Insurance for Labour Injury* (《工傷保險條例》), implemented on 1 January 2004 and amended on 20 December 2010, *The Provisional Measures for Maternity Insurance of Employees* (《企業職工生育保險試行辦法》), implemented on 1 January 1995, *The Measures on the Establishment of a Unified Programme for Basic Old-Aged Pension Insurance* (《國務院關於建立統一的企業職工基本養老保險制度的決定》) issued on 16 July 1996, *The Measures on the Establishment of the Medical Insurance Programme for Urban Workers* (《國務院關於建立城鎮職工基本醫療保險制度的決定》), promulgated on 14 December 1998, *The Unemployment Insurance Measures* (《失業保險條例》) promulgated on 22 January 1999, and *The Social Insurance Law of the PRC* (《中華人民共和國社會保險法》) implemented on 1 July 2011, enterprises are obliged to provide their employees in the PRC with welfare schemes covering pension insurance, unemployment insurance, maternity insurance, injury insurance and medical insurance.

In accordance with *The Regulations on the Management of Housing Funds* (《住房公積金管理條例》), as amended in 2002, enterprises must register at the competent managing centre for housing funds and, upon the examination by such managing centre of housing fund, complete procedures for opening an account at the relevant bank for the deposit of employees' housing funds. Enterprises are also obliged to pay and deposit housing funds in full and on time.

*This section contains certain information which is derived from various official government or publicly available sources and from the market research report prepared by Euromonitor which was commissioned by us (the "**Euromonitor Report**"), unless otherwise indicated. We believe that the sources of such information are appropriate and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading in any material respect or that any fact has been omitted that would render such information false or misleading in any material respect. The information has not been independently verified by us, our Controlling Shareholders, the Sole Sponsor, any other party involved in the Listing or their respective directors, officers, employees, advisers, agents and no representation is given as to the accuracy or completeness of such information. Accordingly, such information should not be unduly relied upon.*

The Sole Sponsor and our Directors have exercised reasonable care in reproducing market data disclosed in this prospectus, and have no reasonable ground to believe and do not believe that any such information being included in this prospectus is untrue. Our Directors have further confirmed that, after taking reasonable care, there is no adverse change in the market information since the date of the Euromonitor Report, which may qualify, contradict or have an impact on the information as disclosed in this section.

SOURCE OF INFORMATION

Euromonitor Report & research methodology

Euromonitor, an Independent Third Party, is a global research organisation and provider of international market intelligence on consumer products, services and lifestyles. It was commissioned by our Group in March 2013 to produce the Euromonitor Report on the printing industry and the segments of printing industry in Hong Kong, at a fee of US$50,000.

Figures and statistics provided in this prospectus and attributed to Euromonitor or the Euromonitor Report have been extracted from the Euromonitor Report and published with the consent of Euromonitor.

For the market data disclosed in this prospectus, Euromonitor primarily undertook top-down central research with bottom-up intelligence to present a more comprehensive and accurate picture of the printing industry in Hong Kong. The information quoted from Euromonitor is not official government information. Methodology conducted by Euromonitor provides a roadmap to interpret the reasonable ground.

Euromonitor's detailed primary research involved (a) detailed desk research using information from its database, regulatory authorities in Hong Kong's trade associations and companies' annual reports. Where national statistics are quoted in its report, these were taken from the most updated published official statistics, where available; and (b) trade interviews with trade associations and leading industry players, among others.

To generate an industry consensus and provide perspective on the market size and growth for printing industry, Euromonitor conducted over 20 trade interviews with multiple organisations, such as suppliers, trade associations, manufacturers and retailers. With both primary and secondary research in place, Euromonitor has utilised both types of sources to validate and verify all data and information collected, with no reliance on any single source. Furthermore, a test of each respondent's information and views against those of others was applied to ensure reliability and eliminate bias from these sources.

MACROECONOMIC ENVIRONMENT OF HONG KONG

Hong Kong's economy recovers after slump

Hong Kong's economy was adversely affected by the global economic crisis in 2008-2009. Economic conditions recovered in 2010 and Hong Kong's GDP grew by about 7.1% to approximately HK$1.78 trillion. In 2011, Hong Kong's GDP grew by approximately 9.0% to approximately HK$1.94 trillion. In 2012, Hong Kong's GDP growth declined by nearly 3.6%. Despite the fall in the growth rate, the GDP increased in absolute value terms.

The revival of the economy drives the expansion of annual disposable income ("**ADP**") per household, which grew from approximately HK$578,344.7 to approximately HK$679,874.9, with a CAGR of approximately 4.1% between 2008 and 2012. Hong Kong's ADP grew by approximately 5.1% and 11.0% in 2010 and 2011, respectively, alongside economic recovery.

GDP and annual disposable household income (2008-2012)

HK$	**2008**	**2009**	**2010**	**2011**	**2012**	**CAGR %**
GDP (billions)	1,707.5	1,659.2	1,776.7	1,936.0	2,040.1	4.5%
GDP, growth %	–	-2.8%	7.1%	9.0%	5.4%	–
Annual disposable income per household	578,344.7	557,198.8	585,709.2	650,207.6	679,874.9	4.1%
Annual disposable income per household, growth %	–	-3.7%	5.1%	11.0%	4.6%	–

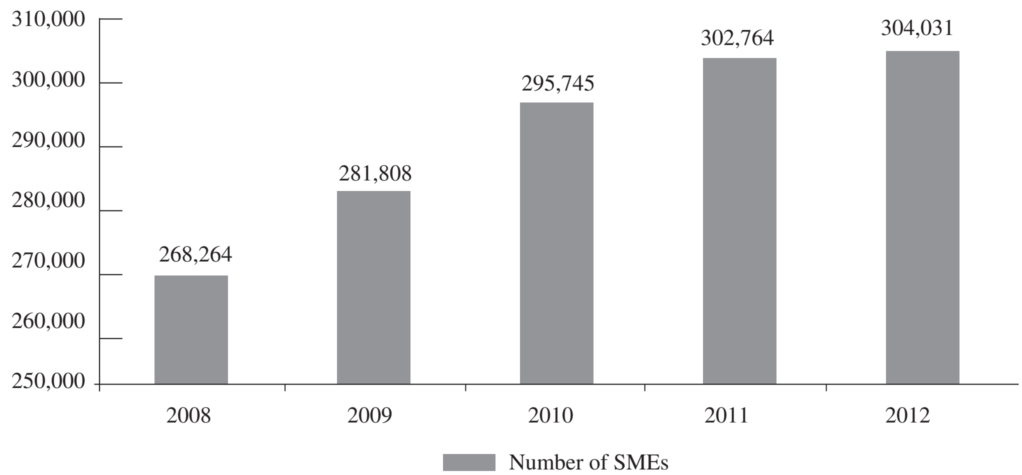
Source: Census and Statistics Department of Hong Kong, Euromonitor

The stable economic conditions and absolute growth in ADP in Hong Kong contributed to the growth of the printing industry, as such development nurtured the growth of small-to-medium enterprises by giving sound economic environment and also stimulated individuals spending on printing services, especially on non-essential services such as advertising.

Favourable business environment encourages the establishment of SMEs

According to the Support and Consultation Centre for SMEs, Hong Kong, the small and medium enterprise ("**SME**") is a manufacturing business which employs fewer than 100 persons in Hong Kong or a non-manufacturing business which employs fewer than 50 persons in Hong Kong. According to Euromonitor, SMEs have been flourishing in Hong Kong, increasing in number by a CAGR of approximately 3.2%, from 268,264 in 2008 to 304,031 in 2012. SMEs are vital backbone of the Hong Kong economy, accounting for more than 98% of the total business entities in the city and providing about 47% of total employment.

Number of business establishments (2008-2012)



Source: Support and Consultation Centre for SMEs, Hong Kong

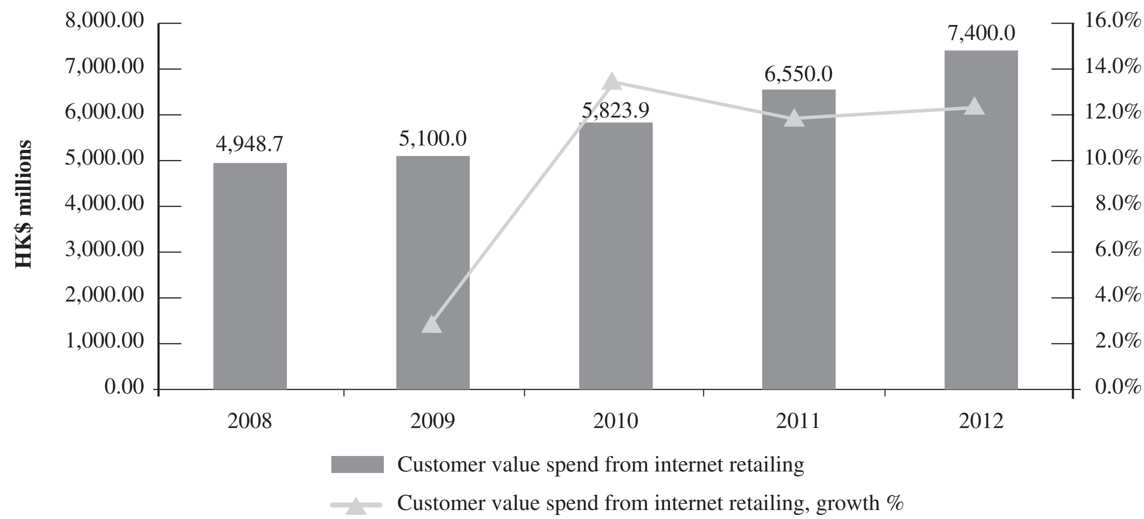
With the increase in the number of SMEs, according to Euromonitor, it is expected that the demand for printed materials will increase simultaneously due to the consequent rise in the use of printed office supplies such as business cards, diaries and calendars. Further, as competition between SMEs increases, their requirements for advertising and marketing materials are also expected to increase, leading to their increasing spending on printing services in Hong Kong. Due to the high costs of printing equipment, SMEs which are not printing companies are most likely to outsource their printing requirements to specialised printing companies.

Booming internet retailing

According to Euromonitor, internet retailing in Hong Kong grew rapidly during the period from 2008 to 2012. Customer value spend (i.e. the amount in Hong Kong dollars spent by customers on printing services in Hong Kong) through internet retailing (selling or buying of goods and services by consumers from sellers over the online platforms) grew from about HK$4.9 billion in 2008 to about HK$7.4 billion in 2012, representing a CAGR of approximately 10.6% and year-on-year growth of more than 12% between 2010 and 2012. The growth of internet retailing is further stimulated by high computer literacy, high-speed broadband infrastructure as well as wide internet penetration in the area.

On the supply side, internet retailing enhances the shopping experience of the customers whilst minimising capital investment in retail channels. This is particularly relevant for Hong Kong, where high rental space and labour costs have substantially increased the cost of operating physical retail stores.

Customer value spend from internet retailing (2008-2012)



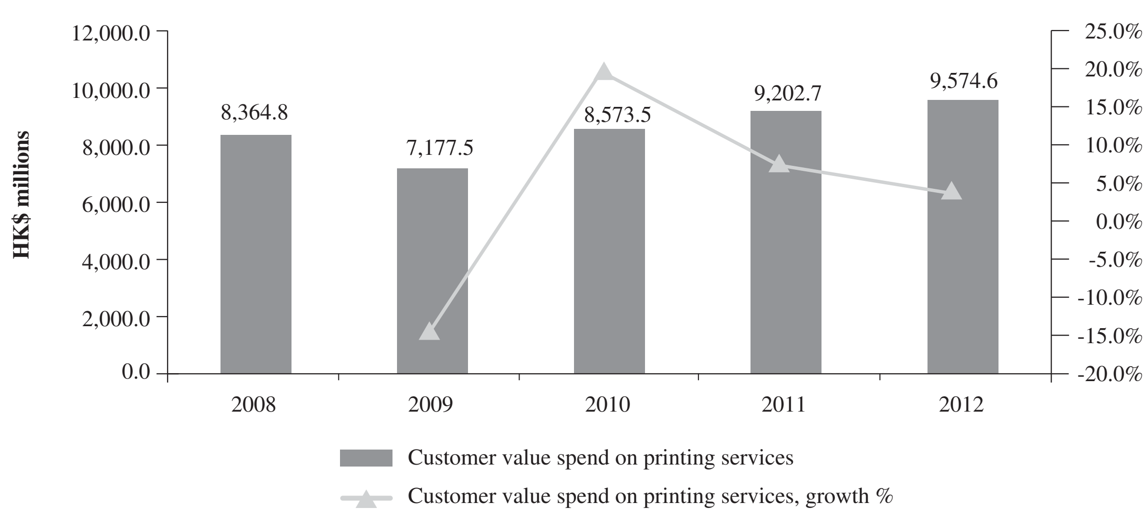
Source: Euromonitor

PRINTING MARKET IN HONG KONG

Overview

According to Euromonitor, the demand for printing services has been gradually rising, with customer value spend on printing services increasing from approximately HK$8,364.8 million in 2008 to approximately HK$9,574.6 million in 2012, representing a CAGR of approximately 3.4% from 2008 to 2012, although year-on-year industry growth has been in decline since 2010, when the industry recovered strongly after a dip in 2009.

Customer value spend on printing services in Hong Kong (2008-2012)



Sources: Census and Statistics Department of Hong Kong, Euromonitor

According to Euromonitor, in 2009, the global financial crisis resulted in a contraction of demand from corporate customers leading to their cutting down of spending on printing services, primarily those related to advertising and marketing activities. In the years since the economic downturn in 2009, the customer value spend in the Hong Kong printing industry has recovered, partly due to the contribution to the industry from the financial printing sector.

Moving forwards, according to Euromonitor, the growth of the printing industry is expected to hinge on new technologies and production techniques, which help reduce production time and allow more flexibility with smaller quantities and customisation. Information technology, for example, online order and computer systems, is also being used to cut costs and speed up production processes. In addition, printing companies are beginning to offer supplemental services like design, editing and electronic publishing to enlarge customer base and add value to their services.

Printing companies with retail channels represent a small but a fast-growing segment in the printing industry in Hong Kong

According to Euromonitor, the size of the printing market in Hong Kong is measured in terms of the customer value spend on the printing services provided by printing companies in Hong Kong and such market can be divided into customer value spend on printing companies with retail channels and non-retail printing companies, based on the principal business model of the printing service providers. According to Euromonitor, non-retail printing companies in terms of the customer value spend on their printing services have been dominating the printing market in Hong Kong, and the customer value spend on printing services provided by them amounted to approximately HK$8.9 billion, or approximately 93.4%, of the total customer value spend on printing services in Hong Kong in 2012. Non-retail printing companies deal with high-value and big-volume transactions especially under financial and packaging printing, which skew the customer value spend on these types of printing services in their favour.

Printing companies with retail channels refers to printing companies which have stores and/or internet retailing (including e-mail) in order to receive and deliver orders. Non-retail printing companies refers to the printing companies that do not have retail/collection outlets and internet retailing, and serve customers on a contractual basis. Services provided by non-retail printing companies include financial printing, printing of books and newspapers and printing of paper based packaging material.

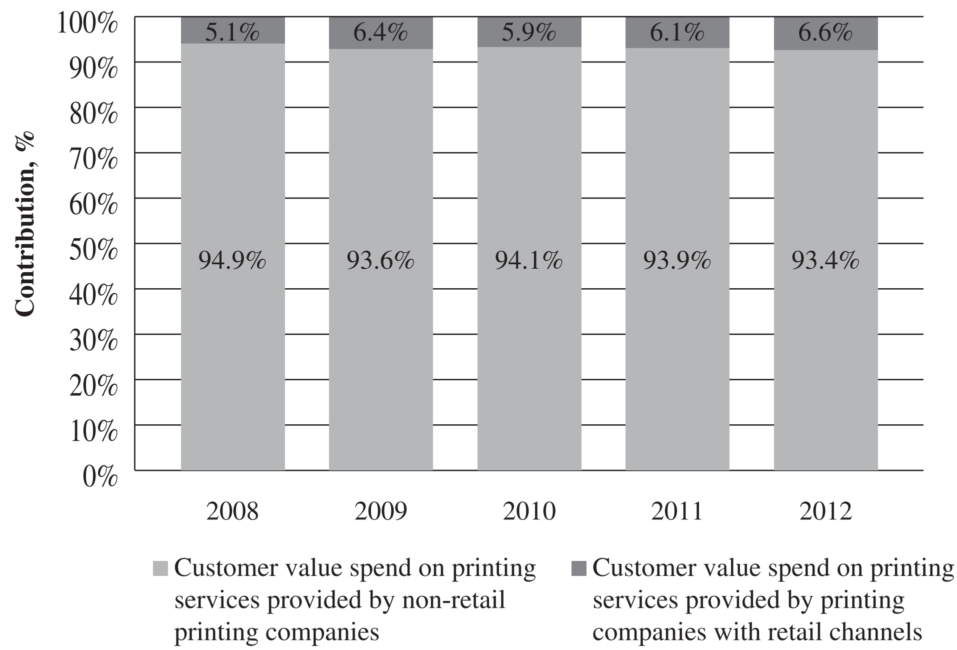
Customer value spend by market segment (2008-2012)

HK$ millions	2008	% growth	2009	% growth	2010	% growth	2011	% growth	2012	% growth	CAGR %
Customer value spend on printing companies with retail channels	423.7	–	458.5	8.2%	503.0	9.7%	559.3	11.2%	631.0	12.8%	10.5%
Customer value spend on non-retail printing companies	7,941.1	–	6,719.0	-15.4%	8,070.5	20.1%	8,643.4	7.1%	8,943.6	3.5%	3.0%

Sources: Census and Statistics Department of Hong Kong, Euromonitor

Set out below is the share of printing companies with retail channels and non-retail printing companies in terms of customer value spend in the printing market of Hong Kong:

Relative contributions of printing companies with retail channels and non-retail printing companies to the total customer value spend in the printing industry (2008-2012)



Sources: Census and Statistics Department of Hong Kong, Euromonitor

According to Euromonitor, since 2008, customer value spend on printing services provided by printing companies with retail channels has seen continuous growth in its share of the total customer value spend in the printing industry in Hong Kong, which increased from approximately HK$423.7 million, or approximately 5.1% of the total customer value spend in 2008, to approximately HK$631.0 million, or approximately 6.6% of the total customer value spend in 2012, representing a CAGR of approximately 10.5%. Such increase in share can be attributed to the decline of high-value transactions of non-retail printing companies as a result of the global economic downturn and the increasing use of online platforms by customers to place orders which boosted the revenue of printing companies with retail channels. This increase has come as a result of higher consumer confidence in the security of online transactions and due to greater customer access provided by printing companies that cannot afford to open and maintain retail stores.

Major customer group of the printing companies with retail channels in Hong Kong's printing market

According to Euromonitor, the following are the major customer groups of the printing companies with retail channels in Hong Kong's printing market:

- SMEs: SMEs require a wide range of printing service such as office supplies and marketing materials in small quantity but they rarely set up their own printing facilities due to their limited financial resources as well as high costs of printing equipment. Therefore, they turn to printing companies to satisfy their printing needs.

- Design houses: Design houses are firms that design materials like brochures, catalogues, leaflets and other marketing collaterals for their clients. According to Euromonitor, most design firms handle only the designing aspect and outsource the printing of materials to specialised printing firms.

- Education institutes and students: They have been the major customers in the Hong Kong's printing services industry, in light of their stable and strong demand for books, exam papers and reading/studying materials. In recent years, private tuition centres have grown significantly in Hong Kong and are also making an appreciable contribution to the printing industry.

- Retail industries: The printing industry benefits from retail marketing, which includes different formats of printed material, such as in-store posters, product brochures, direct mailers, leaflets, discount coupons, menus, etc.

- Individual customers: Individual normally requires short run printing (one to 5,000 copies) of items that may include study material, invitations to personal functions such as weddings and birthdays and other customised printed material such as postcards, greeting cards and posters.

Large but falling number of registered printing companies

According to Euromonitor, printing industry in Hong Kong is highly competitive, with around 3,750 registered printing companies (i.e. the establishments as "printing" and "printing agents" as reported by the Census and Statistics Department of Hong Kong) in Hong Kong in 2012, although the number of registered printing companies in Hong Kong witnessed a slight decline, falling from 3,910 in 2008 to 3,750 in 2012. According to Euromonitor, many printing companies have now either fully moved to mainland China in search of lower expenses or have folded operations entirely as rising costs and market consolidation amongst bigger players reduced their cost-effectiveness in the market. This in turn, however, provides a boost to some bigger players, as such cessation of business or relocation of local competitors translates directly into reduced local competition from smaller players, lower costs on advertising and marketing as well as consolidation opportunities to strengthen their market position.

Retail channels although are expensive to maintain, still have role to play

The rising cost of labour and the general trend of high property values in Hong Kong have forced printing companies to explore new sales channels that represent cheaper alternatives. To counter these limitations, printing companies in Hong Kong are increasingly turning to online platforms to receive orders, which take up little physical space and can be effectively managed by a small number of individuals. Furthermore, online platforms remain attractive for orders that require small printing quantities. From customers' perspective, orders placed over the internet consume fewer resources, such as travel time and money. As the number of SMEs increases, the number of orders with smaller quantities is expected to increase, leading to more business opportunities for printing companies with online platforms.

Nevertheless, physical stores will still remain relevant in the market in the years to come. This is due to the fact that physical stores are appealing to customers who prefer ordering on the spot at physical stores or require assistance in designing or specifying other details (quality of paper, size of paper, etc.). Physical stores also attract customers who have placed time sensitive print orders and prefer collection of the order themselves. Finally, retail channels could serve as an effective way to showcase the services of the company, especially to customers who are not net-savvy and are not likely to hear about retail printing companies with only an online presence.

COMPETITIVE LANDSCAPE OF THE PRINTING SERVICES INDUSTRY IN HONG KONG

Overview

According to the research by the Hong Kong Trade Development Council (HKTDC) in September 2012, the Hong Kong's printing industry is consisting of SMEs. These companies engage in a variety of printing activities, including the printing of advertising materials, paperboard labels, high value-added printing products such as children's pop-up books and individual passports. According to Euromonitor, however, the overall printing industry in Hong Kong is currently an oligopoly, with a few number of companies contributing to a fair amount of the total customer value spend on printing services. In 2012, the top five companies in aggregate contributed approximately 28.2% of the total customer value spend of the entire printing industry, while the rest of the industry remains highly fragmented with many small players rounding out the market. As printing companies are moving to China in search of lower costs, bigger players in the market are left to consolidate their position locally. As a result, the industry is moving towards consolidation over the next few years.

Top five printing companies by customer value spend (2008-2012)

%	**2008**	**2009**	**2010**	**2011**	**2012**
Printing Company A	14.3%	17.4%	13.9%	13.1%	12.8%
Printing Company B	7.7%	8.3%	7.1%	6.9%	6.7%
Printing Company C	7.1%	5.9%	4.7%	4.5%	4.8%
Our Group	1.7%	2.5%	2.7%	2.9%	2.9%
Printing Company D	1.6%	1.5%	1.4%	1.6%	1.0%
Others	67.5%	64.4%	70.1%	71.0%	71.8%

Source: Euromonitor

Notes:

(1) These figures have been adjusted to account for revenues from the sales in Hong Kong through printing services only.

(2) These figures have been adjusted to account for the figures of a full calendar year in the cases where the financial year of the relevant company does not start from 1 January to 31 December.

Profile of top five printing companies in Hong Kong

Company Name	**Principal business**	**Key printing services offered**
Printing Company A	Established in 1972. A Japan-based data management solution provider offering printed products, smart cards and corporate I.T. solutions, and currently the largest printed product supplier in Hong Kong.	Business forms, credit cards, catelogues, annual reports and gift boxes
Printing Company B	Founded in 1990 and listed on the Stock Exchange. It and its subsidiaries are principally engaged in the publication and sales of newspapers, books and magazines as well as the provision of printing and advertising services in Hong Kong and overseas countries.	Newspaper printing, magazine printing, book printing and commercial printing
Printing Company C	Began in 1950 and listed on the Stock Exchange in 1992. It is principally engaged in the printing and manufacturing of paper, folding cartons and corrugated containers, as well as a wide range of high-end packaging products.	Corrugated packaging, cards, children's books, paper trading and novelty items
Our Group	Established in 2001. We are a printing service provider in Hong Kong with both store and internet sales channels to serve a large and diverse customer base. We are currently operating stores across Hong Kong, four websites, with internet-based graphic design software and editing tools and integrated printing facilities in Hong Kong.	A wide range of printing services for paper products such as paper placemats, menus and leaflets, bound books and business stationeries such as business cards
Printing Company D	Established since 2000 and listed on the Stock Exchange in 2011. Its main business scope includes printing of books, packaging boxes and stationery items. Its services comprise pre-press, printing and finishing/binding, with customers ranging from international publishers and book traders to retail channels.	Books, box sets, photo albums and calendars and stationery

Source: Euromonitor

Major printing companies with retail channels in Hong Kong

According to Euromonitor, this segment is mainly dominated by few players, with the top four printing companies in this segment having a collective share of approximately 78.0% of the total customer value spend on printing services provided by printing companies with retail channels in Hong Kong in 2010, with their share rising to approximately 80.3% in 2012. The remaining players account for only a small aggregated share of the customer value spend in this segment. This is mainly due to the business growth of these individual players in Hong Kong and the relocation or close down of some small printing companies to China.

Major printing companies with retail channels by market share of customer value spend on printing services (2010-2012)

	2010	**2011**	**2012**
Our Group	45.6%	47.8%	45.7%
Printing Company E	19.3%	20.1%	21.2%
Printing Company F	6.8%	7.0%	6.8%
Printing Company G	6.3%	6.4%	6.6%
Others	22.0%	18.6%	19.7%

Sources: *Euromonitor*

Notes:

(1) Due to the highly oligopolistic nature of this segment, there is no clear fifth player in this segment. Therefore, the competitive profile of the major players in this segment is limited to four players.

(2) This table includes the customer value spend on printing services obtained from both traditional platforms (retail channels, telephone, etc.) and online platforms (including e-mail).

Printing companies with retail channels rely mainly on two main platforms for receiving orders from customers. These are traditional platforms (physical stores and telephone orders) and the online platforms (websites and e-mail). Some printing companies with retail channels provide design services to their clients, but most companies positioned as printing companies only help their clients with minimal design work.

Top printing companies in Hong Kong by the number of stores in Hong Kong

Top three printing companies by the number of stores in Hong Kong

	As at 31 December		
Number of stores	**2010**	**2011**	**2012**
Printing Company E	17	19	21
Our Group	14	17	18
Printing Company H	2	2	2

Sources: Euromonitor

Among the top three printing companies by the number of stores, printing company A and our Group were market leaders, operating 21 and 18 stores as at 31 December 2012, respectively. The third player in the market only had two stores in Hong Kong as at 31 December 2012.

Profile of major printing companies with retail channels (excluding our Group which has been set out above) in Hong Kong

Company Name	**Principal business**	**Key printing services offered**
Company E	A group of companies which provides printing services for both corporate and retail clients. It also provides digital and multimedia advertising and printing services. It currently has presence in China, Hong Kong, Macau and Malaysia. It offers online services to facilitate order placing and delivery. The group offers domestic delivery in Hong Kong and China.	Digital and multimedia advertising and printing services
Company F	Founded in 2002 and focused on providing services for the full colour business card market. It currently has offices in Hong Kong and Macau and offers free delivery to Singapore, Australia, Japan, USA and the UK, among others. It offers a range of services through its online ordering platform.	A wide range of printed products, including business cards, calendars, stamps, stickers, notepads and photo books

Company Name	Principal business	Key printing services offered
Company G	Established in 2001 and dealt with many kinds of printing businesses. It currently has two offices in Hong Kong and one office in Shenzhen. Its website offers a customer login page to upload designs and process payment online. The company also provides delivery services for its products.	Banner/display stands, posters and display partitions. Printing services for cards, envelopes, leaflets, books, cardboard boxes and calendars, as well as digital services
Company H	Established in 1995 and provides services for commercial and office printing. It has two printing offices in Hong Kong.	A wide range of printing services, including photocopy, digital output services. It also provides design, draft work and typesetting services

OPPORTUNITIES AND CONSTRAINTS

Key drivers of Hong Kong's printing industry

- **Adoption of new printing technologies:** Many printing companies have kept themselves up-to-date on advanced models of laser setters, electronic colour scanners, automatic finishing systems and the latest computer-to-plate (CTP) technology, thereby shortening lead time for the printing of short-run orders, facilitating quick delivery for time-sensitive printing jobs, while upholding output quality.

- **Vertical integration:** Another notable driver is the greater degree of vertical integration observed among printing companies, which offer one-stop holistic solutions for auxiliary services. A number of printing companies are also internalising their procurement functions such as in-house paper manufacturing to lower production costs.

- **Emergence of online platforms:** Printing companies in Hong Kong are increasingly turning to online platforms to receive orders from their customers. While online platforms are expected to see an increase in popularity in Hong Kong, physical stores will still remain relevant in the market in the years to come. For further details, please see the paragraph headed "Retail channels although are expensive to maintain, still have role to play" in this section.

- **Growth of SMEs in Hong Kong:** Growth in the number of companies is set to drive up demand for printing services, such as office supplies, business cards and diaries, and other printed materials. Further, the increasing competition among these SMEs is also expected to increase their expenditure on advertising and marketing materials such as brochures and leaflets.

Entry barriers and constraints for Hong Kong's printing services industry

- **High set-up cost:** High capital investment forms one of the major barriers in establishing a printing service company in Hong Kong. In addition, as the trend towards online platforms picks up, software and information technology equipment will become a vital but exorbitant investment.

- **Saturated business-to-business market:** To date, the current landscape of business-to-business printing has become relatively saturated in Hong Kong, where the entrenched presence of existing printing companies has limited the point of entry for potential new entrants.

- **Vertical integration gaining stronger foothold:** As well-established printing companies move towards vertical integration, there has been greater merging of printing services with pre-press and post-press processes. Thus, greater vertical integration has led to intensified price competition, forming a major deterrent for new entrants to the industry.

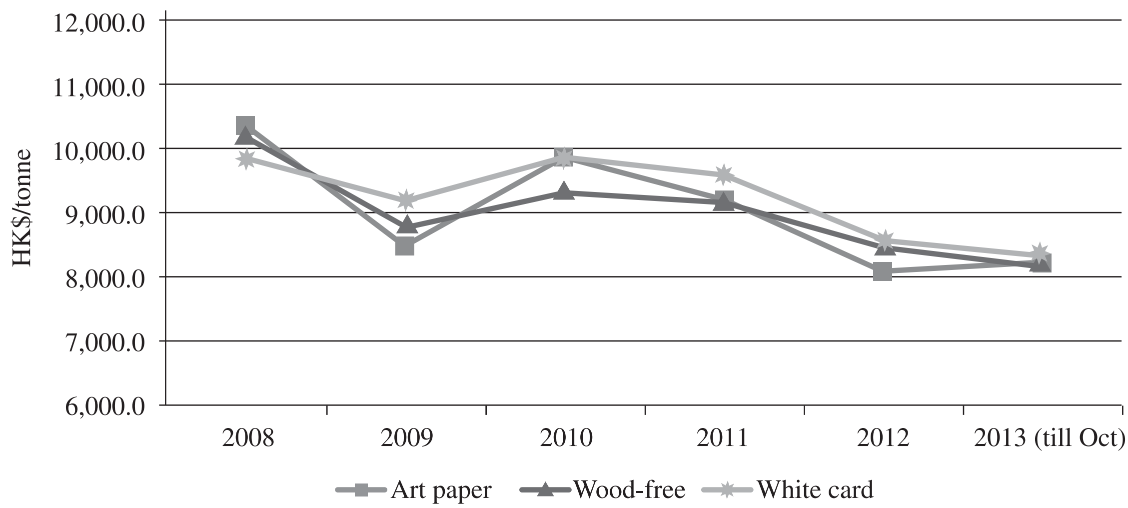
- **Diminishing labour pool:** According to Euromonitor, the industry finds it difficult to attract the participation of the younger generations. Nevertheless, the advent of advanced technology may reduce the industry's dependence on skilled workers.

RAW MATERIALS

Paper prices are seasonal and governed by types of paper used

According to Euromonitor, the price of paper used for printing in Hong Kong varies greatly, depending on the type of paper used, such as wood-free, coated (one or both sides) or uncoated, matte or dull and aqueous coated, for items like postcards and business cards. Paper prices also fluctuate seasonally, with the period from May to September considered as peak due to various events and festivals which increase demand for printed materials and the price of paper as a result.

Price of paper, China *(Note)* **(2008-October 2013)**



Sources: China Paper, Euromonitor

Note: According to Euromonitor, while these prices are for paper traded in China, they can be considered indicative for prices of paper traded in Hong Kong as a major portion of paper traded in Hong Kong for printing comes from China. Paper prices in Hong Kong are not tracked by any agency and hence, are not available from any public source.

According to Euromonitor, a major portion of Hong Kong's paper for printing comes from China. Paper prices from China have seen a declining trend over the years, due to the increased production of paper in China owing to new production sites for paper coming up in the country. Further, the declining prices of lumber have also contributed to this drop in the prices over the historic period.

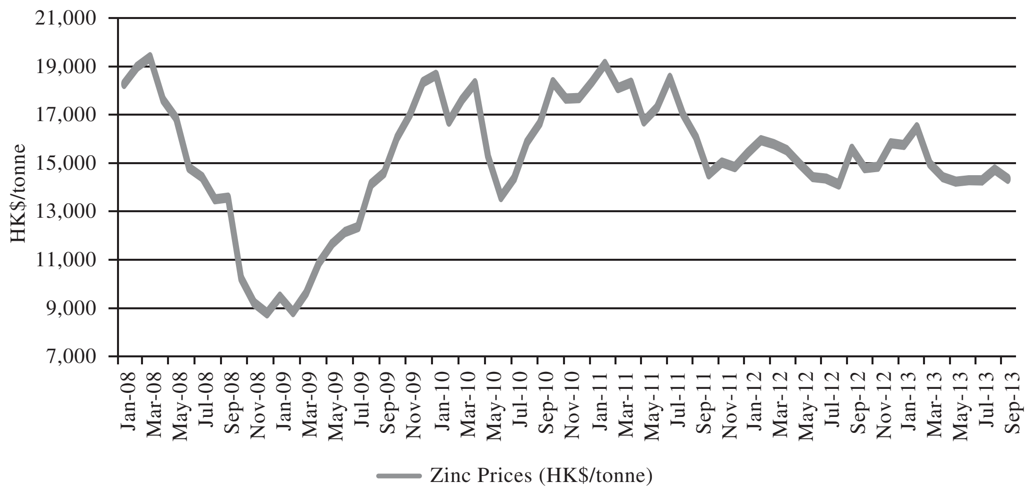
Zinc printing plate prices remain fairly constant

Printing plate is another major raw material in printing industry. A printing plate is a key component of offset printers that transfers the image onto the paper or other substrates. In Hong Kong, zinc printing plates are most commonly used in printing industry.

Over the past few years, the price of zinc printing plates has remained fairly constant with a slight increasing trend, according to Euromonitor. The price of zinc printing plates is directly influenced by the price of zinc, which has seen some fluctuation.

Set out below is the movement of prices of zinc from 2008 to September 2013:

Prices of zinc (Monthly, 2008-September 2013)



Sources: World Bank, Euromonitor

Over the past five years, the biggest change in prices was a decline during the year 2008 from HK$19,486.7 per tonne in March 2008 to a low of HK$8,636.1 per tonne in December 2008. However, zinc prices have since recovered to hover consistently near the HK$15,000 per tonne mark. In January 2013, the price of zinc fell by a small amount to approximately HK$15,763.7 per tonne from the December 2012 price of HK$15,833.7 per tonne.

Price of printing ink on the rise

Printing ink is also a major raw material in printing industry. The price of printing ink rose substantially from 2008 to 2012, affected by raw material prices and supply and demand conditions. Primarily, the price of raw materials is the biggest factor contributing to the rising cost of printing ink. For example, the price of titanium dioxide, which is used as a pigment for ink, has risen by approximately 40% in the past three years. Additionally, the fluctuating global price of oil also plays a big role in influencing the price of printing ink. In Asia, there has been strong growth in the demand for printed material in developing countries, which has subsequently led to both increased demand and higher prices for printing ink.

There has been some consumer demand for environmentally sustainable ink, such as printing ink made from soybeans, in order to increase the stability of printing ink prices by reducing use of and reliance on the raw materials used in traditional petroleum-based ink.

BUSINESS HISTORY

2001
- Promise Network was incorporated
- We launched our website *www.e-print.com.hk* under "e-print"

2003
- We launched our eprint management system

2004
- Our first store under "e-print" was opened in Kwun Tong, Hong Kong

2005
- Invoice Limited was incorporated
- We launched our website *www.e-invoice.com.hk* under "Invoice"
- Our first store under "Invoice" was opened in Kwun Tong, Hong Kong
- We acquired our first Heidelberg printing machine with axis control equipment, which enabled us to ensure print-to-print colour quality and accuracy throughout the press-run

2006
- Our second store under "e-print" was opened in Wan Chai, Hong Kong
- We introduced mobile phone text notification service

2007
- Design Easy was incorporated and our website *www.design-easy.com* under "Design Easy" was launched
- Four stores under "e-print" were opened in Chai Wan, Mongkok, Kwai Hing and Yuen Long, Hong Kong

2008
- Three stores under "e-print" were opened in Sheung Wan, Tsuen Wan and Sham Shui Po, Hong Kong

2009
- We were awarded Hong Kong ICT Awards 2008: Best Business (Application-SME) Silver Award
- We entered into joint venture arrangements in relation to E-print Solutions in Malaysia
- We launched our Photobook 1010 software and website *www.photobook1010.com*

2010
- Two stores under "e-print" were opened in Hung Hom and Fo Tan, Hong Kong

2011	• Two stores under "e-print" were opened in Causeway Bay and Quarry Bay, Hong Kong • We were awarded Best SME's Partner Award (最佳中小企拍擋獎) • We were awarded Partner Employer Award – Excellent Enterprise (有商友良嘉許獎) • We were awarded Hong Kong Outstanding Corporate Citizenship Gold Award – Silver Prize (傑出企業公民獎(銀獎)) • We were awarded Hong Kong Top Service Brand Award (香港服務品牌大獎)
2012	• We were awarded Hong Kong ICT Awards 2012: Best Business (Application-SME) Silver Award • We were awarded 2012 Hong Kong Awards for Industries: Productivity and Quality (2012 香港工商業獎：生產力及品質獎) • Three copyrights in respect of our printing management systems were registered in the PRC
2013	• Two stores under "e-print" were opened in Cheung Sha Wan and North Point, Hong Kong

For further information in relation to our business, please refer to the section headed "Business" in this prospectus.

CORPORATE DEVELOPMENT

The following describes the corporate history of our Company and subsidiaries.

Our Company

Our Company was incorporated in the Cayman Islands on 10 January 2013 and is the holding company of our subsidiaries and joint ventures. As at the Latest Practicable Date, all allotted and issued Shares were held as to approximately 78% by eprint Limited and as to approximately 22% by the Concerted Shareholders severally.

As a result of our Reorganisation, our Company indirectly holds all the interests in Promise Network, Kimley Technology, Lucky Gainer, Design Easy, Digital Printing, Dajinlai Technology, 70% interest in Invoice Limited, 50% interest in E-Print Bannershop Limited and 30% interest in E-Print Solutions. Please refer to the paragraph "Reorganisation" below in this section for further details about our Reorganisation.

Our subsidiaries in the BVI, Hong Kong and the PRC

BVI

Promise Network Holding

Promise Network Holding was incorporated in the BVI on 15 January 2013 as a limited liability company with an authorised share capital of US$50,000 divided into 50,000 shares of US$1.0 each. On 18 February 2013, 1 share of Promise Network Holding was issued to our Company for a consideration of US$1.0. Since the time of its establishment, Promise Network Holding was owned as to 100% by our Company.

It serves as an intermediate holding company.

eprint Digital Holding

eprint Digital Holding was incorporated in the BVI on 15 January 2013 as a limited liability company with an authorised share capital of US$50,000 divided into 50,000 shares of US$1.0 each. On 18 February 2013, 1 share of eprint Digital Holding was issued to our Company for a consideration of US$1.0. Since the time of its establishment, eprint Digital Holding was owned as to 100% by our Company.

It serves as an intermediate holding company.

eprint Group (BVI)

eprint Group (BVI) was incorporated in the BVI on 15 January 2013 as a limited liability company with an authorised share capital of US$50,000 divided into 50,000 shares of US$1.0 each. On 18 February 2013, 1 share of eprint Group (BVI) was issued to our Company for a consideration of US$1.0. Since the time of its establishment, eprint Group (BVI) was owned as to 100% by our Company.

It serves as an intermediate holding company.

E-Print Group

E-Print Group was incorporated in the BVI on 11 June 2008 as a limited liability company with an authorised share capital of US$50,000 divided into 50,000 shares of US$1.0 each.

Since the commencement of the Track Record Period being 1 April 2010 and prior to the Reorganisation, 10,811, 10,811, 10,811, 10,811 and 6,756 shares of E-Print Group were owned by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung respectively.

It serves as an intermediate holding company.

Hong Kong

Promise Network

Promise Network was incorporated in Hong Kong on 3 October 2001 as a limited liability company with an authorised share capital of HK$10,000 divided into 10,000 shares of HK$1.0 each. It is our major operating subsidiary principally engaged in providing commercial printing services.

Since the commencement of the Track Record Period being 1 April 2010 and prior to the Reorganisation, 624, 624, 624, 624 and 390 shares of Promise Network were owned by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively.

Invoice Limited

Invoice Limited was incorporated in Hong Kong on 3 October 2005 as a limited liability company with an authorised share capital of HK$10,000 divided into 10,000 shares of HK$1.0 each. It is principally engaged in providing office stationery, tailor-made product design and finishing services.

Prior to the Reorganisation, pursuant to two stamped declarations of trust dated 6 January 2009, Mr. Yip had been holding 51% and 19% interests in Invoice Limited for and on behalf of Mr. She and Mr. Chong. The remaining 30% interest in Invoice Limited was held by Mr. Yip prior to the Reorganisation. Please refer to the paragraph headed "Trust arrangement" in this section for the reason of the trust arrangement.

Even though the 70% interest in Invoice Limited was owned by Mr. She and Mr. Chong prior to the Reorganisation, it had been controlled by the Concerted Shareholders pursuant to the arrangement as set out in the paragraph headed "Acting in Concert Confirmation" in this section.

Kimley Technology

Kimley Technology was incorporated in Hong Kong on 19 March 2009 as a limited liability company with an authorised share capital of HK$10,000 divided into 10,000 shares of HK$1.0 each.

Since the commencement of the Track Record Period being 1 April 2010 and prior to the Reorganisation, 600, 600, 600, 600 and 375 shares of Kimley Technology were owned by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively.

It serves as an intermediate holding company.

Lucky Gainer

Lucky Gainer was incorporated in Hong Kong on 15 October 2004 as a limited liability company with an authorised share capital of HK$10,000 divided into 10,000 shares of HK$1.0 each. It is principally engaged in operating and managing of certain printing machineries in the production plants of our Group.

Since the commencement of the Track Record Period being 1 April 2010 and prior to the Reorganisation, the 100% interest in Lucky Gainer was owned by Mr. She and it had been controlled by the Concerted Shareholders pursuant to the arrangement as set out in the paragraph headed "Acting in Concert Confirmation" in this section.

Design Easy

Design Easy was incorporated in Hong Kong on 20 June 2007 as a limited liability company with an authorised share capital of HK$10,000 divided into 10,000 shares of HK$1.0 each. It is principally engaged in offering toll-free, specialised design and editing tools and integrated online ordering services for customers.

Prior to the Reorganisation, pursuant to five stamped declarations of trust dated 6 January 2009, Mr. Yip had been holding the approximately 21.62%, 21.62%, 21.62%, 21.62% and 13.52% interests in Design Easy for and on behalf of Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively. Please refer to the paragraph headed "Trust arrangement" in this section for the reason of the trust arrangement.

Digital Printing

Digital Printing was incorporated in Hong Kong on 18 September 2008 as a limited liability company with an authorised share capital of HK$10,000 divided into 10,000 shares of HK$1.0 each.

Prior to the Reorganisation, pursuant to two stamped declarations of trust dated 30 July 2009, Mr. Yip had been holding the 50% and 50% interests in Digital Printing for and on behalf of Mr. She and Mr. Chong. Please refer to the paragraph headed "Trust arrangement" in this section for the reason of the trust arrangement.

However, the Concerted Shareholders determined to carry on the business of Digital Printing under the same brand "e-print" operated by Promise Network in 2012 and Digital Printing has no current business.

Even though the 100% interest in Digital Printing was owned by Mr. She and Mr. Chong prior to the Reorganisation, it had been controlled by the Concerted Shareholders pursuant to the arrangement as set out in the paragraph headed "Acting in Concert Confirmation" in this section.

PRC

Dajinlai Technology

Dajinlai Technology was established in the PRC on 11 November 2009 as a WFOE with a current registered capital of RMB1,000,000 and has been owned as to 100% by Kimley Technology since its establishment. Dajinlai Technology is principally engaged in technology development, wholesale, import and export of electronic goods and computer hardware and software, and advisory of economic information.

Trust Arrangement

The Concerted Shareholders planned to develop separate line of new businesses under different trade names and entrusted Mr. Yip to manage and operate such businesses under the direction of the Concerted Shareholders. When Invoice Limited, Design Easy and Digital Printing were set up in 2005, 2007 and 2008, respectively, the Concerted Shareholders would like to focus on the daily management of, in particular, Promise Network and Lucky Gainer with the business focus of "e-print" on developing the store network and establishing the production base in Hong Kong. Accordingly, the Concerted Shareholders decided to delegate to Mr. Yip, who is a business partner of the Concerted Shareholders and holds 30% interest in Invoice Limited, the task of taking care of the daily operation of such businesses which were not our Group's core business at the relevant time. The Concerted Shareholders believed that the nominee shareholder arrangement could give Mr. Yip a higher status and administrative convenience to facilitate him in taking care of the daily operation of the new businesses. Mr. Yip was responsible for the daily operation of the businesses of Invoice Limited, Design Easy and Digital Printing and reported to the Concerted Shareholders who formulated the overall strategy of the Group.

Currently, Mr. Yip serves as the general manager of Invoice Limited and the vice-chairman of our safety committee. Mr. Yip is expected to continue to take care of the daily operation and management of Invoice Limited. Mr. Yip also engaged in the business of providing printing related services and manufacturing of banners through Pro-print and Print Art, respectively, which had been our suppliers and customers during the Track Record Period, but which ceased to carry on business since March 2013 and November 2012, respectively. For further details in relation to the services provided by them, please refer to the section headed "Connected Transactions – Discontinued related party transactions" in this prospectus.

Our Joint Ventures

E-Print Bannershop Limited

E-Print Bannershop Limited was incorporated in Hong Kong on 11 May 2011 as a limited liability company with an authorised share capital of HK$10,000 divided into 10,000 shares of HK$1.0 each.

On 11 May 2011, E-Print Bannershop Limited issued and allotted 1 share to E-Print Group and 1 share to Bannershop Group, an Independent Third Party.

E-Print Bannershop Limited serves as a service company to our Group and Bannershop Group for renting stores in Hong Kong. For details of the reason for such commercial arrangement, please refer to the section headed "Business – Properties – Premises sharing arrangements with Bannershop Group" in this prospectus.

Our Group and Bannershop Group entered into a co-operation agreement on 2 July 2013 (the "**Premises Sharing Cooperation Agreement**"), which contains the following salient terms:

(a) Business of E-Print Bannershop Limited

Our Group and Bannershop Group shall cooperate with and assist each other in identifying suitable properties for establishing and developing a delivery channel for their respective products and services. E-Print Bannershop Limited shall be responsible for negotiating, entering into and renewing tenancy agreements with respect to such properties with the landlords and sub-leasing each of the leased properties to our Group and Bannershop Group.

(b) Duration of the agreement

The Premises Sharing Cooperation Agreement shall remain in force until it is terminated by written agreement of our Group and Bannershop Group.

(c) Dividend policy

E-Print Bannershop Limited shall declare and distribute maximum amount of distributable profits (if applicable) permitted by the applicable law to our Group and Bannershop Group as dividends in proportion to their shareholding in E-Print Bannershop Limited on an annual basis.

(d) Board composition

Each of our Group and Bannershop Group shall be entitled to nominate and shall procure the appointment to the board of directors of E-Print Bannershop Limited of one director and shall procure the removal therefrom one director nominated by it.

E-Print Solutions

E-Print Solutions was incorporated in Malaysia with limited liability on 26 December 2007 with a current authorised share capital of MYR$5,000,000 divided into 5,000,000 shares of MYR$1.0 each. Immediately prior to the Reorganisation, E-Print Solutions was beneficially owned as to 30% by E-Print Group (through Mr. Cheang Ngai Wang as nominee, being the employee of Promise Network) and 70% by the joint venture partner (through its nominee), an Independent Third Party. The reason for the trust is to facilitate administrative convenience.

E-Print Solutions is principally engaged in providing commercial printing services in Malaysia. We believe that, taking into account the level of development of local economy and the printing industry in Malaysia, and its market potential, we entered into a joint venture agreement on 6 May 2009 (the "**Malaysia JV Agreement**") with the joint venture partner who has experience in the local printing industry, with a view to broadening our Group's footprint in South East Asia and serving this investment as a testing ground for our future expansion into overseas market. The joint venture partner of E-Print Solutions is a Malaysian citizen, who also holds director position in various companies engaging in printing, information technology and other business. In addition to organic growth, to the best of our Directors' knowledge and information, the current strategy of E-Print Solutions is to strengthen its production capacity and efficiency, aiming at bringing a greater return to its investors.

The Malaysia JV Agreement contains the following salient terms:

(a) Business of E-Print Solutions

E-Print Solutions shall carry on the printing business in Malaysia and Singapore. E-Print Group shall grant an exclusive perpetual licence of its intellectual property relating to certain software programs to E-Print Solutions in Malaysia and Singapore.

(b) Duration of the agreement

The Malaysia JV Agreement shall remain in force until the transfer by either E-Print Group or the joint venture partner of the entirety of its shares in E-Print Solutions within the terms of the Malaysia JV Agreement.

(c) Dividend policy

E-Print Solutions shall declare and distribute a maximum dividend of thirty percent (30%) of the audited net profit of E-Print Solutions every year in proportion to the amount of capital paid up or credited as paid up on the shares of E-Print Solutions held by E-Print Group and the joint venture partner, respectively.

(d) Board composition

The board of directors of E-Print Solutions shall consist of 3 directors. E-Print Group shall have the right to appoint a maximum of one director and the joint venture partner shall have the right to appoint a maximum of two directors.

(e) Non-competition

Both E-Print Group and the joint venture partner have given a non-competition undertaking such that they or their nominees shall not, for a period of one year from the date on which they or their nominee ceases to be beneficially interested in any shares of E-Print Solutions, directly or indirectly carry on or be engaged or interested in any business competing with the business of E-Print Solutions in Malaysia and Singapore.

On 13 February 2013, upon receipt of the instructions by E-Print Group, Mr. Cheang Ngai Wang transferred the 30% interest in E-Print Solutions to E-Print Group for a nominal consideration of MYR$10. Accordingly, our Group has become the registered owner of 30% interest in E-Print Solutions since 13 February 2013.

Corporate governance of E-Print Bannershop Limited and E-Print Solutions

As regards the corporate governance and internal control measures in respect of compliances with the applicable laws and regulations, we send our representative to participate in the meetings of the board of directors of these joint ventures as well as exercise information access rights and review the compliance-related matters of these joint ventures from time to time, and seek legal advice, as appropriate.

During the Track Record Period and up to the Latest Practicable Date, to the best of our Directors' knowledge and information, they were not aware of any non-compliance incident relating to E-Print Bannershop Limited and E-Print Solutions which had a material impact on us.

Acting in Concert Confirmation

During our business history, the Concerted Shareholders have controlled each of the subsidiaries comprising our Group or shared the operating results in these subsidiaries. Each of the Concerted Shareholders has, in exercising and implementing the management and operation of these subsidiaries, been acting in concert with each other.

On 2 July 2013, in preparation for the Listing, our Concerted Shareholders executed the Acting in Concert Confirmation, whereby they confirmed the existence of their acting in concert arrangements in the past, as well as their intention to continue to act in the above manner upon the Listing to consolidate their control of our Group until the Acting in Concert Confirmation is terminated by the Concerted Shareholders in writing. The Acting in Concert Confirmation covers our Company and each of its subsidiaries.

The Acting in Concert Confirmation contains the following salient terms:

According to the Acting in Concert Confirmation, with respect to the businesses of the subsidiaries, each of our Concerted Shareholders confirm to each other that, for the entire duration when all of them were/are contemporaneously either the legal or beneficial owners of shares in each of the subsidiaries (other than 30% interest in Invoice Limited owned by Mr. Yip) and, after the incorporation of our Company:

(a) they have been enjoying, and shall continue to enjoy, the economic benefits generated from all subsidiaries from the businesses of our Group, which include but shall not be limited to, dividends declared or to be declared (if any), from the businesses of our Group;

(b) they have agreed to, and shall continue to, consult each other and reach unanimous consensus among themselves prior to any shareholders' meeting of our Company and the relevant subsidiaries (as the case may be);

(c) where there is any suitable business opportunity or project for our Group, they have been engaging in, and shall continue to engage in, discussions as to whether they should participate and, if so, in whose name amongst themselves they should participate and the extent of participation in terms of investment and management; and

(d) they have centralised, and shall continue to centralise, the ultimate control and right to make final decisions with respect to their interests in the businesses and projects of our Group.

Pursuant to the Acting in Concert Confirmation, the Concerted Shareholders confirmed that (i) they have actively co-operated with each other and would discuss and consult each other and arrive at a consensus on material voting and/or business decisions (including operating, financial and human resources arrangement); (ii) they have or procure their nominees or all the companies or persons under their control, to arrive at a consensus and exercise voting rights unanimously on all the proposed resolutions in the shareholders or directors meetings of our Group's subsidiaries.

As the Concerted Shareholders have always reached consensus on key business decisions relating to our Group's subsidiaries including the making of bank borrowings, acquisitions of machines and properties, opening of store(s) and incorporation of subsidiary and the Concerted Shareholders (other than Mr. Chong who acquired interest in our Group in 2005) have invested in our Group since the commencement of our business in 2001, they, as Shareholders, have exercised their voting power in a consistent manner. Accordingly, the Concerted Shareholders are viewed as a controlling group of shareholders and consider that they are acting in concert for the purpose of the Takeovers Code.

The Takeovers Code defines persons "acting in concert" as persons who, pursuant to an agreement or understanding (whether formal or informal), actively cooperate to obtain or consolidate "control" (30% or more as per the Takeovers Code) of a company through the acquisition by any of them of voting rights of the company. The Concerted Shareholders confirmed that pursuant to an understanding amongst themselves, they have been actively co-operating to obtain or consolidate control of more than 30% of voting rights of the Company through the acquisition by them and on this basis, the legal advisers to the Company as to Hong Kong law, Li & Partners, concur with their view that the Concerted Shareholders fall within the definition of "acting in concert" under the Takeovers Code.

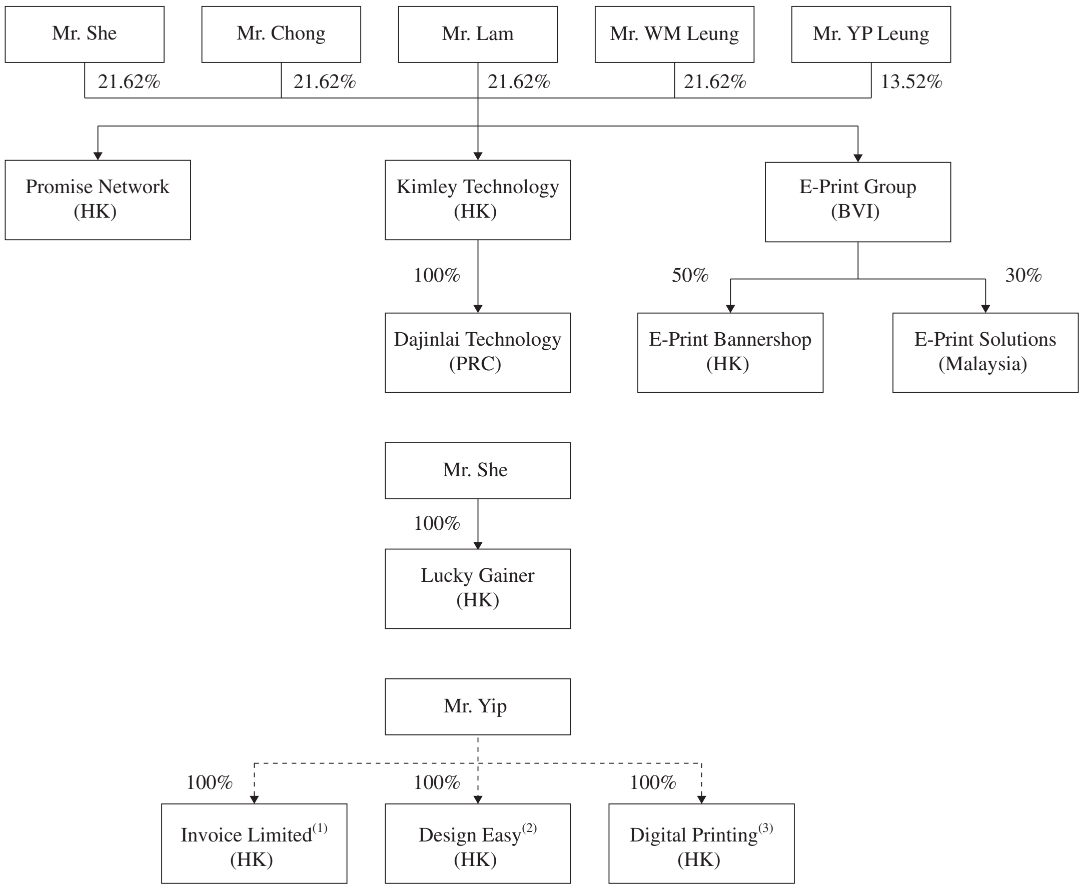
Disposal of subsidiaries during the Track Record Period

Gain More Investment Limited ("**Gain More**") was incorporated in Hong Kong on 4 December 2008 and has been wholly owned by Invoice Limited. Gain More mainly engages in the business of property investment, which is different from our Group's business focus and therefore, Gain More was excluded from our Group. Pursuant to the sale and purchase agreement dated 1 December 2011, Invoice Limited transferred 100% interest in Gain More to Mr. WM Leung for a consideration of HK$10,000, which was determined by reference to the par value of shares in Gain More. Gain More invested in a Hong Kong residential property at the request of Mr. WM Leung in 2010. Mr. WM Leung has ultimately financed the purchase of the relevant property. Accordingly, the Concerted Shareholders agreed to dispose of its entire interest in Gain More to Mr. WM Leung at a nominal consideration in December 2011, regardless of the subsequent change in the market value of such property. Given the above, the Directors are of the view that the disposal of interest in Gain More by Invoice Limited was not conducted on normal commercial terms. However, taken into account of the fact that the purchase of the property by Gain More was ultimately financed by Mr WM Leung, the Directors are of the view that the impact on the Group's financial position during the Track Record Period in connection with the Group's disposal of interests in Gain More was not material.

Profit More Rich Limited ("**Profit More**") was incorporated in Hong Kong on 3 February 2009 and has been wholly owned by Invoice Limited. Profit More mainly engages in the business of property investment, which is different from our Group's business focus and therefore, Profit More was excluded from our Group. Pursuant to the sale and purchase agreement dated 10 March 2012, Invoice Limited transferred 100% interest in Profit More to CTP Limited for a consideration of HK$3,200,000, which was determined by reference to the net asset value of Profit More and the increase of value of the property held by Profit More. Our Group is renting the relevant property from CTP Limited. For details, please refer to the section headed "Connected Transactions" in this prospectus.

REORGANISATION

Set out below is the shareholding and corporate structure of our Group immediately prior to the implementation of our Reorganisation (in March 2013):



Notes:

(1) Invoice Limited was owned as to 30% by Mr. Yip and the remaining 70% interest in Invoice Limited was held as to 51% and 19% on trust by Mr. Yip for and on behalf of Mr. She and Mr. Chong, respectively.

(2) Design Easy was held as to 21.62%, 21.62%, 21.62%, 21.62% and 13.52% on trust by Mr. Yip for and on behalf of Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively.

(3) Digital Printing was held as to 50% and 50% on trust by Mr. Yip for and on behalf of Mr. She and Mr. Chong, respectively.

In order to prepare for the Listing, the Company underwent the Reorganisation which involved the following steps:

(1) Incorporation of eprint Limited

On 9 January 2013, eprint Limited was incorporated in the BVI with an authorised share capital of US$50,000 divided into 50,000 shares of US$1.0 each.

On 9 January 2013, 2,162, 2,162, 2,162, 2,162 and 1,352 shares of eprint Limited were allotted and issued to Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively for a consideration of US$1.0 each per share. Accordingly, eprint Limited was owned as to 21.62% by Mr. She, 21.62% by Mr. Chong, 21.62% by Mr. Lam, 21.62% by Mr. WM Leung and 13.52% by Mr. YP Leung, respectively since its incorporation.

(2) Incorporation of our Company

On 10 January 2013, our Company was incorporated in the Cayman Islands with an authorised share capital of HK$100,000,000 divided into 10,000,000,000 Shares of HK$0.01 each and one Share was allotted and issued to the Cayman company agent, Harneys Services (Cayman) Limited.

On 18 February 2013, Harneys Services (Cayman) Limited transferred the one Share to Mr. Lam. On the same date, 78,000, 4,760, 4,760, 4,759, 4,760 and, 2,960 Shares were allotted and issued to eprint Limited, Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively for a consideration of HK$0.01 each per Share.

Accordingly, our Company was owned as to 78% by eprint Limited, 4.76% by Mr. She, 4.76% by Mr. Chong, 4.76% by Mr. Lam, 4.76% by Mr. WM Leung and 2.96% by Mr. YP Leung, respectively.

(3) Incorporation of intermediate holding companies

On 15 January 2013, Promise Network Holding was incorporated in the BVI. On 18 February 2013, one share of Promise Network Holding was issued to our Company and Promise Network Holding was owned as to 100% by our Company since then.

On 15 January 2013, eprint Digital Holding was incorporated in the BVI. On 18 February 2013, one share of eprint Digital Holding was issued to our Company and eprint Digital Holding was owned as to 100% by our Company since then.

On 15 January 2013, eprint Group (BVI) was incorporated in the BVI. On 18 February 2013, one share of eprint Group (BVI) was issued to our Company and eprint Group (BVI) was owned as to 100% by our Company since then.

(4) Inclusion of the subsidiaries into our Group

On 3 June 2013, all the 2,886 issued shares in Promise Network held by the Concerted Shareholders were transferred to Promise Network Holding for a consideration of allotting and issuing 2,886 shares in Promise Network Holding to our Company. Accordingly, Promise Network was owned as to 100% by our Group since 3 June 2013.

On 3 June 2013, pursuant to the instructions of Mr. She and Mr. Chong, Mr. Yip transferred 700 issued shares in Invoice Limited to eprint Digital Holding for a nominal consideration of HK$700. Accordingly, Invoice Limited was owned as to 70% by our Group and 30% by Mr. Yip since 3 June 2013.

On 3 June 2013, all the 2,775 issued shares in Kimley Technology held by the Concerted Shareholders were transferred to eprint Digital Holding for a nominal consideration of HK$2,775. Accordingly, Kimley Technology was owned as to 100% by our Group since 3 June 2013.

On 3 June 2013, all the 2 issued shares in Lucky Gainer held by Mr. She were transferred to eprint Digital Holding for a nominal consideration of HK$2. Accordingly, Lucky Gainer was owned as to 100% by our Group since 3 June 2013.

On 3 June 2013, pursuant to the instructions of Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, Mr. Yip transferred 2,775 issued shares in Design Easy to eprint Digital Holding for a nominal consideration of HK$2,775. Accordingly, Design Easy was owned as to 100% by our Group since 3 June 2013.

On 3 June 2013, pursuant to the instructions of Mr. She and Mr. Chong, Mr. Yip transferred 10,000 issued shares in Digital Printing to eprint Digital Holding for a nominal consideration of HK$10,000. Accordingly, Digital Printing was owned as to 100% by our Group since 3 June 2013.

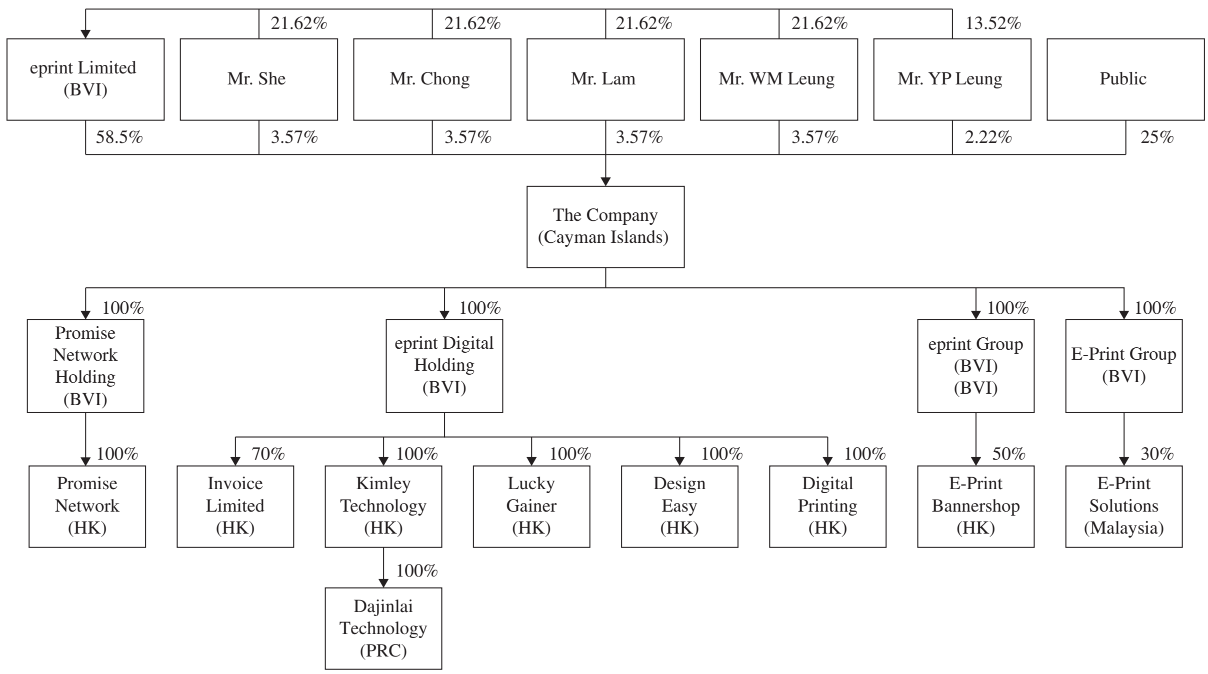
On 3 June 2013, E-Print Group transferred one issued share in E-Print Bannershop Limited to eprint Group (BVI) for a consideration of HK$1.0. Accordingly, E-Print Bannershop Limited was owned as to 50% by our Group and 50% by Bannershop Group since 3 June 2013. Bannershop Group is an Independent Third Party.

On 3 June 2013, all the 50,000 issued shares in E-Print Group held by the Concerted Shareholders were transferred to our Company for a nominal consideration of US$50,000. Accordingly, E-Print Group was owned as to 100% by our Group since 3 June 2013.

(5) Share Offer and Capitalisation Issue

Conditional upon the share premium account of our Company being credited as a result of the Share Offer, a sum of HK$3,749,000 standing to the credit of the share premium account of our Company will be capitalised by way of applying such sum in paying up in full 374,900,000 Shares in our Company for the issue ("**Capitalisation Issue**") to eprint Limited, Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, divided among themselves in proportion to their respective interests in our Company immediately before the Share Offer.

Our corporate and shareholding structure immediately after the Share Offer and the Capitalisation Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any options that were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme) is as follow:



OVERVIEW

We are principally engaged in the provision of printing services in respect of paper products for a large and diverse group of customers in Hong Kong. We offer for our customers convenient, speedy and high quality printing services, from the provision of design tools and software for customising products to an array of printing and finishing services to suit their diversified needs, through our extensive sales channels, integrated information technology infrastructure and production facilities situated in Hong Kong. We offer different channels for customers to place print orders, and leveraging on the information technology and printing know-how/technique which we have adopted, we allow flexibility to our customers to place print orders in a wide spectrum of quantity.

We are a leading printing service provider in Hong Kong. According to Euromonitor, in 2012, in terms of customer value spend on printing services, we were one of the top five printing companies and the largest printing company with retail channels in Hong Kong, with a market share of approximately 2.9% of the total customer value spend on printing services provided by all printing companies in Hong Kong in that year. We were also the printing company having the second largest number of stores in Hong Kong in 2012, according to Euromonitor.

Our services

Our printing services can be broadly categorised into advertisement printing, bound book printing and stationery printing, in respect of a variety of paper products. Advertisement printing covers, among others, printing of paper placemats, menus and leaflets. Bound book printing covers, amongst others, printing of booklets made with saddle stitching binding (i.e. binding by stabling sheets together where they fold at the spine) or perfect binding (i.e. binding a book block with glue or adhesive) or sewn perfect binding (i.e. binding a book block with thread). Stationery printing covers, amongst others, printing of business cards, letterheads, envelopes, paper folders, invoices and labels. For customers who prefer making a unique and personalised product, we provide design tools and software developed by us and offer a broad selection of finishing options such as spot UV (i.e. application of varnish on a piece of paper), foil stamping (i.e. application of a heated metal die or colour pigments onto a piece of paper), embossing (i.e. creation of three-dimensional images or designs on the paper surface) and lamination. To expand our service offering, we also provide miscellaneous services including pre-ink stamps and crystal trophies making, which can be tailored to our customers' different requirements.

Our sales channels

As at 31 March 2011, 2012 and 2013 and the Latest Practicable Date, we operated a total of 15, 17, 17 and 16 stores located at convenient locations in Hong Kong, where customers may obtain our service information, submit designs, place orders, make payment and collect products with our staff. As at the Latest Practicable Date, we had 13 "e-print" stores and three "Invoice" stores across Hong Kong. For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, revenue derived from orders received at our stores amounted to approximately 47.2%, 43.8%, 40.1% and 39.1%, respectively, of our total revenue during the same period.

In addition to our stores, we maintained different websites for sales and marketing purposes, namely, www.e-print.com.hk, www.e-invoice.com.hk, www.design-easy.com and www.photobook1010.com, on which information relating to our services, delivery schedules and pricing can be obtained. An online self-service ordering platform is also available at each of our "e-print" (customer.e-print.com.hk) and "Design Easy" (www.design-easy.com) websites, where customers logging onto these ordering platforms could access our services and place orders on a completely self-service basis. Customers who prefer ordering bespoke products may visit the website of "Design Easy" at www.design-easy.com, which offers premade templates for major stationery products and easy-to-use design tools. Given the convenience and flexibility of the internet retailing, orders received from online self-service ordering platforms contributed approximately 31.8%, 36.1%, 35.2% and 36.4%, respectively, of our total revenue for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013.

In addition to our stores and online self-service ordering platforms, we also received orders from customers over the telephone or through e-mail during the Track Record Period.

Our production facilities

Our production is principally undertaken at our workshops in Kwun Tong, Hong Kong, with a total saleable floor area of approximately 47,100 square feet, where a substantial part of our production processes are monitored by our integrated information system, the eprint management system. We believe that our production base in Hong Kong effectively enables us to provide speedy printing services for customers in Hong Kong, in comparison with printing service providers having production facilities outside Hong Kong. We are equipped with advanced offset and other digital printing machines, which are highly automated in their operations. As at 31 March 2011, 2012 and 2013 and 31 July 2013, the production capacity of our production facilities for the relevant period, which is measured in terms of the number of impressions of the printing machines involved in the printing process during such relevant period, in aggregate, was approximately 234.6 million, 261.4 million, 310.1 million and 103.5 million, respectively, and the utilisation rate amounted to approximately 71.5%, 74.6%, 71.4% and 76.5%, respectively during the same period. For further details of our production capacity, utilisation rate and the basis of calculation, please refer to the paragraph headed "Our production – Production capacity" in this section.

OUR COMPETITIVE STRENGTHS

We believe that our success to date and potential for future growth are attributable to a combination of our competitive strengths, including the following:

We are a leading printing service provider in Hong Kong.

During our more than 10 years of operating history, we have been striving to offer for customers convenient, speedy and high quality printing services at good value through our extensive sales channels and printing services for a broad selection of printed products. With our years of efforts, we have successfully built up our reputation and industry recognitions in Hong Kong. For example, we have been awarded 2012 Hong Kong Awards for Industries: Productivity and Quality (2012香港工商業獎：生產力及品質獎), Hong Kong ICT Awards 2012: Best Business (Application-SME) Silver Award, and 2011 Hong Kong Top Service Brand Award (香港服務品牌大獎), which are testaments to our market position and outstanding quality of our services. For further details of our achievements, please refer to the paragraph headed "Awards and accreditations" in this section.

Leveraging on our market position and high quality services, we have emerged as one of the leading printing companies in Hong Kong in recent years. According to Euromonitor, there were approximately 3,750 registered printing companies in Hong Kong in 2012, and in terms of customer value spend, we were one of the top five printing companies and the largest printing company with retail channels in Hong Kong, with a market share of approximately 2.9% of the total customer value spend on printing services provided by all printing companies in Hong Kong in that year. We believe that our leading market position, overall growth path and the trend towards market consolidation in Hong Kong's printing industry afford us valuable opportunities to further increase our market share in Hong Kong and seize additional market opportunities in the long run.

We offer convenient, speedy and high quality printing services.

We believe that our convenient, speedy and high quality printing services offer flexibility to customers, which we believe, are vital to maintaining our competitiveness and leading position in the printing market in Hong Kong.

Convenient order to print services

We strive to offer convenient printing services, from order to print, for customers. Customers who prefer face-to-face services could choose to complete the entire ordering process by visiting any of our stores in Hong Kong where our staff is ready to serve. We have also established the online self-service ordering platforms on the websites of "e-print" and "Design Easy", included all key printing services and online ordering features on these platforms, and designed their web interfaces to make the ordering process simple and straightforward. Customers could place their orders on a self-service basis simply by selecting the type of printing services, choosing the product features (such as paper quality, quantity and delivery) and finishing options, uploading the design of their products and making the payment, with their own computer. For customers who encounter difficulty in placing orders with us, our designated customer support teams are happy to assist them and handle their enquiries, in order to increase their satisfaction and add value to our services.

Speedy and high quality printing services

Our convenient printing services are reinforced by our investment in information technology which integrates, computerises and standardises our key business operations, so that we are able to process a large number of print orders speedily and efficiently. Our eprint management system contains features which automatically receive, aggregate and route multiple print jobs with similar printing parameters for printing as a single press-run, thereby enabling us to print small to large print orders efficiently. After the print jobs have been aggregated and typeset, the print proof in electronic format will be transmitted to the production facilities for printing, and our core printing facilities are integrated with our eprint management system so that we are able to monitor our production in a real time environment. Further, we carry on our production in Hong Kong which effectively enables us to provide speedy printing services for our customers. Depending on the type and complexity of printing job order, printed products are ready for collection or delivery normally within one to two working days after confirmation of orders by us, and we also provide express printing services where a confirmed print order can be completed within six hours (from order confirmation to packaging). To provide consistent high quality printing services, we use highly automated printing facilities imported from Germany and Japan, with advanced colour management equipment, thereby ensuring print-to-print color quality and reducing errors. To ensure timely delivery of products, we have engaged specialised courier companies which undertake to deliver products from our production facilities to our stores or location designated by our customer within a day in normal circumstances.

We have extensive sales channels.

We have established extensive sales channels in Hong Kong comprising our stores and websites. As at the Latest Practicable Date, we operated a total of 13 "e-print" stores and three "Invoice" stores, located at locations in close proximity to transportation infrastructure such as public transport or mass transit railway in Hong Kong. We also maintained four different websites for sales and marketing purposes, namely, *www.e-print.com.hk*, *www.e-invoice.com.hk*, *www.design-easy.com* and *www.photobook1010.com*, on which information relating to our services, delivery schedules and pricing could be obtained. Customer with printing needs may complete the ordering process with us through any of our stores or the websites with online self-service ordering platforms available at *customer.e-print.com.hk* and *www.design-easy.com*. Customer may also place orders with us over the telephone or through e-mail, which will be handled by our customer support teams.

We believe that our extensive sales channels enable us to reach out to a wide customer base and enhance our customers' confidence in our services. Our online self-service ordering platforms are accessible to customers and available 24 hours a day and 7 days per week, with no restriction on business hours and geographical location, which we believe, offer convenience and flexibility to our customers and increase their frequency of their access to our services. Our stores and other sales channels, on the other hand, provide alternative and convenient access to our services for those who are not technology savvy users or prefer face-to-face services or giving specific instructions with us when placing orders. Further, the combination of the use of different sales channels helps us maximise our brand visibility and increase the degree of our market penetration so that we are well-positioned to capture new market opportunities when they arise. We also believe that the number and geographical coverage of our stores network could pose an entry barrier to potential competitors and impose a significant capital requirement on existing competitors to compete with us.

We offer printing services for a broad selection of printed products at competitive prices.

We offer a wide array of printing services to customers with a view to cater for their diversified needs. Our printing services include advertisement printing, bound book printing and stationery printing, which cover a broad range of paper products such as business cards, leaflets, paper placemats, booklets, paper folders, invoices, letterheads, envelopes and labels. We also provide miscellaneous services including mainly pre-ink stamps and crystal trophies making, to increase our product mix. We print paper products in standard sizes with selections of paper types, quantity, and offer a variety of finishing options for them such as spot UV, foil stamping and lamination, and with our self-developed design tools and software, we facilitate our customers to add their own design to the product to be printed by us, so that our customers could order bespoke products.

According to Euromonitor, the major customer groups of printing companies with retail channels in Hong Kong are small and medium enterprises, design houses, education institutes, companies from retail sector and individual customers. The average values per transaction paid by corporate and individual customers, according to Euromonitor, range from approximately HK$500 to HK$3,000. Leveraging on our business scale and production efficiency, we believe that we are able to offer competitive prices for our services and flexibly accept orders from these customers in a wide spectrum of quantity, which effectively allows us to serve such a broad and diversified customer group in Hong Kong's printing market. For example, we accept order for printing of only one batch of 100 pieces of business cards, and the prices of different kinds of business cards printing are in the range of HK$40 to HK$78 (100 pieces) and HK$90 to HK$528 (1,000 pieces) per batch. For further details of the prices of some of our popular products, please refer to the paragraph headed "Our services and customers – Printing services" in this section.

We have a dedicated and experienced management team.

Our senior management team is experienced, stable and energetic. Our senior management team members are under the leadership of Mr. She, one of the founders and the chairman of our Group, who has accumulated industry experience of more than 20 years with vision and valuable insight.

Our other executive Directors and senior management team members including Mr. Tsui Pak Wai, Mr. Fung Hong Keung, Mr. Chan Wai Keung, Mr. Lee Hon Wai, Mr. Cheang Ngai Wang and Ms. Zhang Yiqing have proven industry experience, in-depth knowledge in their respective area of specialisation, and most of them have been working with us for around five years or more. They have played a key role in our business operations, management and formulating business strategies for our Group, and their commitment to our Group has contributed to the stability of our management team and sustainable growth of our business. For further details of the biographies and relevant industry experience of our management team, please refer to the section headed "Directors and Senior Management" in this prospectus. We believe that an experienced, stable and committed management team will contribute significantly to our sustainable growth in the future.

OUR BUSINESS STRATEGIES

Set out below are our growth strategies to consolidate our market position in Hong Kong and create value for our Shareholders:

Expand our production capacity.

Printing industry in Hong Kong has experienced a stable growth in recent years. Pursuant to Euromonitor, the total customer value spend on printing services provided by all printing companies and by printing companies with retail channels in Hong Kong increased from approximately HK$8,364.8 million and HK$423.7 million in 2008, respectively, to approximately HK$9,574.6 million and HK$631.0 million in 2012, respectively, representing a CAGR of approximately 3.4% and 10.5%, respectively. Further, according to Euromonitor, the industry is moving towards consolidation, leaving bigger players in the market to consolidate their position locally. Accordingly, to cope with our expanding business and capture future opportunities in Hong Kong's printing market, over a period of approximately two years, we intend to implement the expansion plan as set out below:

Expansion plan	Estimated expenditure *HK$'000*	Expected timeframe
Acquisition of two sets of printing machines and equipment	24,836	In the second half of 2014 and 2015, respectively
Acquisition of one set of a platesetter	2,000	In the second half of 2014
Acquisition of totally eight sets of post-press finishing equipment *(Note 1)*	2,544	Progressively during the second quarter of 2014 and second quarter of 2015
Setting up totally two new workshops *(Note 2)*	4,228	In the second half of 2014 and the first half of 2015
Total:	33,608	

Notes:

(1) These eight sets of post-press finishing equipment comprise five sets of envelope making machines and one set of each of paper cutting machine, paper folding machine and laminating machine.

(2) These two workshops are expected to be set up at newly leased premises. The estimated costs include rental payment (for the first 12 months) for the new premises for housing such machines and equipment and the expenses on equipment fitting, premises refurbishment and hiring of additional production staff.

We expect that, upon full operation of such machines and equipment, our annual production capacity will be increased by approximately 18.8 million impressions (or approximately 6.1% of the annual production capacity for the year ended 31 March 2013) for the year ending 31 March 2015 and approximately 56.5 million impressions (or approximately 18.2% of the annual production capacity for the year ended 31 March 2013) for the year ending 31 March 2016, and our post-press finishing capability will be enhanced particularly in respect of envelope making, paper folding and laminating work, so as to reduce the degree of reliance on external processing agents and further strengthen our control over finishing quality whilst maintaining quality consistency.

We estimate that the total costs and expenses for the expansion of our production capacity will be, in aggregate, approximately HK$33.6 million, and such expansion plan will be implemented by stages to be commenced since the second quarter of 2014 up to the second half of 2015. Based on the estimated useful life of these new machines and equipment proposed to be acquired, we expect to incur additional depreciation expenses of approximately HK$2.0 million in each financial reporting period.

We plan to finance the above costs and expenses by the proceeds from the Share Offer, and deficiency in funding (if any) for such expansion will be financed by our internal resources and/or bank borrowing, as appropriate. As at the Latest Practicable Date, we had not yet implemented the above expansion plan and no expenditure had been incurred by us for such plan.

Optimise our store network in Hong Kong.

According to the Census and Statistics Department of Hong Kong, GDP of Hong Kong grew by a CAGR of approximately 4.5%, from approximately HK$1,707.5 billion in 2008 to approximately HK$2,040.1 billion in 2012, and the annual disposable income per household in Hong Kong during the same period grew by a CAGR of approximately 4.1%, from approximately HK$578,344.7 to approximately HK$679,874.9. With the gradual economic recovery of Hong Kong since the global financial crisis in 2008-2009, we believe that continuing to extend our geographical footprint in Hong Kong whilst optimising our existing store network could effectively increase the degree of our market penetration, strengthen our market leadership and enhance our brand awareness.

Pursuant to our expansion plans, we intend to open a total of three "e-print" stores in Kowloon, one "e-print" store in the New Territories and one "Invoice" store on Hong Kong Island prior to the end of 2014. The expected gross floor area of each new store will range from around 300 square feet to 800 square feet and the number of staff at each store will vary from three to six. To attract new customers, increase the convenience to customers and elevate our profile, we also intend to extend our presence in four existing locations by relocating four existing stores upon expiry of the term of their respective lease in 2014 to premises with bigger size and to location of higher traffic of vehicles and pedestrians. Please refer to the paragraph headed "Our sales channels – Our store network – Store locations and selection" in this section for further details in relation to our key considerations when identifying a new store location. We believe that the comparatively high rental expenses involved in operating our stores in Hong Kong could be offset by the benefit from the optimisation of our store network, the elevation of our brand awareness and ultimately the increase of our market penetration.

We estimate that the total costs and expenses for the expansion of our store network by opening new stores and relocating our existing stores will be approximately HK$12.9 million and HK$3.3 million, respectively. These estimated expenditures will involve:

(i) an estimated initial set-up costs and expenses (including administrative, information technology set-up, store refurbishment and other miscellaneous expenses) of approximately HK$0.2 million to HK$0.5 million per new store/relocated store;

(ii) an estimated rental expenses for the first 24 months of approximately HK$0.4 million to HK$1.4 million per new store/relocated store, depending on the size and location of such store; and

(iii) an estimated additional working capital required (including staff salaries, bills and outgoings, logistics expenditure, marketing and other daily expenses) for the day-to-day store operations for the first 24 months of approximately HK$1.0 million to approximately HK$2.5 million per new store and approximately HK$0.1 million per relocated store, depending on the number of newly recruited staff (which in turn varies according to the size of each such relocated/new store) and the extra logistics arrangement required for new stores (which varies according to the location of each such relocated/new store).

We estimated that, based on historical data and management's experience on the comparable store, the investment pay-back period for each store will be around three months to 12 months for new stores and one month to three months for relocated stores, and the break-even period will be around one month to two months for new stores and relocated stores, depending on the size and location of such store. We plan to finance the above costs and expenses by the proceeds from the Share Offer, and deficiency in funding (if any) for such expansion will be financed by our internal resources and/or bank borrowing, as appropriate. As at the Latest Practicable Date, we had not yet implemented the above expansion plan and no expenditure had been incurred for such plan.

Replicate our success by expansion into new markets.

In addition to our organic expansion in Hong Kong market, we intend to leverage our "e-print" brand and our competitive strengths to extend our presence to South East Asia and Macau under "e-print", where we consider our services and products offerings will be competitive in terms of quality and pricing, and appealing to potential customers in those markets.

We consider implementing our overseas expansion plan by either setting up and operating a local office with retail outlet(s) on our own or by forming joint ventures with local business partner(s) or making equity investment in local company(ies) whom we believe could facilitate our entry into these markets and share the same value with us, and we could replicate our business model and experience involving the use of internet sales network, retail channels and an integrated information system to our overseas business operations.

In respect of the Malaysian market, apart from setting up our own offices and/or stores, we may strengthen the relationship with our existing joint venture, E-Print Solutions. E-Print Solutions operated eight stores and had its own production facilities in Malaysia as at the Latest Practicable Date. For the years ended 30 November 2010, 2011 and 2012, E-Print Solutions recorded a revenue of approximately MYR$7.0 million, MYR$11.8 million and MYR$14.8 million (equivalent to approximately HK$17.3 million, HK$29.2 million and HK$36.7 million), respectively, and a net loss of approximately MYR$0.4 million, MYR$0.6 million and net profit of approximately MYR$1.4 million (equivalent to a net loss of approximately HK$1.0 million, HK$1.5 million and a net profit of approximately HK$3.5 million), respectively. We may consider increasing our equity stake in E-Print Solutions by acquisition of shares from the other existing shareholder or subscription of new shares which may be issued by E-Print Solutions. As at the Latest Practicable Date, no agreement or letter of intent had been entered into between us and E-Print Solutions or our joint venture partner.

We consider that the production aspect of our overseas operations under our expansion plan is anticipated to be supported by the production facilities of us or E-Print Solutions or external processing agent(s). In deciding whether to utilise the production facilities of our Group or E-Print Solutions or external processing agent(s), we will take into account the following factors: (a) their respective production capability; (b) cost of production and cost of delivery from the respective production site to the ultimate customer; and (c) the contractual terms such as pricing and payment and delivery terms offered by E-Print Solutions and such external processing agents.

When we consider expanding our operations into a new geographical jurisdiction, we will take into account the following considerations: (a) the concentration of our target customer group in such area such as the number of small and medium enterprises; (b) the demand for and supply of similar printing services which we are going to provide in terms of pricing and quality; (c) the proximity of the target market to our or our joint venture company's production base and the logistics infrastructure in such jurisdiction; and (d) any entry barrier in such new jurisdiction such as legal restrictions on foreign ownership and conducting of printing business, language barrier, consumer preferences and competition from existing local players, etc. In the event that we proceed based on joint venture arrangements, we may license the right to use of our certain intellectual property rights and provide technical support to such local companies in return of management fee while the local joint venture partners will be primarily responsible for daily operation and market development. We will conduct detailed feasibility study as and when we decide to implement our expansion plan.

As at the Latest Practicable Date, we had not yet identified any appropriate potential acquisition targets or business partners, and we were not in active discussions with any potential targets or business partners. We will obtain all necessary approvals and licence before we commence operations in overseas jurisdiction(s).

Continue to upgrade our information technology infrastructure and enhance our online self-service ordering platforms.

Upgrade our information technology capacity and capability

As our business continues to grow, in orders to handle the increasing workload arising from our expanding business in a more efficient manner, we strive to reinforce the capability of our information technology and upgrade our software and hardware on a continuing basis. To achieve this, we plan to:

- acquire and develop software to facilitate cross-vendor workflow implementations of the application domain, to extend the operation scope and functionality of our eprint management system and to enhance the standardisation and automation of our printing process, in order to further streamline our business operations, reduce labour requirement and increase operation efficiency;

- develop a computer telephone integration system for our operations, incorporating the use of VoIP technology which converts regular telephone calls into digital data to deliver voice communications over the internet. This will enhance both our Group's internal and cross-border communications, facilitate central management as well as cost saving, especially when we intend to develop overseas markets; and

- upgrade and acquire additional number of servers, data storage hardware and establish a new data centre, to ensure the stability and scalability of our eprint management system and to cope with the expected increasing volume of data flow and workload due to our expanding business.

We estimate that the aggregate costs and expenses for upgrading our information technology infrastructure by acquiring and developing software and VoIP system, upgrading and acquiring new hardware and data storage facilities and leasing premises for our new data centre will be approximately HK$10.1 million (including staff salaries), of which approximately HK$4.1 million is planned to be financed by the proceeds from the Share Offer with the remaining amount by our internal resources and/or bank borrowings.

Enhancement of our online self-service ordering platforms

According to Euromonitor, internet retailing (selling or buying of goods or services by consumers from sellers over online platforms) has been expanding rapidly in recent years, with a CAGR of approximately 10.6%, from about HK$4.9 billion in 2008 to about HK$7.4 billion in 2012 in terms of customer value spend. We believe that, with the increasing popularity of internet retailing and e-commerce, the continuing development and enhancement of our internet sales network will effectively allow us to reach out to a wide customer base without geographical limitation and to generate greater sales for us. Accordingly, we plan to develop and launch in 2013 a new mobile application which contains features of our online self-service ordering platforms so that customers could access our services, place order and make payment anytime, any place through their mobile phone. We also intend to launch a multi-language version of our website at *www.e-print.com* and our online self-service ordering platforms at *customer.e-print.com.hk* and *www.design-easy.com*, respectively, to continuously enhance the features and inter-faces of our websites and design software, and to develop online identity verification, with a view to facilitating our online sales and attracting customers to make purchase online.

We plan to invest approximately HK$2.4 million in the enhancement of our online-service ordering platforms, of which approximately HK$1.0 million will be funded out of the proceeds from the Share Offer.

Increase our brand awareness.

The competition in the printing market in Hong Kong is intense. Accordingly, we believe that it is vital for us to continue to attract existing customers to make repeat purchases whilst developing new customers, as well as to differentiate ourselves from our competitors.

To achieve this, we plan to increase our publicity and promote our brand awareness through placing advertisements in a wide range of media, such as selected magazines, outdoor billboards and signage, direct mail and our websites. We also intend to adopt other marketing initiatives to elevate our brand profile and corporate image, such as leveraging social networking websites and microblogs on the internet, using search advertising, refurbishing our stores, sending gifts to customers, launching special promotions and loyalty scheme, participating in exhibitions and sponsoring or organising events in the community. We may, to the extent appropriate, engage external public relation experts to assist us in implementing these marketing initiatives so that we could focus on our business operations.

For further details in relation to our use of proceeds to implement the plans set out above, please refer to the section headed "Future Plans and Use of Proceeds" in this prospectus.

OUR SERVICES AND CUSTOMERS

We are principally engaged in the provision of printing services in respect of paper products and other miscellaneous services for customers. The following tables set out the revenue and gross margin attributable to each category of services provided for our customers during the Track Record Period:

	For the year ended 31 March						For the four months ended 31 July				CAGR (from the year ended 31 March 2011 to the year ended 31 March 2013)
	2011		2012		2013		2012		2013		
Revenue	*HK$'000*	%	*HK$'000*	%	*HK$'000*	%	*HK$'000* (Unaudited)	%	*HK$'000*	%	%
Printing services											
Advertisement printing	97,905	45.9	113,219	44.5	123,079	43.3	39,684	42.6	40,870	40.2	12.1
Bound book printing	57,449	26.9	70,700	27.8	82,805	29.1	29,380	31.6	32,295	31.8	20.1
Stationery printing	52,415	24.5	63,635	25.0	71,685	25.2	22,726	24.4	25,266	24.9	16.9
Sub-total:	207,769	97.3	247,554	97.3	277,569	97.6	91,790	98.6	98,431	96.9	15.6
Other services *(Note)*	5,767	2.7	6,592	2.7	6,929	2.4	1,348	1.4	3,138	3.1	9.6
Total	**213,536**	**100.0**	**254,146**	**100.0**	**284,498**	**100.0**	**93,138**	**100.0**	**101,569**	**100.0**	**15.4**

	For the year ended 31 March						For the four months ended 31 July				CAGR (from the year ended 31 March 2011 to the year ended 31 March 2013)
	2011		2012		2013		2012		2013		
Gross profit	*HK$'000*	*Margin* (%)	*HK$'000*	*Margin* (%)	*HK$'000*	*Margin* (%)	*HK$'000* (Unaudited)	*Margin* (%)	*HK$'000*	*Margin* (%)	(%)
Printing services											
Advertisement printing	28,224	28.8	39,896	35.2	46,280	37.6	15,180	38.3	15,539	38.0	28.1
Bound book printing	13,325	23.2	21,849	30.9	24,425	29.5	9,752	33.2	10,070	31.2	35.4
Stationery printing	18,759	35.8	24,482	38.5	28,273	39.4	8,697	38.3	9,588	37.9	22.8
Sub-total:	60,308	29.0	86,227	34.8	98,978	35.7	33,629	36.6	35,197	35.8	28.1
Other services *(Note)*	3,477	60.3	4,042	61.3	3,937	56.8	631	46.9	2,339	74.5	6.4
Total	**63,785**	**29.9**	**90,269**	**35.5**	**102,915**	**36.2**	**34,260**	**36.8**	**37,536**	**37.0**	**27.0**

Note: "Other services" include the revenue from the sales of pre-ink stamps, crystal trophies and other miscellaneous services such as product courier.

Printing services

Our printing services cover a variety of paper products. Such services can be generally categorised into (a) advertisement printing which covers printing of, among others, paper placemats, menus and leaflets; (b) bound book printing which covers printing of, amongst others, books with saddle stitching binding or perfect binding or sewn perfect binding; and (c) stationery printing which covers printing of, among others, envelopes, business cards and paper folders, etc. Set out below are some of the printed products of our printing services:

Advertisement printing

Placemats

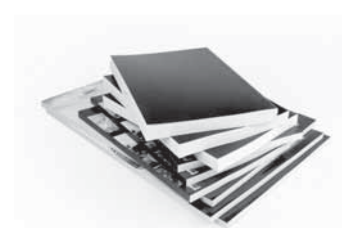
Menus

Leaflets

Bound book printing

Books with saddle stitching binding

Books with perfect binding



Books with sewn perfect binding

Stationery printing

Envelopes

Business cards

Paper folders

Capitalising on our production efficiency, we provide flexible printing services to customers at competitive prices. We allow our customers to place different sizes of orders, subject to the standard size per batch of printed product. Set out below are the ranges of the standard size and prices of the top four popular printed products under our printing services for the year ended 31 March 2013:

	For the year ended 31 March 2013	
Printed products	**Standard size per batch** *(Note)* *(pieces)*	**Price range per batch** *(Note)* *(HK$)*
Leaflets	300 to 20,000	260 to 2,750
Saddle stitching bound books	100 to 5,000	690 to 1,900
Business cards	100 to 1,000	40 to 90
Invoices/receipts	10 to 400	185 to 3,270

Note: The standard size and price ranges (assuming no finishing service is required, which service is subject to additional charges) indicated above are for illustrative purpose only, and are subject to change from time to time. Our service fee varies according to factors such as type, quantity, finishing requirements and our pricing strategies. For further details of our pricing strategies, please refer to the paragraph headed "Pricing strategies – Pricing" in this section.

Personalised design tools and "Photobook 1010" software

To accommodate our customers' different design requirements and facilitate them to translate their ideas to a professional design, customers could make and design their bespoke products by using our complementary web-based design tools of "Design Easy" and our design software – "Photobook 1010" – developed by us in-house.

Customers visiting the website of "Design Easy" via www.design-easy.com could choose from more than a thousand of premade templates for major stationery products such as business cards, letterheads and envelopes. Further, with our user-friendly web interface and simple and straightforward design tools, customers using the design tools and templates at this website could customise, insert and edit their own graphics, image, texts, fonts, colours and logo on a selected template, upload the finished designs to our servers and confirm the order in real-time.

We launched "Photobook 1010" in 2009, which is a free software downloadable at www.photobook1010.com, for personalised photo book and calendar ordering. Customers downloading this software to their computer could choose a number of product styles and templates, edit and add photos, texts and colours to the selected template to create their own photo books and calendars, and save the design with us. Once the customers have uploaded the design to our server, the print order will then be directed to our "e-print" self-service ordering platform for final confirmation and payment.

In addition to these personalised design tools and software, we also provide on demand basic design assistance in respect of invoice and receipt booklets and business card products at the stores of "Invoice".

We provide design tips, step-by-step instructions, video guidance and service hotlines to aid those who may have encountered difficulty in using our web-based design features or design software, and our customer service teams are ready to help.

Custom finishing services

We offer a wide selection of finishing options such as foil stamping, embossing, holes drilling and perforation, folding, spot UV, lamination and binding for orders printed by us. We separately charge fees for some of these finishing services, set out at our stores and on our websites a list for all finishing options available, and provide guidance videos and tips for the preparation of artwork design for these finishing options. During the Track Record Period, we subcontracted certain post-press finishing work to external processing agents, further details of which are set out in the paragraph headed "Our production – Subcontracting" in this section.

Other services

Other services are miscellaneous services including pre-ink stamps and crystal trophies making, which can be tailored to our customers' requirements, and we provided such services to customers during the Track Record Period to increase our product mix. During the Track Record Period, we subcontracted the production process of these products to external processing agents, further details of which are set out in the paragraph headed "Our production – Subcontracting" in this section. In addition, we provide product delivery services at the request of our customers.

Our customers

We serve a large and diverse group of customers. As at the Latest Practicable Date, to the best of our Directors' knowledge and information and based on the information provided by our customers when they place order with us, our customers groups generally comprise small and medium enterprises, design houses, printing agents, education institutes such as school and tutorial centers, and individual customers.

As we service a large number of customers daily and our customers are from various backgrounds and professions, it is impracticable for us to verify the background information of those who place order with us, and accordingly, we identify our customers by a unique customer account number assigned by us and track their transaction information by their respective account number and the telephone number provided by them.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, revenue derived from our top five customers accounted for approximately 4.2%, 2.2%, 2.4% and 2.1%, respectively, of our total revenue, and revenue derived from our largest customer accounted for approximately 1.8%, 0.5%, 0.5% and 0.5%, respectively, of our total revenue. Our top five customers comprise a property agency, service companies and education institutions. During the Track Record Period, Pro-print and Print Art had been one of our top five customers, and our sales to them in aggregate, amounted to approximately HK$4.7 million, HK$1.0 million, HK$0.2 million and nil, respectively, representing approximately 2.2%, 0.4%, 0.1% and nil of our total revenue. As at the Latest Practicable Date, both of these companies which had also been our suppliers during the Track Record Period were controlled by Mr. Yip (who also held 30% of the issued capital of Invoice Limited), and the transactions between us and Pro-print and Print Art had ceased as at the Latest Practicable Date. For further details, please refer to the section headed "Connected Transactions – Discontinued related party transactions" and Note 29 to the Accountant's Report in Appendix I to this prospectus. Our Directors have confirmed that the transactions with these related parties were negotiated on an arms-length basis.

Our Directors have confirmed that, save as disclosed above, none of our Directors, their respective associates or shareholders holding more than 5% of the issued share capital of our Company, held any interest in our five largest customers during the Track Record Period and up to the Latest Practicable Date.

OUR SALES CHANNELS

Our trade names

We operate under different trade names to target different customer segments and increase our market exposure. As at the Latest Practicable Date, we operate under the trade names of "e-print", "Invoice" and "Design Easy". Since our inception, "e-print" has been our core brand, which targets principally at commercial printing market where customers engage us for printing of regular business or marketing products without sophisticated product design requirement.

Our stores and website under "Invoice" trade name aim at providing printing service of office stationery products and on demand basic design assistance target at customers who are looking for conventional face-to-face services and assistance.

Our website under "Design Easy" trade name is positioned to offer a number of premade templates, toll-free design tools and integrated online ordering services for customers.

Our sales channels

We have established extensive sales channels under different trade names in Hong Kong, which comprise mainly our stores, websites and other channels, with a view to maximising our sales coverage and market penetration.

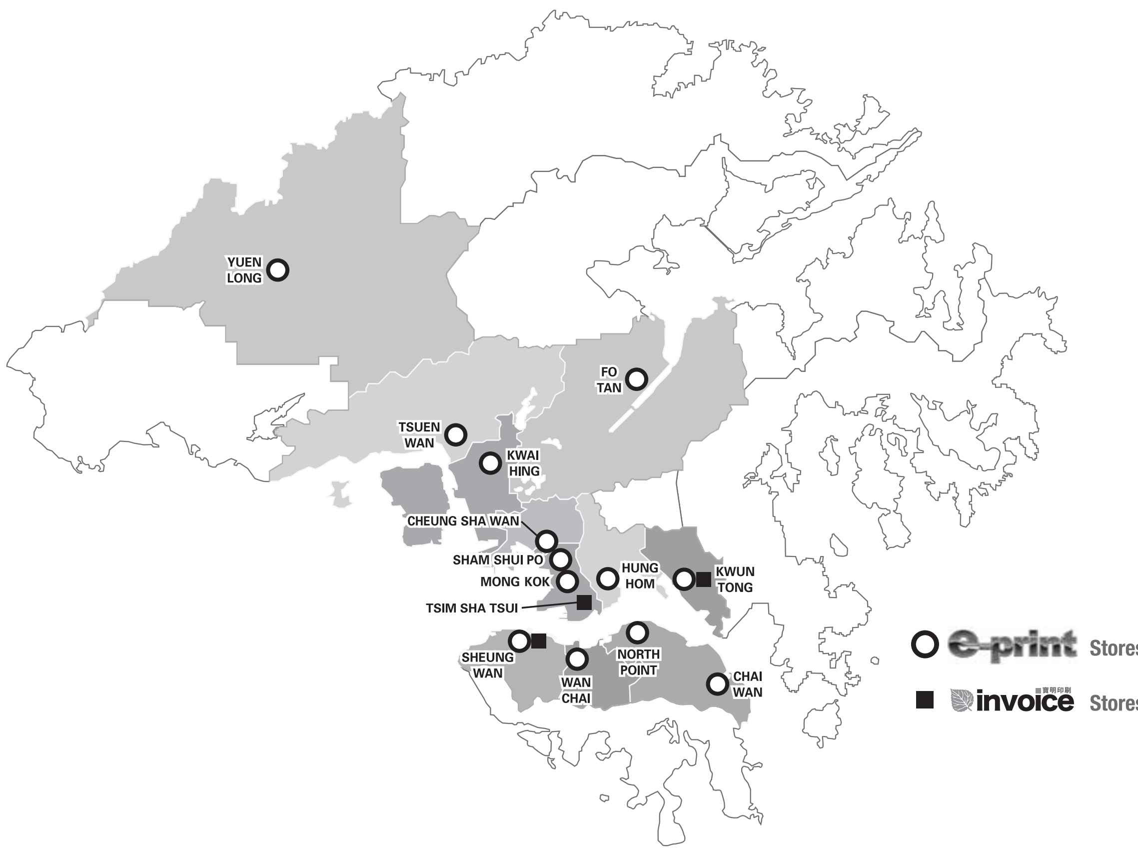
The following table sets forth the breakdown of our revenue derived from orders received through different sales channels during the Track Record Period:

Sales channels	For the year ended 31 March 2011		2012		2013		For the four months ended 31 July 2013		CAGR (from the year ended 31 March 2011 to the year ended 31 March 2013)
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*	*HK$'000*	*%*	*%*
Stores	100,815	47.2	111,234	43.8	114,254	40.1	39,670	39.1	6.5
Websites	67,952	31.8	91,684	36.1	100,054	35.2	36,997	36.4	21.3
Others *(Note)*	44,769	21.0	51,228	20.1	70,190	24.7	24,902	24.5	25.2
Total	**213,536**	**100.0**	**254,146**	**100.0**	**284,498**	**100.0**	**101,569**	**100.0**	**15.4**

Note: "Others" refers to revenue derived from orders received over the telephone and through e-mail.

Our store network

We have been operating stores since 2004, which function mainly as order receiving and advertising channels and pick-up points of products. Details of the order received from customers by our staff are input by them into the computer at each store which is connected to our eprint management system. As at the Latest Practicable Date, we operated 13 "e-print" stores and three "Invoice" stores across Hong Kong. The following map illustrates the distribution of our stores in Hong Kong as at the Latest Practicable Date:



As at 31 March 2011, 2012 and 2013 and the Latest Practicable Date, there were in total 15, 17, 17 and 16 stores operated by us. During the Track Record Period and up to the Latest Practicable Date, we relocated 10 stores due to the expiry of the relevant lease agreements, closed down one store due to the early termination of the relevant tenancy agreement by us and two stores due to the optimisation of our sales network. For further details in relation to the properties leased by us for our store operations, please refer to the paragraph headed "Properties" in this section.

Store operations and management

To distinguish ourselves from our competitors and enhance our brand awareness, our stores have standardised layouts, designs and decorations. We have in place a set of internal guidelines which standardise different aspects of our store operations, such as staff structure, operational procedures and cash management. For further details in relation to our cash management, please refer to the paragraph headed "Our sales channels – Our store network – Cash management" in this section.

As at 31 July 2013, we had a total of 69 staff members (including store managers) stationed at our stores. The store manager is principally responsible for daily store management. Depending on the size and location of our stores, the number of our staff members at each store varies from one to 19, and they are primarily responsible for receiving orders and payments, handling general phone enquiries, following up on customer's orders and attending to other functions relating to store's operations.

Store locations and selection

We consider that our store with a suitable location could effectively elevate our brand profile, increase foot traffic and secure customers' satisfaction to our services. To provide our customers with a convenient access to our services, most of our stores are situated at the ground floor of the building and are close to the main transportation infrastructure.

When identifying a new store location, in addition to the accessibility of the potential site, we take into account other key factors such as the rental, traffic flow, proximity to the transportation infrastructure, coverage of our sales network in the same district, size of the premises and degree of competition from other printing service providers in the same locality. We may, at our discretion, explore with Bannershop Group, our strategic partner, the desirability of procuring E-Print Bannershop Limited to lease a property from a third party and sub-lease such property to both of us for our respective store operations before we proceed to enter into a tenancy agreement for a new store. For further details of our premises sharing arrangement with Bannershop Group, please refer to the paragraph headed "Properties – Premises sharing arrangements with Bannershop Group" in this section.

Please also refer to the paragraph headed "Our business strategies – Optimise our store network in Hong Kong" in relation to our future plan with respect to our store network.

Cash management

We have in place an internal policy for cash management at our stores. All cash receipts shall be kept at the cash registers and our store managers are required to perform cash count at the close of business and deposit such cash receipts normally on the next business day into our designated bank accounts. All invoices issued, credit card receipts and cheques and bank pay-in slips received at each store are required to be sent to our account department on the next day for verification purpose. Cash pending delivery to the banks shall be locked in a safety box located in each store. Our account department generates a report from our eprint management system on sales records and settlement status of invoices issued for our checking and verification. We impose a limitation on the amount of cash kept at each store for changing. Any discrepancy in reconciliation or non-compliance of our cash management policy is required to be reported by our store manager to our designated treasury supervisors.

During the Track Record Period, we did not experience any misappropriation of cash by our employees or customers or any third party that had any material adverse impact on our business and results of operations.

Our websites

As at the Latest Practicable Date, we operated and maintained the following websites for sales and marketing purposes:

- *www.e-print.com.hk*: At this website, all necessary information about our services such as printing service catalogue, pricing, delivery schedule, locations of our stores and customer services hotlines are available to our customers. An online self-service ordering platform is also available at this website, which contains comprehensive online ordering features aimed at offering convenient and speedy printing services for customers.

- *www.e-invoice.com.hk*: At this website, potential customer could access our printing service information on a wide range of office stationery products including invoices and receipts, booklets, business cards, envelope, letterheads and folders. As "Invoice" is positioned to offer tailored printing and face-to-face services, its website does not contain an online self-service ordering feature.

- *www.design-easy.com*: At this website, we showcase over a thousand of premade templates for stationery products including business cards, calendar, envelope, letterheads, invoice and receipt booklets and bonus cards. These templates are classified by product types, industry styles and occasions. We also provide design tips and step-by-step instructions on this website to facilitate our potential customer to tailor made their printed products. An online self-service ordering platform is also available at this website.

- *www.photobook1010.com*: At this website, potential customers could download our internally developed design software to their desktop and create their personalised photo books and calendars with such software for printing. This website contains a feature allowing our customer to share their creations with the internet community.

An online self-service ordering platform can be accessible through the websites of "e-print" (*customer.e-print.com.hk*) and "Design Easy" (*www.design-easy.com*) to take orders from customers. Potential customers are required to sign up to become our member and log on to these websites, which will be automatically directed to the respective online self-service ordering platform for placing orders.

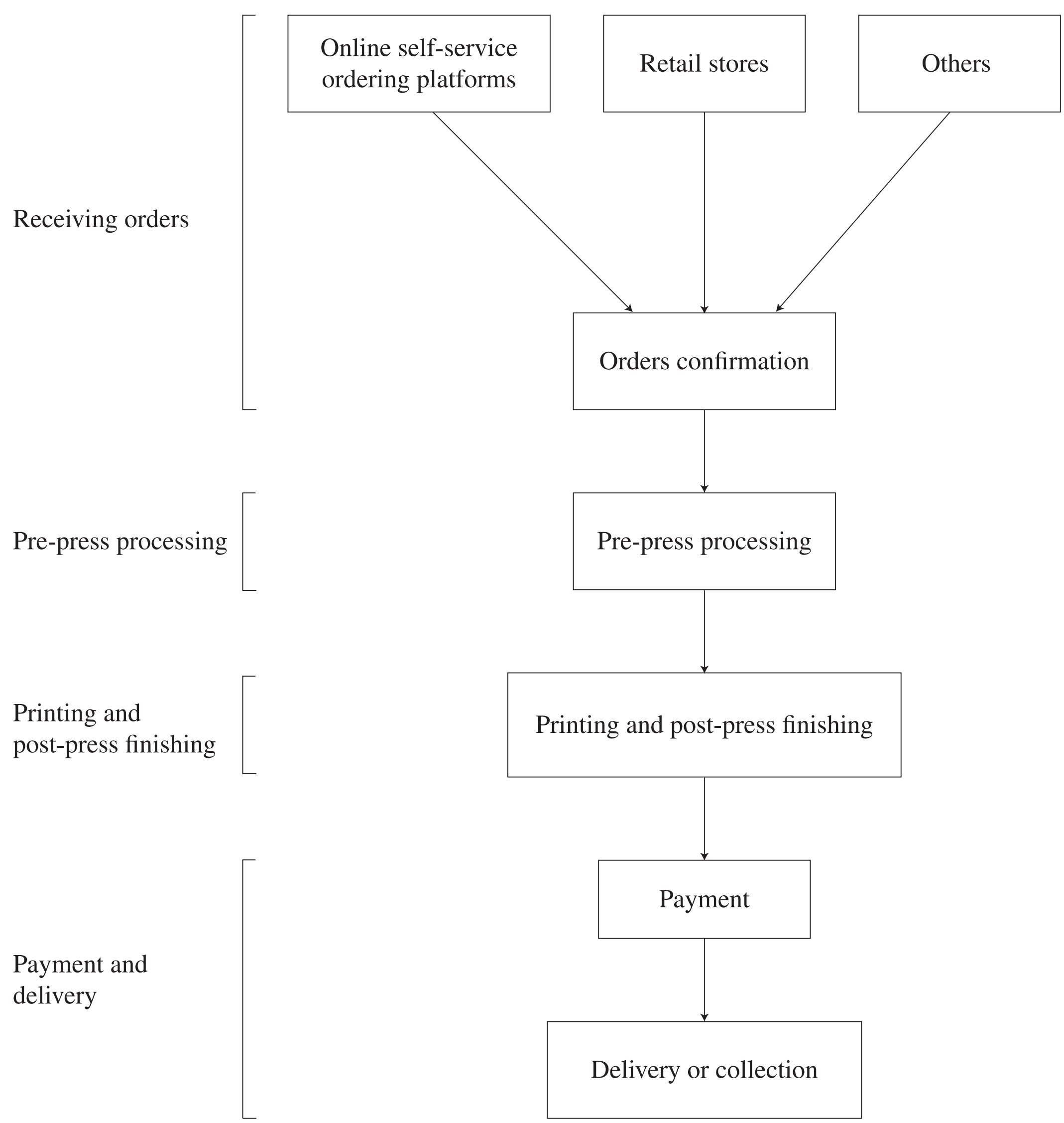
Customers who download the design software "Photobook 1010" via *www.photobook1010.com* to their desktop could place order by uploading the completed design to our server through such software, and the print order will be automatically directed to our online self-service ordering platform at *customer.e-print.com.hk* for their final confirmation and payment.

Others

In addition to the above sales channels, to accommodate the needs of our customers who are not technology savvy users or prefer face-to-face services or giving specific instructions with us when placing orders, customers may place orders with our designated customer support team over the telephone or through e-mail. Before we proceed with the order, we require our customers to submit to us the content file for printing at our stores or through e-mail or FTP. Customers may also send us their print image in electronic format through e-mail or FTP and our designated officers will confirm the order details with such customers by a follow-up e-mail or telephone call.

BUSINESS OPERATIONS

Our daily operations can be generally categorised into four stages, namely, receiving orders, pre-press processing, printing and post-press finishing, and payment and delivery. The following diagram illustrates the principal steps involved in our business operations:



Receiving orders

During the Track Record Period, we received orders from customers through various sales channels, details of which are set out in the paragraph headed "Our sales channels" in this section. These sales channels are complementary to each other. Customers may first obtain information about our service offering at our websites and then place order at different sales channels such as our store or other channels which they find most convenient to them.

After the print orders have been received by us, either through our stores, online self-service ordering platforms or other channels, the print proof will be available for customer's preview and confirmation. For customers placing orders via our online self-service ordering platforms, they could preview the order online. For customers placing order at our stores, they could preview the order in front of the computer at our store counter. For customers placing order via other channels, the order sample in electronic format will be sent by us by e-mail at their request and also available for inspection at our stores. If required by our customers, we could provide the dummies for physical inspection at our stores.

Quotation

To facilitate the cost planning of our customers, we standardise and list out the service prices at our stores and on our websites, and offer a real-time price preview tool where customers using our online self-service ordering platforms could obtain an online quotation sheet setting out the order information, product details and price after filling in the relevant products features. This tool makes it easy for our customers to assess how additional features impact the final price and allows them to stay within their budget.

Pre-press processing

Print orders received from different channels will be centralised for processing. As at the Latest Practicable Date, we had designated teams in the PRC stationed at Maoming and Zhaoqing branch offices of Dajinlai Technology, who were primarily responsible for reviewing and cross-checking of the print image and contents to ensure the file submitted by our customer is in printable format and the contents are suitable for printing. In the case where any print file submitted by our customer does not fulfill our processing requirement, such as its layout, format, resolution or contents, our staff who undertakes the pre-press processing will pass on the information to the customer support centre at Gangsui who will then contact the relevant customer to amend, resend or re-upload the content file for processing.

Our Maoming and Zhaoqing branch offices took up part of the pre-press processing work since October 2012 and took up the pre-press processing work in full since January 2013, and before that, such function had been performed by Gangsui, our external service provider. Please refer to the paragraph headed "Marketing and promotion – Cooperation arrangements with Gangsui" in this section for further details of the previous and existing arrangements with Gangsui for the provision of pre-press processing and customer support services during the Track Record Period. As at 31 July 2013, our teams at our Maoming and Zhaoqing branch offices for performing pre-press processing work comprised 85 staff members who were under the supervision of our production department, and most of them had more than two years of related working experience.

Order aggregation and computer-to-plate

When we have completed the processes of review and checking of print orders, received the required deposits or full payment and obtained confirmation from our customers, our responsible staff members will input the processing instruction into our eprint management system to generate a print job for printing. Our eprint management system will automatically aggregate print jobs received from different sources and select jobs which have similar printing parameters (such as product type, quantity and paper type) for combination into a large aggregated job. Each aggregated print job will then undergo a computer-to-plate process for printing. By leveraging on such information technology, we believe that we are able to reduce production costs and wastage for undertaking printing of small-size and customised print jobs, and ship a large number of customised finished products within a short turn-around time.

Printing and post-press finishing

Once the order processing has been completed, the print job will undergo the printing process undertaken by our production staff in Hong Kong. Please refer to the paragraph headed "Our production – Production process" in this section for details of our printing process. After printing, depending on our customers' specific requirements, the printed sheets will undergo post-press finishing stages before they become final products. During the Track Record Period, we subcontracted certain post-press finishing work to external processing agents to maximise our production efficiency.

After the printing and finishing processes have been completed, each finished printed product will be automatically separated and packaged, which process is being monitored by our eprint management system.

Payment and delivery

Payment

Except for credit sales customers, we generally require our customers to make a cash deposit of at least 50% of the total price before we proceed to execute the order and settle the balance (if any) before or at time of collecting or receiving the products.

Customers may make payment at our stores, and to facilitate the use of our internet ordering channels, customers may make online credit card payment or through other means such as PPS payment or bank transfer. For further details, please refer to the paragraph headed "Pricing strategies" in this section.

Delivery and notification

Customers can choose either to collect the printed products at our stores or request for courier services with the payment of additional fee. Depending on the quantity and type of the printed product ordered, products are ready for collection or delivery normally within one to two working days after confirmation of orders by us. We also provide express printing service – "e-print e-channel" (快印e道) at additional charge, where a print order is placed during our normal business hours could be ready for collection in around six hours from order confirmation by us. We will notify our customers who have provided us with his mobile phone number to collect the products by cellphone texts. Our customer could also track the printing and delivery status online.

MARKETING AND PROMOTION

Set out below are the major channels through which we promote and advertise our services:

Direct promotion and advertisements

We advertise through various media including selected magazines, outdoor billboards and signage, public posters and public transportation. We also promote our services through direct mailings and offering special discounts for a selected category of customers or a selected range of products on special occasions. We believe that these channels help us boost sales, broaden the reach of our services and increase our brand awareness.

Our sales channels

Stores

Our store network facilitates our direct interaction with our customers. By adopting standardised shop layouts, designs and decorations and providing personalised service to customers by our staff, we believe that the use of stores could foster our brand image and increase our customers' satisfaction and convenience, which in turn may translate into customer loyalty, repeat purchase and positive word of mouth. For details of our store network, please refer to the paragraph headed "Our sales channels – Our store network" in this section.

Internet

We maintain various websites, including *www.e-print.com.hk*, *www.e-invoice.com.hk*, *www.design-easy.com* and *www.photobook1010.com*, as effective sales and marketing platforms and provide the latest news on our services to the existing and potential customers. We also leverage on other internet marketing such as search marketing arranged by an internet service provider and social networking website to raise our brand awareness and attract potential customers to visit our websites and stores. For details of our websites, please refer to the paragraph headed "Our sales channels – Our websites" in this section.

Membership

Potential customers may register as our members at *www.e-print.com.hk* and *www.design-easy.com* in order to use our online self-service ordering platforms at these websites. We launch promotion campaign from time to time such as offering special discounts to our members and sending updates to members on the latest services offered by us. No membership fee is required to be paid by such members. We may track the consumption pattern and other information provided by these members to project future demands for our services and formulate our marketing plan accordingly. We have an internal policy on access right to information and our staff training material includes topics such as the use of personal data so as to comply with the Personal Data (Privacy) Ordinance and other applicable laws and regulations in Hong Kong.

Participation in events and trade fairs

We have participated in various events such as 2012 Hong Kong Book Fair in Hong Kong, 2011 International Travel Expo in Hong Kong, Summer Wedding Service & Banquet Expo 2011 in Hong Kong and 2011 HKTDC Entrepreneur Day in Hong Kong. We took these opportunities to increase our brand visibility and meet potential customers. Further, we have organised and sponsored events such as design competitions, student scholarships and factory visits with social and education institutions for teenagers in Hong Kong to attract local talent to join the industry, elevate our corporate image and provide a communication channel to the public.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, our marketing and promotion expenses amounted to approximately HK$1.0 million, HK$1.4 million, HK$1.1 million and HK$0.5 million, respectively, representing approximately 0.5%, 0.6%, 0.4% and 0.5%, respectively, of our total revenue.

Seasonality

We have not experienced material seasonal fluctuations in our overall sales due to the diversified product portfolio of our printing services.

Customer services and sales return

We recognise that good customer services are crucial to enhance our brand image and customer loyalty. Thus, we closely follow up with the orders and level of satisfaction of our customers. We also gather customer feedback and review the flow of our services in order to increase our customers' satisfaction and improve our service quality. As more particularly described in the paragraph headed "Marketing and promotion – Cooperation arrangements with Gangsui" in this section, since April 2010 up to the Latest Practicable Date, we engaged Gangsui to perform customer support function for our Group (other than Invoice Limited), which comprises primarily operating a customer support centre, maintaining service hotlines, receiving phone orders and handling customers' enquiries and complaints received from our designated service hotlines.

To closely follow up on customers' requirements, our staff members are required to record through our system network our customer's enquiries and complaints. In the case where the enquiries and complaints are received by the customer support team at Gangsui, the relevant details should also be recorded by the staff of Gangsui and communicated to our staff through our system network, and our staff member will provide response and support to the relevant customers directly or through the customer support team of Gangsui to address their concerns. If our staff member is unable to resolve the customer's complaint, he/she is required to report the incident to our regional sales officers and one sales manager for further resolution.

It is our policy that customers are not entitled to return products printed by us except for quality reason. In the case where our customers allege that our products are defective such as the printing quality is unsatisfactory, such customers' complaint will be properly investigated and recorded, and remedial measures (such as reprinting or refund) will be undertaken by us in accordance with our internal procedures, if appropriate. Save as the above, no product return or refund is allowed and our sales to customers are without recourse. During the Track Record Period, we did not have material sales return or refund and did not experience any material product liability or other claims due to the quality of our products.

Cooperation arrangements with Gangsui

Engagement of Gangsui as our service provider

Having considered that the labour cost in the PRC was relatively lower than that in Hong Kong and in order to focus more of our resources on developing our different sales channels and our growing printing business, we have engaged Gangsui to undertake (i) pre-press processing function since April 2010 until December 2012; and (ii) customer support function since April 2010 up to the Latest Practicable Date, instead of performing such functions by our own employees. As at the Latest Practicable Date, we engaged Gangsui to provide customer support services for us only.

Pre-press processing function undertaken by Gangsui since April 2010 until December 2012

Since April 2010 until December 2012, we have engaged Gangsui to perform pre-press processing function, which included print proof review and checking of whether the printing file format submitted by our customer was compatible to our printing system, and the monthly average number of staff deployed by Gangsui for the provision of such services to us during the Track Record Period was 104, 121, 120 and nil, respectively. For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, the service fee paid to Gangsui in respect of pre-press processing services amounted to approximately HK$5.0 million, HK$6.3 million, HK$5.9 million and nil, respectively, and such amount of fees was remunerated primarily based on the number of staff despatched by Gangsui to undertake such services for us.

In order to handle the increasing number of pre-press processing work due to the expansion of our business, exercise a closer supervision over such process in our operations and elevate our service quality, in July 2012, we recruited some of Gangsui's staff members to help set up our branch offices in Maoming and Zhaoqing in order to takeover the pre-press processing work. Prior to July 2012, our Maoming and Zhaoqing offices had not engaged in any business activity. In October 2012, our branch offices at Maoming and Zhaoqing further recruited a number of staff from Gangsui who were previously engaged in the provision of pre-press processing work for us. We adopted the same work flow and procedures for pre-press processing as Gangsui's and we continued to require Gangsui to assist us in handling some of the pre-press processing work orders at the initial stage of integration until December 2012 to facilitate a smooth transition when our branch offices in Maoming and Zhaoqing took over the pre-press processing work from Gangsui. Since January 2013, we no longer required Gangsui to provide such services for us.

Given that (i) the costs in respect of the pre-press processing work was recorded in our Group's financial statements as subcontracting fee when such work was performed by Gangsui, which is now recorded as staff costs when such work is performed by our own staff (in both cases, under our cost of sales); and (ii) most of our Group's staff members for undertaking pre-press processing were recruited from Gangsui and they are entitled to similar remuneration package to that paid by Gangsui, our Directors consider that, in respect of the taking over of the pre-press processing work from Gangsui by our Group, there would be no material impact on our Group's financial position and results going forward.

Customer support function undertaken by Gangsui

In addition to our own customer support staff members in Hong Kong, since April 2010, we have engaged Gangsui to perform certain customer support function (as more particularly elaborated below), and the monthly average number of staff deployed by Gangsui for the provision of such services for us during the Track Record Period was 48, 63, 66 and 95, respectively. For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, the service fee paid to Gangsui in respect of customer support services amounted to approximately HK$2.3 million, HK$4.0 million, HK$5.1 million and HK$4.1 million, respectively, and such amount of fees paid to Gangsui was remunerated primarily based on the number of staff despatched by Gangsui to undertake such services for us.

The customer support services performed by Gangsui since April 2010 included operating a customer support centre, maintaining service hotlines, receiving phone orders and handling customers' enquiries and complaints received from our designated service hotlines for customers using our designated service hotlines (other than the service hotlines of Invoice Limited and the hotline for urgent print orders, which are being handled by our store staff in Hong Kong), which are directed to the call centre operated by Gangsui for us. If we need to contact any customer by phone, normally we will communicate with Gangsui's staff through our system network who will then call such customer in accordance with our instructions. The customer support function performed by our staff members is different and segregated from that of Gangsui. Our Group's customer support staff members are primarily store staff in Hong Kong who provide services for customers face-to-face. On some occasions, our store staff in Hong Kong may also receive phone orders or enquiries from customers who contact us directly using the phone number of the relevant stores instead of our designated service hotlines, or using the hotline for urgent print orders, and our store managers of the relevant store in Hong Kong are responsible for handling and coordinating these phone calls. These store managers and store staff in Hong Kong are under the supervision of our regional sales officers and our sales manager, who have seven to 20 years of experience in customer services.

We entered into a cooperation agreement dated 1 January 2013 (as supplemented by an agreement dated 2 July 2013 which further substantiated and clarified certain provisions of the said cooperation agreement) with Gangsui for the provision of customer support services (the "**Cooperation Agreement**"). Pursuant to the Cooperation Agreement (as supplemented), for a term of two years, we agreed to provide the necessary facilities to Gangsui for providing customer support services to us with such facilities on an exclusive basis, and Gangsui agreed to despatch a team to operate a customer support centre at its premises, provide phone consultancy services and maintain service hotlines for our customers in accordance with our requirements. Under such agreement, we agreed to pay a service fee which is calculated primarily based on the number of staff member (such number of staff member ranges from 90 to 120 per day) despatched by Gangsui. In fixing such amount of service fee payable by us, we took into account the nature of services to be provided, salaries paid by Gangsui to such staff member and the rental for and management expenses in respect of the space occupied by such staff member who provides services for us. We are entitled to terminate the Cooperation Agreement any time whereas Gangsui could only terminate such agreement with our prior written consent.

It is our current strategy to continue to engage independent third party service provider(s) with respect to the customer support function upon Listing and in the near future, so that we would be able to focus on other key stages of our operations. Our Directors have confirmed that given the length of our relationship with Gangsui and the experience of Gangsui in the field of customer support services for printing company, subject to the renewal of the Cooperation Agreement with Gangsui and the terms offered by other third party service provider(s) at the expiry of the term of the Cooperation Agreement, the engagement of Gangsui to perform customer support services is expected to continue after the Listing.

Background of Gangsui

Gangsui is a company established in the PRC which is principally engaged in the provision of customer support services for its customers. We commenced the cooperation with Gangsui since April 2010. Based on the information provided by Gangsui, we were one of the major customers of Gangsui, and it also performed customer support services for other third party customers during the Track Record Period. For pre-press processing, Gangsui provided such services for us exclusively during the Track Record Period. We provided training to the staff members of Gangsui and communicated our requirements with them from time to time to ensure that Gangsui was capable of performing pre-press processing work, and the standard of their services could fulfil our requirements. Mr. Hu Qing Xiang (胡慶祥), who is currently a manager of our PRC offices, had been a shareholder of Gangsui until 20 July 2012 and is also the sibling of the existing shareholders of Gangsui. In July 2012, we recruited Mr. Hu Qing Xiang (胡慶祥) as our manager, and Mr. Hu Qing Xiang (胡慶祥) disposed of his entire equity interest in Gangsui on 20 July 2012. Our Directors have confirmed that, save as the remuneration (including bonus payment) of the position offered by us, no other benefit was conferred by our Group to Mr. Hu Qing Xiang (胡慶祥) for him to dispose of his equity interests in Gangsui and join our Group. Save as disclosed above, our Directors have confirmed that Gangsui was an Independent Third Party during the Track Record Period and up to the Latest Practicable Date.

As advised by our PRC legal advisers, telecommunication business in the PRC is currently regulated by the PRC laws, and to undertake such activity, the relevant entity shall obtain the PRC Value Added Telecom Service Operation License (《中華人民共和國增值電信業務經營許可證》) from the competent PRC authority. Gangsui has obtained the said permit from the relevant governmental authority for the operation of customer support centres in the PRC since 13 December 2012, which is valid for a term of five years. As advised by our PRC legal advisers, under the applicable PRC laws and regulations, the risk of Gangsui being requested to cease operation as a result of its previous operation without the necessary licence prior to 13 December 2012 is remote, but the relevant government authorities may request Gangsui to surrender its income generated during the period prior to 13 December 2012 and impose a fine equivalent to three to five times of such income, and if there is no illegal income or if the illegal income is less than RMB50,000, it shall impose a fine of not less than RMB100,000 and not more than RMB1,000,000.

In addition, to the best of our Directors' knowledge and belief, Gangsui did not make housing fund contributions for its employees in full during the Track Record Period. Pursuant to the Cooperation Agreement, it is provided that the operators despatched by Gangsui for us are its own employees and Gangsui is solely responsible for their salary payment and social insurance and housing fund contributions. Our PRC legal advisers have opined that, under the applicable PRC laws and regulations, any entity which fails to undertake payment and deposit registration of housing fund or fails to go through the formalities of opening housing fund accounts for its employees may be ordered by the relevant authority to go through such formalities within a prescribed time limit. If it fails to do so, a fine will be imposed. Any entity which fails to make housing fund contribution may be ordered to pay the outstanding contribution by the relevant authority in the PRC within a prescribed time limited and if it fails to do so, the authority may apply to the court for compulsory execution.

As advised by our PRC legal advisers, as Gangsui is a legal person under the PRC laws, it would be held solely liable for any civil liabilities and administrative penalties as a result of the abovementioned irregularities. Our PRC legal advisers further advised that since Gangsui is a separate legal person, we shall not be responsible for any non-compliance of laws or regulations by Gangsui nor do we have any legal right to require Gangsui to rectify historical irregularities or to comply with the applicable PRC laws and regulations. Nevertheless, in the Cooperation Agreement, Gangsui confirmed that it had obtained all necessary licences and permits for the performance of its obligations under the Cooperation Agreement and had complied with the applicable PRC laws and regulations with respect to its operation. Gangsui further undertook in the Cooperation Agreement that it will continue to fulfil the foregoing obligations during the terms of such agreement, and in the case where it fails to do so, it will bear the responsibility and our Group reserves the rights to terminate the Cooperation Agreement and claim against Gangsui for all losses or damages which may arise from any of its irregularities. Further, as the PRC Value Added Telecom Service Operation License (《中華人民共和國增值電信業務經營許可證》) is essential for its provision of customer support services for our Group, our Group would closely monitor the licensing status of Gangsui from time to time and require Gangsui to renew its license on a timely manner.

Our Directors have confirmed that, based on our enquiry made with Gangsui and to the best of their knowledge and information, save as the irregularities disclosed above, they were not aware of any breach of PRC law or regulation by Gangsui in connection with their operations of customer support centres during the Track Record Period. Our Directors have further confirmed that in the case where Gangsui ceases to provide the customer support services for us, we are able to identify an alternative service provider in China without material difficulty.

PRICING STRATEGIES

Pricing

We generally adopt a uniform pricing for our services. Extra fee may be charged by us if additional services such as custom finishing, courier or express printing services are required by our customers. The fees for delivery service rendered to our customers are charged by us on a cost basis. We may from time to time launch special discounts in respect of a selected range of services or products or for a particular category of customers to boost sales. In determining the prices, we take into account a variety of factors, including raw material prices, production costs, prices set by other industry players (particularly the prices of similar products in the market), our marketing strategies and the prevailing market and economic conditions.

To quickly respond to the changing market condition and maintain our price competitiveness, we from time to time review the pricing of our services and make adjustment, if necessary, taking into account factors such as the increasing costs of labour, production, rental, raw materials and the prices set by our competitors.

Payment terms and credit control

Customers generally are required to pay at least 50% of the total price before we proceed to execute the order, with the balance to be paid, if any, before or at the time of collecting or receiving the products.

We may, at our discretion, grant to certain customers with good settlement history, frequent transactions and long-term business relationship with us a credit period of around 30 days to 60 days. These credit-sales customers are generally corporate entities. We perform credit checking procedures on these customers such as reviewing the business registration certificate, incorporation documents or equivalent identity document before we grant credit sales to them, and our account department closely monitors their settlement status. During the Track Record Period, we did not experience any material difficulty in collecting payment from our customers.

Transaction between us and our customers are primarily settled by cash or credit card at our stores, and we also accept bank debit, online credit card payment, PPS payment or bank transfer by our customers. Payment details are recorded by our eprint management system and available for review by our accounting staff through our computer network, and all invoices issued, credit card receipts, and cheques and bank pay-in-slips received at each store are required to be delivered to our account department on the next day for verification. The supervisors of our account department will perform cross checking of records of payment received against the bank statements every day to ensure that all payments have been properly received and deposited at our bank accounts. As at 31 March 2011, 2012 and 2013 and 31 July 2013, trade receivables turnover days were 5 days, 4 days, 3 days and 2 days, respectively, and trade receivables amounted to approximately HK$2.3 million, HK$2.9 million, HK$1.8 million and HK$2.2 million, respectively.

INFORMATION TECHNOLOGY

Network infrastructure

We have developed an information technology infrastructure that supports the operation of our sales channels and other key business functions, so that we are able to handle a large amount of dataflow with scalability and reliability. As at the Latest Practicable Date, our server network consisted of approximately 51 servers, with the capacity to accommodate up to around 300 concurrent online users, based on our own testing records. Our key servers and data storage facilities are located in Hong Kong. We have adopted contingency measures, such as server migration and database backup and recovery, which enable us to react promptly to any system or hardware failure or other contingent circumstances. To maintain the operation and stability of our hardware, circuit and network, we entered into agreements with external service providers pursuant to which they provide us with technical support, on-site maintenance and various service level guarantees (such as in the areas of network availability, network connectivity, circuit performance and round-the-clock monitoring and support).

eprint management system

We develop and continuously enhance our information system, eprint management system, which is customised for our own business, in an effort to integrate our key business operations, streamline our work flow, improve our record keeping and maximise our operational efficiency.

Our eprint management system computerises, centralises and standardises the information across our key operations and functions, from order receiving to printing, procurement, inventory, logistics and customer relationship management. Responsible staff from different departments logging into our eprint management system could access, monitor and accurately track our sales, order settlement status, production and inventory data in a real-time environment, which in turn, allows us to review sales performance, track customers' payment, plan productions and procurement and project market demand effectively.

Further, our eprint management system contains the order aggregation features, allowing our staff through our computer system to aggregate and route multiple print jobs with similar printing parameters for printing as a single press-run, thereby enabling us to conduct printing for small-size print orders efficiently. Our staff also undertake other pre-press processing work such as print order review, checking and print order management with such information system. In addition, through our eprint management system, we can verify the sales records and cash receipts received from different stores, thereby enhancing control on our cash management. To effectively monitor our sales and settlement status, each production order is assigned with a unique barcode and the details of the sales with the relevant barcode are stored in and can be tracked through our eprint management system.

Software development

We have been endeavoring to improve and upgrade our software and their applications to enhance our customers' satisfaction and add value to our services. As at 31 July 2013, we had a software development team comprising 29 members stationed at our Shenzhen office of Dajinlai Technology who were primarily responsible for software development, programming and web design. As at 31 July 2013, most of our software developers had attained diploma or higher educational qualifications and a majority of them had worked with us for one to three years.

The key stages of our software development process involve, amongst others, feasibility study of a new software proposal, performance evaluation, design and programming, beta testing, management review and approval, and official launch. We have been developing and enhancing our key program applications such as online self-service ordering platforms at *customer.e-print.com.hk* and *www.design-easy.com*, the design tools of "Design Easy" and "Photobook 1010" software, to make them easy to use, simple and straightforward with appealing interfaces, with a view to increasing the convenience of our customers and our operation efficiency.

Our recent focuses are on the continuous enhancements of our websites and design software features and handling capacity of our eprint management system, introduction of the multi-languages version of our websites and design software, and the development of our a new mobile application which contains features of our online self-service ordering platforms so that customers could access our services and place order through mobile phone. As at the Latest Practicable Date, we had registered in the PRC copyrights in respect of seven software developed by us. For further details, please refer to the section headed "Statutory and General Information – 8. Intellectual property rights of our Group" in Appendix IV to this prospectus.

Internet maintenance and security

Our websites and online self-service ordering platforms operate 24 hours a day and seven days a week in normal circumstances. As at 31 July 2013, we had a technical support team of a total of eight staff members in Hong Kong and the PRC, primarily responsible for site and data maintenance, website enhancement and technical support. We archive our databases daily and store them at a secure facility. Internet security is provided at multiple levels in both our hardware and software. All customer data is held behind firewalls and we use 128-bit encryption technology for secure transmission of confidential personal information between customers and our web servers. We use specialist security software to detect malicious and suspicious packets against network-based intrusions, and fraud prevention technology and measures to identify and guard against potentially fraudulent practices.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, our expenses on information technology (including salaries paid to our technical team and fees paid to our service providers for technical support and site maintenance) amounted to approximately HK$4.7 million, HK$6.4 million, HK$8.4 million and HK$2.8 million, respectively, representing approximately 2.2%, 2.5%, 3.0% and 2.7% of our total revenue during the same period. Our Directors have confirmed that, during the Track Record Period and up to the Latest Practicable Date, we did not experience any material disruption in our operations due to failure of our website operation or information system nor did we encounter any material internet security issue.

PROCUREMENT

Our procurement team

As at the Latest Practicable Date, our procurement team headed by our chief executive officer was primarily responsible for making procurement and formulating procurement strategy. Prior to making our procurement decision, we will take into account a variety of factors such as the current and projected market price of the raw materials we need, orders on hand, sales forecast and our inventory level. The major raw materials used in our production include paper, zinc printing plates, printing ink and other materials such as laminating and packaging materials. Set out below is the breakdown of our cost of raw materials and consumables during the Track Record Period:

	For the year ended 31 March						For the four months ended 31 July 2013	
	2011		2012		2013			
Cost of raw materials and consumables	*HK$'000*	*%*	*HK$'000*	*%*	*HK$'000*	*%*	*HK$'000*	*%*
Paper	64,043	70.8	67,325	68.7	70,376	66.0	24,331	64.3
Zinc printing plates	13,887	15.3	15,627	16.0	17,109	16.0	6,256	16.5
Printing ink	4,038	4.5	4,356	4.4	5,068	4.8	2,268	6.0
Other materials	8,492	9.4	10,656	10.9	14,121	13.2	4,979	13.2
Total	90,460	100.0	97,964	100.0	106,674	100.0	37,834	100.0

Major raw materials

During the Track Record Period, paper was our principal raw materials, representing approximately 70.8%, 68.7%, 66.0% and 64.3%, respectively, of our total cost of raw materials and consumables for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013. The major categories of paper used in our production are woodfree paper and coated paper, which are sourced from paper traders mainly based in Hong Kong. For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, the average unit price of paper used and purchased by us was approximately HK$347 per ream, HK$303 per ream, HK$277 per ream and HK$267 per ream, respectively. To manage the potential fluctuation in the costs of paper, our procurement team closely monitors and analyses the price trend of paper, usually compares the paper prices quoted by at least two major paper traders in the market and maintains a stable and long-term relationship with our major suppliers of paper. To further minimise our exposure to fluctuation in paper prices, we enter into bulk purchase agreement with our major paper suppliers to lock-in the purchase prices and the supply of certain woodfree and coated paper for the next one to three months from the date of the relevant bulk purchase agreement. Such bulk purchase agreement normally specifies the type and quantity of paper ordered, unit price and delivery period (usually in partial shipment over a fixed period of time) and payment terms (normally within 90 days after delivery of goods). Pursuant to such agreement, we are entitled to accept a smaller or greater amount of paper of a fixed percentage to the initially agreed quantity at the initially agreed price. Our Directors believe that the procurement arrangement above enables us to lock-in the prices for paper we commonly use and stabilise their future supply for a fixed period of time, thereby limiting our exposure to the future fluctuations in prices of paper. We make bulk purchase procurement by reference to historical consumption amount and projected requirement of paper in order to keep low but safe level of inventory. In order to project our procurement requirements of paper, our procurement team will prepare a quarterly report based on our Group's actual consumption volume of paper for the preceding three months, and for the same period of the previous year, for our management's approval. Our procurement team will place the order daily for procurement of paper based on orders-on-hand.

Our Directors consider that, although we may choose not to make adjustment to the selling price of our services whenever there is a fluctuation in our costs of raw materials and consumables so as to maintain our competitiveness and uniform pricing policy, we believe that we were effective in managing the impact of the fluctuation in costs of raw materials and consumables on our business during the Track Record Period by leveraging on our procurement strategies as mentioned above and our regular review of our service pricing from time to time which took into account the costs of raw material and consumables. Please also refer to the section headed "Risk Factors – Risks relating to our operations – Our business is susceptible to fluctuations of purchase costs for raw materials and consumables, and such fluctuations may materially and adversely affect our profitability and results of operations" in this prospectus in relation to the risk associated with the fluctuation in costs of raw material and consumables. For the sensitivity analysis on price fluctuation of our major raw materials, please refer to the section headed "Financial Information – Factors affecting our results of operations and financial conditions" in this prospectus. During the Track Record Period and up to the Latest Practicable Date, we had not been engaged in trading of paper (apart from procurement of paper for production and/or further processing).

During the Track Record Period, we did not encounter any material production disruption due to shortages of raw materials or other supplies nor did we experience any difficulty in the sourcing of raw materials or other supplies. Our Directors have confirmed that our principal raw materials are readily available in Hong Kong and the respective countries of origin, and our Directors expect that there will not be any shortage in the supply of any of our major raw materials in the foreseeable future.

Suppliers

We strive to obtain high quality raw materials. We choose suppliers mainly based on the following criterions: (a) price; (b) product quality; (c) payment terms offered; (d) their logistics arrangement; (e) the length of our business relationship; and (f) stability in supply of products. Our procurement personnel normally conducts a quality assessment for all potential suppliers and an annual evaluation for all key existing suppliers. Such assessment generally involves inspection of qualification certificates and product trial and assessment. We normally seek quotation from two or more suppliers to ensure that the raw materials are available to us of the highest quality and at the most competitive pricing. Procurement orders will be issued by us when we make purchase with them and such orders normally specify the products ordered, time of delivery and payment terms. The credit period granted by our raw material suppliers normally will not exceed 90 days. The lead time for sourcing of our major raw materials varies from around one to three working days, depending on the geographical location of our suppliers and the payment and delivery terms.

During the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, our top five suppliers are based in Hong Kong, who are principally engaged in the trading and sales of paper, zinc printing plates, printing ink or printing machines or undertaking pre-press processing or property leasing. We have developed close business relationship with our top five suppliers during the Track Record Period, with most of them having business relationship with us for approximately five years or more. For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, our top five suppliers accounted for approximately 54.8%, 57.0%, 56.0% and 53.3%, respectively, of our cost of sales and our largest supplier accounted for approximately 23.9%, 26.3%, 29.6% and 26.0%, respectively, of our cost of sales during the same period.

During the Track Record Period, we transacted with certain suppliers who were connected persons (comprising Pro-print, Print Art, Wilson Printing Equipment Limited, Wilson (Hong Kong) Limited, King Profit International Limited, Profit More, VVV Limited, Promise Properties Limited and CTP Limited) and the transactions with these connected persons (including subcontracting and lease of production workshops), in aggregate, amounted to approximately HK$27.1 million, HK$27.2 million, HK$28.9 million and HK$10.5 million, respectively, representing approximately 18.1%, 16.6%, 15.9% and 16.4%, respectively, of our cost of sales. For details in relation to the transactions with these parties during the Track Record Period, please refer to the disclosures under the sections headed "Relationship with Controlling Shareholders", "Connected Transactions" and Note 29 to the Accountant's Report in Appendix I to this prospectus. Our Directors have confirmed that, save as the transactions with Pro-print (details of which are set out in the section headed "Connected Transactions – Discontinued related party transactions" in this prospectus), the transactions with these connected persons were negotiated on an arms-length basis and on normal commercial terms.

Save as disclosed above and the disclosures under the section headed "Connected Transactions" and in Note 29 to the Accountant's Report in Appendix I to this prospectus, none of our Directors, their respective associates or any Shareholders (who to the knowledge of our Directors owned more than 5% of our issued share capital) had any interest in any of our top five suppliers, and all of our top five suppliers during the Track Record Period were Independent Third Parties.

Inventory management

Our inventories primarily include raw materials. All inventories are stored in our warehouses in Hong Kong and are being monitored by our eprint management system. We make procurement based on the historical consumption amount of our key raw materials and keep low but safe level of inventory with a view to increasing the flexibility in our cash flow and reducing storage requirement, and we normally keep paper inventory for around two days' production requirement. As substantially all of our suppliers of paper are situated in Hong Kong, the paper we have ordered is able to be delivered within the same day. For other key raw materials such as zinc printing plates and printing ink, we normally keep inventory to meet our production requirements for around seven days. Further, we perform stock take periodically as a control measure to ascertain the existence of the inventory.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, our inventory turnover days were 8, 5, 7 and 7 days, respectively. We record a provision for impairment of certain inventories when the estimated net realisable value is below the corresponding costs of such inventories. No provision for obsolete inventories was made during the Track Record Period.

OUR PRODUCTION

Our production base

Our production processes are primarily undertaken at our production base in Kwun Tong, Hong Kong. As at the Latest Practicable Date, we have our production base in Hong Kong with a total saleable floor area of approximately 47,100 square feet.

Machinery and equipment

As at 31 March 2011, 2012 and 2013 and 31 July 2013, the number of offset printing machines which were involved in the printing process and either owned by us or held under finance lease was 6, 7, 9 and 9, respectively, and the number of digital printing machines which were involved in the printing process and either owned by us or held under finance lease was nil, 1, 2 and 2, respectively. As at the Latest Practicable Date, we had more than 20 machines for undertaking post-press finishing such as paper folding, cutting, binding, case making, spot UV, foil stamping and laminating. Our printing machines were mainly imported from Germany or Japan, which are highly automated in their operations and are capable of undertaking print jobs in small to large quantity efficiently and speedily. Further, we have purchased advanced equipment for colour management, and density, color and spectral data measurement for ensuring print-to-print color quality and accuracy throughout the press-run. We have a centralised production control centre which closely monitors the status of operations of our machineries and equipment in real-time.

Based on our production needs and usual practice in operations, the estimated life span of our production machineries and equipment is around 15 years. As at the Latest Practicable Date, our major printing machines which were involved in the printing process and the machines for undertaking post-press finishing have been in operation for approximately three years on average. We carry out regular inspection and maintenance at least once a week, and our repair and maintenance costs for all production machineries and equipment amounted to approximately HK$1.8 million, HK$3.2 million, HK$3.0 million and HK$1.3 million for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, respectively. Based on our regular inspection and maintenance, our machineries and equipment are in good condition. Our Directors have confirmed that, based on the current condition of these machineries and equipment, we do not foresee any imminent need to replace our printing machines and our machines for undertaking post-press finishing in the near future. It is our strategy to plan ahead of our investment in printing machinery. We usually purchase additional machinery(ies) to cope with our future business development, such as to reduce reliance on outsourcing of some of the post-press finishing services, to improve our production efficiency and to capture growing demand for our services. Please refer to the paragraph headed "Our business strategies – Expand our production capacity" in this section for further details on our plan to expand production capacity.

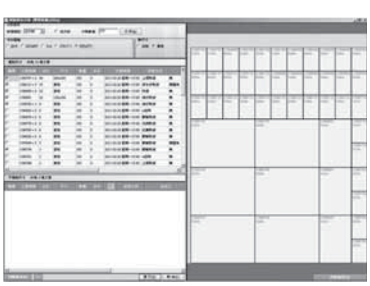
Production techniques

Depending on the product types and our customers' requirements, the printing techniques used by us includes offset printing and digital printing. Offset printing refers to a classic printing technique where the inked image is transferred from a plate to a rubber blanket, which then rolls that image onto a piece of printed sheet. Offset printing offers consistent high image quality for products and is relatively cost-efficient for a large volume of print orders. Offset printing requires the use of printing plates. Digital printing is a relatively new printing technique where the printing system interprets the digital-based image and recreates the final image on a piece of paper from toner rather than ink. Digital printing process is highly computerised and eliminates the need for a printing plate, which effectively reduces the press setup time and cost. It is also suitable for variable and customised printings since texts and image can be changed from one copy to the next or run collated sets right out of the press. Accordingly, the combined use of both offset and digital printing enables us to print products with a wide range of quantities, qualities, resolutions, styles and format selections.

Production process

Both offset printing and digital printing will be used in our production process. The diagram below sets out the major steps involved in our production process:

Computer-to-plate



Automatic order aggregation monitored
by our eprint management system

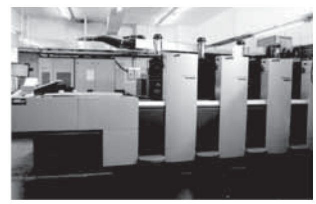
Zinc printing plate output

Quality control

For offset printing, after the order aggregation and type-setting processes have been completed, every single print proof will go through the computer-to-plate process. Computer-to-plate refers to the process of transferring digital data directly from a computer on to printing plates.

For digital printing, the print images will be processed to output a digital printing file. The output file will then be transferred to the relevant digital printing machines for printing.

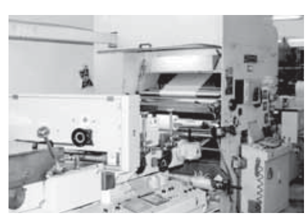
Printing



During the offset printing process, zinc printing plates will be used to produce an inked image, which image will be transferred from the zinc printing plate to a rubber blanket, which then rolls that image into a piece of printed sheet. During the digital printing process, the approved inked image will be used for printing.

Post-press finishing

UV Spotting



Lamination

Hole Drilling

After the printing process has been completed, the printed sheets will be transferred to the paper-cutting machines for cutting into a required form and separation. Other on demand post-press finishing processes such as folding, binding, UV spotting, embossing, holes drilling and perforation, laminating and foil stamping will be undertaken as required. Our logistics personnel is responsible for packaging and arranging with external logistics service providers for the delivery of the finished products to our stores or locations as designated by our customers.

Production capacity

The following table sets forth the production capacity and actual production of our printing machines involved in the printing process as well as the average utilisation rate as at 31 March 2011, 2012 and 2013 and 31 July 2013:

	Number of impressions			
	As at 31 March			As at 31 July
	2011	2012	2013	2013
	('000)	*('000)*	*('000)*	*('000)*
Production Capacity *(Note 1)*	234,639	261,403	310,141	103,526
Actual Production *(Note 2)*	167,846	195,066	221,336	79,188
Utilisation Rate *(%) (Notes 3 and 4)*	71.5	74.6	71.4	76.5

Notes:

(1) For illustrative purpose only, the production capacity of our production facilities is measured in terms of the number of impressions of the printing machines involved in the printing process per hour (after deducting the minimum set up time (comprising mainly the time required for zinc printing plate changes and colour tone adjustments) in the optimal conditions and excluding the time spent on pre-press and post-press processes), multiplied by approximately 20 working hours per day and 280 days per year and approximately 93 days for the four months ended 31 July 2013 (taking into account the statutory and public holidays in Hong Kong and our specific maintenance schedule), during the relevant period. As the number of print orders increases, it will involve more frequent change of zinc printing plates and colour tone adjustments from one production run to another and hence, will result in longer actual total set-up time for the relevant year. Thus, the above computation only illustrates the production capacity of our printing machineries operating in the optimal conditions.

(2) The actual production volume refers to the actual total number of impressions during the relevant period.

(3) Utilisation rate is derived from dividing the actual production volume by the production capacity. As the production capacity is determined based on certain assumptions, our utilisation rates as set out in the above table are for reference only and are subject to change if the underlying assumptions were different.

(4) Our utilisation rates for the three years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013 have remained stable despite a slight decrease for the year ended 31 March 2013, while our Group has experienced a stable growth in actual production and purchased additional production facilities over the three years. For the reasons as set out in the paragraph headed "Our business strategies – Expand our production capacity" in this section, our Directors consider that it is necessary to expand our production capacity to cater for future growth.

Subcontracting

Provision of processing services

During the Track Record Period, we outsourced to the external processing agents certain pre-press and post-press finishing work and the production of other products such as pre-ink stamps, crystal trophies and plastic folders, which we did not have the relevant production expertise. Since the work contracted out to the processing agents requires specialised machines and/or labour, it may not be cost-effective and economical for us to undertake all of such processes or production. Accordingly, we believe that it will be cost-effective for us to subcontract the same to external processing agents when appropriate, as a result of which we can increase the flexibility in our production, focus more resources on other key stages of our production and externalise our costs and operation risks associated with operating the relevant machineries.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, we had engaged 45, 45, 39 and 25 processing agents. During the Track Record Period, the subcontracting fees paid by us to processing agents amounted to approximately HK$16.9 million, HK$16.2 million, HK$14.0 million and HK$2.6 million, respectively, representing approximately 11.3%, 9.9%, 7.7% and 4.1%, respectively, of our cost of sales during the same period. Pro-print and Print Art had been two of our processing agents during the Track Record Period, and the subcontracting fees charged by them, in aggregate, amounted to approximately HK$5.2 million, HK$0.3 million, HK$0.2 million and nil for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, respectively, representing approximately 3.5%, 0.2%, 0.1% and nil, respectively, of our cost of sales during the same period. Our Directors have confirmed that, save as the transactions with Pro-print (details of which are set out in the section headed "Connected Transactions – Discontinued related party transactions" in this prospectus), the transactions with these parties were negotiated on an arms-length basis and on normal commercial terms.

Framework agreement

We normally enter into a standard framework agreement with our processing agents, in which the provisions relating to a standard processing order, general payment terms and quality requirements are specified. There is no minimum processing requirement nor are we required to pay our processing agents minimum processing fees for the services. A processing order specifying the processing fee, the nature of work required, product specifications, detailed payment terms and delivery date will be issued by us, after reaching agreement with our processing agents. The processing fees are determined with reference to the scope of services and the technical complications involved. Under the framework agreement, we reserve the right to claim against the processing agents for any failure on their part to meet our requirements.

Our processing agents are generally small- to medium-scale processing factories in Hong Kong. We take into account factors such as service quality, pricing, proximity of their factories or workshops to our warehouse, time of delivery and years of their business relationship with us as key considerations when we select the potential processing agents. We also normally seek quotation from various potential processing agents before we place order.

During the Track Record Period, we did not experience any situation where our processing agents had failed to fulfil any significant processing order. Save as disclosed above, as at the Latest Practicable Date, none of our Directors, their respective associates or any Shareholders (who to the knowledge of our Directors owned more than 5% of our issued share capital) had any interest in the processing agents engaged by us during the Track Record Period.

QUALITY CONTROL

We strive to provide consistently high quality services to our customers through stringent quality control measures covering all key stages of our operations:

- *Incoming raw materials:* We may require our suppliers to produce to us the test reports on the principal raw materials and we also conduct inspections on our own on a sampling basis such as on the substance, thickness, density and composition of paper, and colour and abrasive resistance of printing ink.

  Any raw materials that do not meet our requirements may be returned to our supplier for replacement or accepted at a discounted price in accordance with the terms of the relevant framework agreement or procurement order.

- *Pre-press stage:* Pursuant to our internal guidelines, when customers place orders with us, our staff members in the PRC shall conduct a preliminary review of the file format, and require our customers to confirm the print preview in accordance with our guidelines and work procedures before processing the order. In relation to the contents, pursuant to our internal guidelines, our staff will conduct ordinary checking to examine if our customer has submitted any material with commonly known and famous logo(s), drawing(s) and graphic(s) for printing and inspect such materials to screen out any obscene article or any other material prohibited by the applicable laws. At order aggregation stage, our staff will conduct a check on the overall quality of the print layout prior to printing. Our staff of Hong Kong office regularly supervise the work carried out by the PRC offices by various means, including paying regular visits to the PRC offices by our senior management members, and holding daily telephone conferences with the respective senior staff members of our PRC offices.

  For our customer support function, to ensure Gangsui fulfils our requirements from time to time, we have devised a systematic approach which has been adopted by Gangsui to handle enquiries, suggestions, complaints, feedback and orders received from clients. In addition, we have despatched a team from Guangzhou branch office of Dajinlai Technology to station at Gangsui's customer support centre to closely supervise and oversee its operations on a daily basis which regularly reports to the management of our Guangzhou branch office. We arrange regular training on topics such as the way of communication with customers and handling customers' enquiries under different situations for Gangsui's staff. Information received by the staff of Gangsui is required to be properly and timely recorded in our system network, which can be accessed and reviewed by our staff in a real time environment for further processing.

- *Printing and post-press finishing stages:* Pursuant to our internal guidelines, during the printing process, before we commence a production run, our technicians will examine the colour bar on the print sheet on a sampling basis with an advanced densitometer, which measures the colour density, screen tone, grey balance, print contrast and gray component replacement of the image on the print sheet, and make appropriate adjustment to the ink density to ensure that our printing quality for a particular production run is consistent. After the printing process has been completed, our production staff will retain a print sheet of a particular production run on a sampling basis which will be inspected by our colour control team on the next day.

  For products which require post-press finishing, pursuant to our internal guidelines, final inspection will be conducted on a sampling basis to ensure our required qualities and standards are attained. Substandard products will be reprinted or reprocessed.

- *Outsourced processing:* Inspection on the quality and completeness of the processing work will be conducted by our production team.

With our dedicated effort in maintaining our consistently high quality services, we had been awarded 2012 Hong Kong Awards for Industries: Productivity and Quality (2012香港工商業獎：生產力及品質獎). We believe that our comprehensive quality control system sets us apart from other local commercial printing companies and increase our customers' confidence in our services.

AWARDS AND ACCREDITATIONS

Set forth below are the highlights of some of the awards and certifications in respect of our brand or products.

Award/Honor	**Awarding body**	**Year awarded/ Valid period**	**Description**
2012 Hong Kong Awards for Industries: Productivity and Quality (2012 香港工商業獎：生產力及品質獎)	Hong Kong Productivity Council	2012	Awarded to Promise Network
Hong Kong ICT Awards 2012: Best Business (Application-SME) Silver Award	Hong Kong Computer Society	2012	Awarded to Design Easy for "Online Printing Design Platform"
Caring Company 2011/2012	The Hong Kong Council of Social Service	2012	Awarded to Promise Network
Best SME's Partner Award (最佳中小企拍擋獎)	The Hong Kong General Chamber of Small and Medium Business	2011	Awarded to Promise Network

Award/Honor	Awarding body	Year awarded/ Valid period	Description
Partner Employer Award – Excellent Enterprise (友商有良嘉許獎)	The Hong Kong General Chamber of Small and Medium Business	2011	Awarded to Promise Network
Hong Kong Outstanding Corporate Citizenship Gold Award – Silver Prize (傑出企業公民獎(銀獎))	Hong Kong Productivity Council and Committee on the Promotion of Civic Education	2011	Awarded to Promise Network
Hong Kong Top Service Brand Award (香港服務品牌大獎)	The Chinese Manufacturers' Association of Hong Kong and Hong Kong Brand Development Council	2011	Awarded with respect to "e-print" of Promise Network
Hong Kong ICT Awards 2008: Best Business (Application-SME) Silver Award	Hong Kong Computer Society	2009	Awarded to Promise Network in respect of the "Online Printing System"

ENVIRONMENTAL PROTECTION, HEALTH AND WORK SAFETY

We are subject to various laws and regulations regarding environment protection, health and workplace safety in Hong Kong and the PRC. Please refer to the section headed "Regulations" in this prospectus for further information.

Environmental protection

Our production facilities and printing process discharge various kinds of wastes. The primary wastes produced in our production process are used paper, used zinc printing plates, chemicals and sewage. Most of the used paper and used zinc printing plates can be recycled and we sold such materials to waste collectors during the Track Record Period. Chemicals and sewage include wastewater produced in the printing process and the chemical solution from the cleaning of our printing machines. During the Track Record Period, we discharged effluent into the sewer for the period from April 2006 to June 2013 without a water pollution control license issued by the Environmental Protection Department as required under the Water Pollution Control Ordinance, and did not register as a chemical waste producer with the Environmental Protection Department of Hong Kong until June 2013 for the handling of chemical solution. Please refer to the paragraph headed "Regulatory compliance – Major non-compliance matters of our Group during the Track Record Period and as at the Latest Practicable Date" in this section for details of our licensing status, the non-compliance incidents relating to our disposal of wastewater during the Track Record Period and our remedial measures taken. We were granted a water pollution control licence on 28 June 2013.

We engaged Hong Kong Productivity Council to review our wastewater handling system in December 2012 to advise us on water pollution control matters and we applied for water pollution control licence in March 2013 and for registration as a chemical waste producer in April 2013 (which was obtained in June 2013). Further, we, in accordance with the recommendations of Hong Kong Productivity Council, installed a new automatic wastewater treatment system in March 2013 to ensure that any effluent discharged to the drainage will comply with the relevant regulatory requirements in Hong Kong. We also engaged Hong Kong Productivity Council to conduct second testing in March 2013 after the installation of the new automatic wastewater treatment system. Hong Kong Productivity Council concluded that all the selected parameters of the treated effluent comply with the relevant regulatory requirements.

During the Track Record Period, our costs for compliance with the applicable environmental rules and regulations (comprising expenses and charges associated with the installation of automatic wastewater treatment system and the engagement of Hong Kong Productivity Council for testing) were approximately nil, nil, HK$399,000 and nil, respectively. Our Directors anticipate that the amount of expenses that we may incur in the near future for environment compliance matters will be approximately HK$258,000 for the year ending 31 March 2014.

Health and work safety

We carry on our production in Hong Kong. We provide internal guidelines on work safety for our employees. We also make necessary arrangements such as providing our production staff with ear-plug and safety gloves for ensuring safety and health in connection with operating our machineries and handling raw materials and production waste. At our production site, we provide and maintain safe access to and egress from the workplaces.

Due to the nature of our operations, during the Track Record Period and up to the Latest Practicable Date, we received a total of 28 claims of work-related injuries of our employees or ex-employees and our Directors have confirmed that, based on our records, most of these work-related injuries were of relatively minor nature such as lumbosacral strain, twisting of ankle and cutting of fingers in the course of employment. Set out below is a summary table of the work-related injuries relating to the employees or ex-employees of our Group during the Track Record Period and up to the Latest Practicable Date:

		Number of accident			
Nature of accident	**Details of accident and injury**	**For the year ended 31 March**			**From 1 April 2013 up to the Latest Practicable Date**
		2011	**2012**	**2013**	
Injured whilst lifting or carrying	Occurred during lifting or carrying printing materials or products and resulted mainly in sprain and strain	1	2	3	3
Contact with moving machinery or object being machined	Occurred during operating printing machines and resulted in fracture, laceration and cut, or crushing	1	1	1	3
Striking against object	Occurred during operating printing machines or delivering of printing materials or products and resulted mainly in contusion and bruise	–	1	2	2
Slipped and fell	Occurred during working in the production workshop and resulted in contusion and bruise, or sprain and strain	1	–	–	1
Others *(Note)*	Mainly occurred during operating printing machines and resulted in sprain and strain, or laceration and cut	–	1	3	2
Total		3	5	9	11

Note: Two of the accidents occurred during the year ended 31 March 2013 were subject to the Labour Department's assessment.

Most of the claims arose out of injuries suffered whilst lifting or carrying objects or handling machines. Our Directors are of the view that the root causes of the above accidents in relation to our printing business were due to lack of safety and health awareness amongst our employees and insufficient control measures on proper implementation of safety measures. Our Company has also adopted certain measures to prevent future re-occurrence of the above accidents, please refer to the paragraph headed "Environmental protection, health and work safety – Health and work safety – Work safety measures" below for details.

As at the Latest Practicable Date, of these 28 claims, 24 claims were settled with the relevant employees or ex-employees with settlement amount per incident ranging from approximately HK$1,000 to approximately HK$338,000, and the compensation totalling approximately HK$626,000 had been paid by us in full. Save for a claim in the sum of approximately HK$1,100 which was not covered by any insurance policy and was borne by our Company due to the injured employee having consulted a Chinese medicine practitioner who was not recognised by the relevant insurer, the abovementioned total compensation payment has been or is expected to be fully covered by the relevant insurance policies.

For the remaining four claims which were outstanding as at the Latest Practicable Date, our Directors estimate that, based on past experience and subject to the Labour Department's assessment, the aggregate amount involved was approximately HK$160,000. As these claims were due to minor injuries and our Group has taken out an employees' compensation insurance policy with insurance coverage of HK$200 million for each case, our Directors expect that, such compensation amount will be fully covered by our insurance policy. As at the Latest Practicable Date, to the best of our Directors' knowledge and information, no proceeding relating to employees' compensation claim or common law personal injury claim had been initiated against our Group in relation to the abovementioned work-related injuries and there was no incident of death or severe body injury of our employees or ex-employees.

Below is a table comparing the average rate against our Group with regards to industrial accident rate per 1,000 workers and industrial fatality rate per 1,000 workers for the calendar years indicated:

	Statistics in industrial sector *(Note 1)*	**Our Group's statistics** *(Note 2)*
2010		
Accident rate per 1,000 workers	24.9	11.8
Fatality rate per 1,000 workers	0.032	Nil
2011		
Accident rate per 1,000 workers	23.6	15.1
Fatality rate per 1,000 workers	0.050	Nil
2012		
Accident rate per 1,000 workers	21.3	22.7
Fatality rate per 1,000 workers	0.049	Nil
1 January 2013 up to the Latest Practicable Date		
Accident rate per 1,000 workers	N/A	27.3
Fatality rate per 1,000 workers	N/A	Nil

Notes:

(1) Occupational Safety and Health Statistics Bulletin Issue No. 13 (June 2013) by Occupational Safety and Health Branch, Labour Department.

(2) Our Group's accident rate is calculated as the number of occurrences during the year divided by average number of employees of our Group during the year/period. Our Directors confirmed that such basis of calculation is comparable to that of the industry and the Labour Department uses similar basis of calculation in calculating the accident rate. Our Directors consider that the rise in the accident rate of our Group was due to (i) increase in the total number of employees of our Group during the Track Record Period; and (ii) change in our Group's internal policy in respect of accident reporting, which requires the reporting of every single accident, regardless of its seriousness. We have sought to strengthen our work safety via various measures, including but not limited to appointing a registered safety auditor, adopting and updating internal policies on health and safety management, and establishing a safety committee, etc. Please refer to the paragraphs below for further details of our measures.

Our Group's lost time injury frequency rate ("**LTIFR**") was approximately 1,296, 1,946, 1,984 and 1,370 per million of working hours for the calendar year 2010, 2011, 2012 and for the period from 1 January 2013 up to the Latest Practicable Date, respectively. LTIFR is calculated as lost time in relation to employees' injuries in a calendar year divided by total hours worked by all employees and multiplied by 1,000,000 hours of work. Lost time in relation to employees' injuries represents total number of hours the injured employees absent from work, based on eight working hours per day. Total hours worked by all employees is calculated as average number of employees multiplied by number of working days in each month and eight working hours per day.

Given most of our work-related injury claims were of relative minor nature, and the total amount of the settled claims and estimated aggregate amount of outstanding claims as at the Latest Practicable Date was approximately HK$626,000 and HK$160,000, respectively, our Directors consider that the abovementioned claims do not have any material financial and operational impact on our Company. Taking into account the above and (i) the nature of work of our Group's operation which involves operating machinery and equipment and lifting of heavy objects; (ii) there was no incident of death or severe body injury; (iii) our Group has adopted all the work safety measures recommended by SA Consultants & Associates to minimise the occurrence of work-related injuries in the future, the Sole Sponsor concurs the view of our Directors that the claims do not affect the suitability of our Directors and our Company for listing under the Listing Rules.

Work Safety Measures

Our Directors strive to minimise the occurrence of such work-related injuries in the future. We have strengthened our work safety through the following measures:

- appointing a registered safety auditor, SA Consultants & Associates, to conduct safety management system audit in the areas of health and safety policy, safety organisation and training, personnel protection program, emergency preparedness, etc., in June 2013, and the safety audit report was prepared and submitted to the Labour Department in June 2013. According to the safety audit report prepared by the said safety auditor, it was found that the safety management system elements as required under the Factories and Industrial Undertakings (Safety Management) Regulation and the planning, developing, organising, implementing, measuring, auditing/reviewing process were generally in place. The report also recommended that our Group shall, among others, (a) enhance the safety training programme; (b) conduct risk base and effective health and safety inspection programme to proactively identify the potential hazards at work periodically and display screen equipment risk assessment; (c) appoint a competent officer to lead investigations, make authoritative recommendations and provide adequate training; (d) conduct emergency/fire drills annually; and (e) conduct the safety committee meeting at least quarterly or as required. Our Group adopted all the recommendations made by SA Consultants & Associates in August 2013. For further details of SA Consultants & Associates, please refer to paragraph headed "Regulatory compliance – Corporate governance measures to prevent recurrence of non-compliance" in this section;

- adopting the internal policies including health and safety policy and health and safety management procedures, and reviewing and updating such policies from to time. Our health and safety policy sets out the guidelines on workplace environment, machine operations, personal protection program, delivery of goods, fire safety, occupational health, hygiene, working in dangerous environment, electrical safety, use and storage of hazardous goods and emergency preparedness, etc. Our health and safety management procedures cover the areas such as the organisation and duties of the safety committee and the staff responsible for executing health and safety policy, procedures for formulating health and safety policy, the reporting mechanism and the assessment and management of hazards;

- establishing a safety committee for the purpose of specifically handling safety management system of our Group and ensuring compliance with the relevant ordinances and regulations. Our safety committee consists of 10 members including the senior management member, general manager, officer from human resources department and officers, team leaders and technicians from different production departments of our Group such as control center section, colour management section and digital printing section. Mr. Lee Hon Wai, our production manager, and Mr. Yip, our general manager of Invoice Limited, were appointed as the chairman and vice-chairman of the safety committee, respectively. Each of Mr. Lee Hon Wai and Mr. Yip has attended certain safety management trainings in relation to manual handling operations, chemical safety, safety audit, fire precautions, choice and use of personal preventive equipment and manual lifting. Mr. Yip has approximately eight years of experience in printing industry. Both Mr. Lee Hon Wai and Mr. Yip have been overseeing work safety related matters in relation to printing industry. Other members of the safety committee have joined our Group for a period ranging from one to eight years. In particular, the majority of the safety committee members are the team leaders of different production functions, being responsible for and having experience in overseeing the respective production function (including the related work safety) of our Group. Each of the safety committee members has received relevant training in safety management including the use of chemicals, fire safety and manual lifting and conditional training will be provided to them from time to time by external experts;

- conducting a quarterly review by the members of the safety committee on the implementation of occupation health and safety of our workplace in accordance with our health and safety policy;

- providing safety induction training for relevant employees before they handle certain machineries, training sessions specifically targeting at areas where accidents have occurred previously, such as proper use of machines and proper lifting of heavy stuff; and

- providing training to our employees and management (such as on-the-job coaching and counseling) on a regular basis to equip them with the knowledge, skills and awareness on workplace safety.

Please also refer to the paragraph headed "Regulatory compliance – Corporate governance measures to prevent recurrence of non-compliance" in this section for further details.

Our Directors have confirmed that, save as the historical non-compliance incidents with respect to Factories and Industrial Undertakings Ordinance as disclosed under the paragraph headed "Regulatory compliance – Major non-compliance matters of our Group during the Track Record Period and as at the Latest Practicable Date" in this prospectus, during the Track Record Period and up to the Latest Practicable Date, (a) we (including our offices in the PRC) were in compliance with all applicable rules and regulations relating to health and safety in material respects; and (b) we were not aware of any threatened or pending action by any environmental, health and workplace safety regulatory authority in Hong Kong and the PRC which had a material adverse impact on us.

Further, taking into account that (a) there was no fire, explosion, spill, corrosion, pollution, or other unexpected or dangerous accident causing personal injury or death, property damage, environmental damage or business interruption which had a material impact on us; (b) the nature of injuries involved in these claims were of relatively minor nature; (c) the measures taken and internal guidelines established by our Group (as more particularly disclosed above and under the paragraph headed "Regulatory compliance – Corporate governance measures to prevent recurrence of non-compliance") to enhance the safety standard at our workplace and reduce the risk of recurrence of non-compliance in relation to work safety; and (d) we have appointed SA Consultants & Associates to be our safety auditor and have adopted its advice to further strengthen our safety management system and have engaged SA Consultants & Associates to conduct an audit on our safety management system regularly, our Directors are of the view that our Group's safety management system is effective in maintaining and promoting a safe and healthy environment for the workers at our workplace.

INTELLECTUAL PROPERTIES

Intellectual property rights

We regard our intellectual property rights as invaluable pieces of property. We rely on, amongst others, a series of trademark and copyright registrations to protect the rights and interests of our intellectual property rights, which we believe are critical for maintaining our competitiveness and building customer recognition.

Our intellectual properties comprise primarily the trademarks relating to our brand, the intellectual property rights in connection with our self-developed software and our domain names. As of the Latest Practicable Date, we had a total of six registered trademarks in Hong Kong and had made a total of five trademark applications of different classes in Hong Kong and the PRC. As of the Latest Practicable Date, the copyrights we had registered which related to our printing and pre-printing management systems in the PRC were the most important to our business operations. As of the Latest Practicable Date, we had registered our domain names including *www.e-print.com.hk*, *www.eprintgroup.com.hk*, *www.e-invoice.com.hk*, *www.design-easy.com*, *www.photobook1010.com* and *kimleysoft.com. Details of our intellectual property rights are set out in the section headed "Further information about the business of our Company – 8. Intellectual property rights of our Group" in Appendix IV to this prospectus.*

Licence granted to E-Print Solutions

To establish our market presence in overseas markets, E-Print Group, our subsidiary, entered into a joint venture agreement dated 6 May 2009 with an Independent Third Party relating to the formation and management of E-Print Solutions as our 30% owned joint venture entity in Malaysia. For further details of the joint venture agreement, please refer to the section headed "History, Development and Reorganisation – Our joint ventures – E-Print Solutions" in this prospectus. Pursuant to the said joint venture agreement and with a view to facilitate the development of E-Print Solutions' business in Malaysia, on 6 May 2009, E-Print Group entered into a software licence and technical support agreement (as revised and supplemented by the agreement dated 18 May 2013 which supplements and revises certain provisions of such agreement) with E-Print Solutions (the "**Software Licence Agreement**").

Based on the terms of the Software Licence Agreement (as supplemented and amended), E-Print Group, as licensor, agreed to (a) grant to E-Print Solutions as licensee an exclusive perpetual license to use in Malaysia and Singapore (i) our computer program, which includes the manufacturing technology, software development of our website at *www.e-print.com.hk*, printing management system and press and pre-press management system; (ii) the copyrights relating to our website "*www.e-print.com.hk*"; and (iii) all the trademarks belonging to E-Print Group; and (b) provide certain services to E-Print Solutions in respect of delivery, installation, assistance in setting up of its website and training in order for it to carry on its business, and technical support, in consideration of the prescribed fees payable by E-Print Solutions to us.

Under the Software Licence Agreement (as supplemented and amended), (a) the annual licence fee payable in relation to the grant of the above licence is based on 0.3% of the total annual gross turnover as shown in the audited financial statements of E-Print Solutions of each relevant financial year (under the initial Software Licence Agreement, a nominal fee of HK$10 is charged to E-Print Solutions); (b) the fee payable in relation to the training services is to be provided at the rate of HK$1,000 for each day of 8 working hours on which each member of E-Print Group's staff is so engaged, together with all costs and expenses relating to transportation, accommodation and meals incurred by them for the provision of such services; and (c) any off site technical support is to be provided by E-Print Group at the rate of HK$1.0 per order/quotation transaction.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, service fee paid by E-Print Solutions to us, in aggregate, amounted to nil, nil, approximately HK$675,000 and nil, respectively, and such amount of fee represented the labour cost for training and technical support services provided by us.

Intellectual property rights protections

We actively take steps to protect our intellectual property rights and implement a set of internal intellectual property management rules. We give restricted access to our eprint management system and database to our employees. We have confidentiality protection arrangements in place to protect trade secrets, including the inclusion of confidentiality and non-competition undertakings in the standard employment contract signed with our employees to ensure that our trade secrets will not be passed onto any third party. In our standard employment contracts, our technical staff members also agree and acknowledge that, amongst others, any design and development generated by them on our behalf belong to us, and any technical know-how or trade secret obtained by them by reason of their employment by us should not be used for his own or third party's benefit.

Further, as the materials we print are provided by our customers, our business operation may inadvertently infringe upon third party intellectual property rights or the applicable laws or regulations. The Copyright Ordinance (Chapter 528 of the laws of Hong Kong) stipulates that the owner of the copyright in a work has the exclusive right to, among others, copy the work, issue copies of the work to the public, rent copies of the work to the public, make available copies of the work to the public, perform, show or play the work in public, broadcast the work or include it in a cable programme service, make an adaptation of the work or do any of the above in relation to an adaptation in Hong Kong.

Both our Group or our customers may be legally liable under the Copyright Ordinance for infringement of intellectual property rights as a result of the products printed by our Group. However, according to the Legal Counsel, our Group will only be liable under the Copyright Ordinance if, at the time we commit the act, we know or have reason to believe that we are dealing with infringing copies. For further details, please refer to the section headed "Regulations – Hong Kong regulatory overview" in this prospectus.

Accordingly, we have adopted the following measures to minimise our exposure to potential infringement of intellectual property rights of any third party and the risk of violation of the relevant laws or regulations in our business operations:

- our staff members who perform pre-press processing conduct ordinary checking to examine if our customer submits any material with commonly known and famous logo(s), drawing(s) and graphic(s) for printing and will request our customer to submit ownership proof of such logo(s), drawing(s) and graphic(s), as necessary. Our staff members will also inspect such materials to screen out any obscene article. For further details of the composition and experience of our staff members who undertake pre-press processing, please refer to the paragraph headed "Business operations – Pre-press processing" in this section;

- our staff members may make enquiries from the customers about the copyrights of the materials in order to ensure that the materials are not infringing copies. If there is any circumstance which may lead us to suspect that the materials are infringing copies, we will decline to accept the orders;

- any order from our customers for printing material that may infringe the intellectual property rights of others, or may constitute an obscene article or other material prohibited by applicable laws shall be declined and returned to our customers;

- under our standard terms and conditions, our customers are required to (a) represent that any file, information or material from them will be considered legal for use or print; and (b) declare that the graphic image provided by them are their own property and any product printed with such graphic image will not infringe the intellectual property rights of any third party, and we reserve the right to make final decision on whether any file or material received from our customers should be accepted for printing;

- under our standard terms and conditions, our customers are required to indemnify us against all possible expenses, losses and damages suffered or incurred by us (a) arising from or in connection with any claim against us that the use of any of the materials delivered or supplied by our customers to us infringes the intellectual property or other rights of any third party; and (b) arising out of breach of any law or libel or defamation in connection with any of the materials delivered or supplied by our customers and used by us to produce the products or provide the services; and

- we provide training for and circulate internal notices to our staff members to increase their awareness of the intellectual property right protection and compliance with the relevant laws and regulations.

Our Directors have confirmed that, during the Track Record Period and up to the Latest Practicable Date, we were not involved in any proceedings in respect of, nor had we received notice of any claim for, the infringement of any intellectual property rights, and we had not been charged with any breach of the relevant laws or regulations relating to the provision of our printing services, that had any material adverse impact on our business and results of operations.

PROPERTIES

Our leased properties

Overview

As at the Latest Practicable Date, we did not own any real property. As at the Latest Practicable Date, we leased 52 and six properties in Hong Kong and the PRC, respectively, with a total saleable floor area of approximately 60,300 square feet and total gross floor area of approximately 16,900 square feet (equivalent to approximately 1,600 square meters), respectively, mainly for our production workshops, warehouse, stores and office purposes. As at the Latest Practicable Date, of the properties leased by us, 16 of them with a total saleable floor area of approximately 9,500 square feet were for our stores in Hong Kong, and the saleable floor area of each store ranged from approximately 70 square feet to 1,965 square feet. The remaining properties in Hong Kong, with a total saleable floor area of approximately 47,100 square feet and 3,700 square feet, respectively, were mainly for production and office purposes as at the Latest Practicable Date.

Rental expenses

The following table sets forth our total rental expenses and average monthly rental expenses (excluding management fee) in respect of our leased properties (excluding car parks) for the periods indicated:

	For the year ended 31 March			For the four months ended 31 July
	2011	2012	2013	2013
	(HK$'000)	*(HK$'000)*	*(HK$'000)*	*(HK$'000)*
Total rental expenses	5,734	9,017	13,468	4,909
Average monthly rental expenses for stores	122	282	363	424
Average monthly rental expenses for production workshops	232	352	618	703
Average monthly rental expenses for office premises	124	117	141	101

The rents payable under each of our existing leases are not linked to the business results of our Group.

Term of the leases

At the Latest Practicable Date, the remaining term of most of our leases ranged from around three months to 32 months, with expiration date ranging from February 2014 to July 2016, and five of them will expire within six months. In the case where the relevant lessor terminates the lease before its expiration, generally one month notice is required to be given to us. We normally commence the negotiation of the renewal of the term around three to six months before the date of expiration of the lease, and in the event that any of our existing lease cannot be renewed, our Directors believe that we are able to identify suitable locations near the original premises and there will not be any significant practicable difficulties in terms of timing and costs in relocation of our operations at the relevant sites. During the Track Record Period, we did not experience any difficulty in renewal of lease of our existing stores.

During the Track Record Period, certain properties were leased from connected persons (comprising CTP Limited, Profit More Rich Limited, Promise Properties Limited, VVV Limited, GSM Limited and King Profit International Limited) of our Company and such arrangements are expected to continue upon Listing. Our Directors have confirmed that the lease agreements entered into with these connected persons were negotiated on an arm's length basis and on normal commercial terms. For details in relation to the lessors of such properties and the terms of such continuing connected transactions, please refer to the section headed "Connected Transactions – Continuing connected transactions" and Note 29 to the Accountant's Report in Appendix I to this prospectus. Save as disclosed above, as at the Latest Practicable Date, all of the lessors of our leased properties were Independent Third Parties.

Exemption from issuing valuation report

We do not have any property interest that forms part of property activities as defined under Rule 5.01(2) of the Listing Rules and section 6 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice as at the Latest Practicable Date. According to section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this prospectus has complied with the conditions specified in section 6(3) of the said notice and is therefore exempt from compliance with the requirements of section 342(1)(b) of the Companies Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies Ordinance, which require a valuation report with respect to our Group's interest in our leased properties, for the reason that as of 31 July 2013, each of our leased properties has a carrying amount of less than 15% of our consolidated total assets. Our Directors have confirmed that none of our leased properties is individually material to us in terms of revenue contribution and/or rental expense. An overview of the properties leased and occupied by us is set out above.

Additions/alterations in our leased properties

Based on the inspections conducted by Asset Appraisal Limited, as at the Latest Practicable Date, two leased properties in relation to our stores were suspected to have additions or alterations, and such additions or alterations had yet to obtain the prior approval from the relevant government authorities. The term of the tenancy agreement for these two leased properties will expire on 31 July 2014 and 6 November 2015, respectively. The Legal Counsel has advised us that notwithstanding the existence of the additions or alterations, the tenancy agreements entered into between our Group and the relevant landlords remained valid and subsisting and were in full force and effect in favour of our Group and our Group was entitled to exclusively possess the property for its quiet enjoyment subject to the terms of the relevant tenancy agreements.

Our Directors have confirmed that none of these additions or alterations were built by us and we have requested the relevant landlords, which are Independent Third Parties, to remove these additions or alterations and that we had not received further response from these landlords as at the Latest Practicable Date, nor were we aware of the issue of any government notice against the relevant landlords. In the case where the relevant landlords refuse to remove these additions or alterations, we do not have any present intention to renew the relevant tenancy agreements upon their expiration. Please also refer to the section headed "Risk Factors – Risks relating to our operations – Two of our leased properties may contain additions or alterations without formal approval and three of our leased properties are under sub-leasing arrangement which are in breach or potential breach of the relevant tenancy agreements" for further details in relation to the risk associated with our leasing of properties with such additions or alterations.

As at the Latest Practicable Date, save as disclosed in the section headed "Risk Factors" in this prospectus, our Directors (a) were not aware of any investigations, notices, pending litigation, breaches of law or title defects; (b) had no plan in relation to construction, renovation, improvement, development or change the use, of our leased properties.

Premises sharing arrangements with Bannershop Group

Advertising and printing are complementary businesses and a customer who orders advertising materials may also need related printing services. Accordingly, during the Track Record Period, we had strategic cooperation with Bannershop Group. E-Print Bannershop Limited is a joint venture company whose share capital was owned as to 50% by us and 50% by Bannershop Group as at the Latest Practicable Date, and is primarily responsible for leasing property (the "**Relevant Leased Properties**") from third parties and sub-letting the premises forming part of such leased property (the "**Relevant Premises**") to each of our Group and Bannershop Group for store operation. We share the area of the Relevant Leased Properties in proportion to our respective shareholding in E-Print Bannershop Limited.

Bannershop Group is principally engaged in the design, production and installation of large format digital printing products, such as billboard, bus shelters, light box prints, banners and road show stands. To the best knowledge and belief of our Directors and based on the information provided by Bannershop Group, as at the Latest Practicable Date, it had 13 stores and production plants in Hong Kong, the United Kingdom and Australia. Our Directors believe that our cooperation with Bannershop Group which shares with us similar business value to provide speedy and convenient services at good value for customers and targets similar customer group though offering different kinds of services, could achieve synergy in marketing by the following ways: (a) offering convenience and time-saving to customers who are looking for a range of different marketing materials by making available the services they need at our store and the store of Bannershop Group which is adjacent to each other; (b) elevating the brand awareness of both of us by drawing the attention of potential customers who have little or no knowledge of us or Bannershop Group when they visit the store of us or Bannershop Group situated at the same Relevant Leased Properties; and (c) sharing our fixed cost (mainly the cost of store refurbishment and outgoings) of operating stores in Hong Kong pursuant to the Premises Sharing Cooperation Agreement (as defined below). As at the Latest Practicable Date, E-Print Bannershop Limited sub-let the Relevant Premises to us which were being used for totally 10 e-print stores. Our Directors have confirmed that, apart from the premises sharing arrangements with Bannershop Group, we did not have other forms of cooperation with Bannershop Group during the Track Record Period and up to the Latest Practicable Date.

Premises Sharing Cooperation Agreement

Pursuant to the premises sharing cooperation agreement dated 2 July 2013 (the "**Premises Sharing Cooperation Agreement**"), we and Bannershop Group agreed to procure E-Print Bannershop Limited to identify suitable premises, enter into the tenancy agreement with the lessor for each Relevant Leased Property, and sub-let the Relevant Premises to us and Bannershop Group for the corresponding term, under which we and Bannershop Group share the rental payment and decoration expenses, management fees, rates, leasehold improvements, charges for gas, water, electricity and telephone, and any other outgoings in respect of each Relevant Leased Property, in proportion to our respective shareholding in E-Print Bannershop Limited. Each party and its affiliate, however, shall have the right to find and lease suitable premises and enter into any tenancy agreement (other than those already entered into by E-Print Bannershop Limited) alone with the landlord.

Under the Premises Sharing Cooperation Agreement, before the expiration of the term of the respective sub-lease, if we or Bannershop Group ceases to occupy or sub-lease any Relevant Premises, such party shall indemnify the other party or E-Print Bannershop Limited (if such other party so directs) in full for the remaining term, all the rentals, licence fees, service fees, management fees, rates, leasehold improvements, charges for gas, water, electricity and telephone, and any other outgoings in respect of the Relevant Premises which would have otherwise incurred or payable by such party had such party continued to sub-lease such Relevant Premises.

As at the Latest Practicable Date, three out of 10 Relevant Premises sub-leased by E-Print Bannershop Limited to us and Bannershop Group were in breach or potential breach of the provision of the tenancy agreements entered into between the respective landlord and E-Print Bannershop Limited which prohibited sub-leasing of the Relevant Leased Properties. We had notified in writing the relevant landlords of the fact of sub-lease of the Relevant Premises by E-print Bannershop to us and Bannershop Group and sought for their consent to such arrangement. As at the Latest Practicable Date, we did not receive the consents from such landlords for such arrangement in respect of the aforesaid properties. The term of the relevant tenancy agreements will expire during the period from June 2014 to June 2016. Should the relevant landlords reject the sub-lease arrangement and request us to move out from the premises, our Directors consider that, taking into account the fact that (i) our customers can have access to our services through other stores in our store network and our websites; (ii) suitable premises are available in the locality; and (iii) the costs involved to relocate any of such stores will be around HK$300,000, our business will not be materially and adversely affected.

Our Controlling Shareholders have executed a deed of indemnity in favour of our Group to indemnify us against all claims, actions, losses, damages, costs or expenses suffered or incurred by any of the members of our Group in connection with the sub-lease of the Relevant Premises in breach of the relevant tenancy agreement.

Save as disclosed above, our Directors have confirmed that, during the Track Record Period and up to the Latest Practicable Date, each of us and E-Print Bannershop Limited had complied with the tenancy agreements in respect of all properties leased by us or E-Print Bannershop Limited (as the case may be) in all material respects.

COMPETITION

We believe that the market for printing services is currently an oligopoly, with a few number of players dominating the market even though the rest of the industry is highly fragmented. According to Euromonitor, there were approximately 3,750 registered printing companies in Hong Kong and the top five printing companies, in aggregate, contributed approximately 28.2% of the total customer value spent on printing services in 2012. We believe that factors such as price, service quality, delivery schedule, brand awareness and sales channels have a significant influence on customer's choices among competing services and brands. We consider that we compete with other competitors in terms of service offering, price, timely delivery, service quality, investment in information technology and printing technique, sales channels and the ability to meet changing customers' preferences.

We believe that the requirement for skilled labour, relatively high capital expenditure in terms of our information technology infrastructure and investments in machinery and rental expenses for leasing production sites and stores may constitute a practicable barrier to the existing players in the industry to expand their business and a significant barrier to the new players to enter this industry.

Based on the experience of our management team, our principal competitors are those printing companies which have set up printing facilities in Hong Kong or PRC and offer printing services in Hong Kong through the traditional sales channel (i.e. physical stores) and/or the internet. We also believe that we may face competition from competitors which have the financial resources, technical expertise and sales and marketing networks comparable to or better than those of our Group. Nevertheless, our Directors consider that we have made substantial investment in information technology and production equipment to maintain our competitiveness in terms of costs, delivery schedule and product quality in the industry, and we have built up our reputation as a reliable and professional printing service provider in Hong Kong since our inception and are able to operate competitively.

INSURANCE

We have taken out insurance policies which cover, amongst other things, the fixtures and machineries at our production facilitates, warehouse and stores, including all the inventories. We also have taken out insurance with coverage for risks and liabilities arising from or in relation to our stores, and money insurance for loss of cash in transit or at our stores.

Our Directors believe that the insurance coverage taken out by us is in line with industry norms in Hong Kong and PRC and is adequate and sufficient for our operations. Our Directors have confirmed that we were not subject to any material insurance claims or liabilities arising from our operation during the Track Record Period.

EMPLOYEES

Staff members

As at 31 March 2013 and 31 July 2013, we had a total of 465 and 484 staff members, respectively. The following table sets out a breakdown of our employees by functions and geographical locations as at 31 March 2013 and 31 July 2013:

Functions

	As at	
	31 March 2013	**31 July 2013**
	Number of employees	*Number of employees*
Management	8	10
Marketing	14	13
Technology Development and Technical Support	35	37
Production and Procurement	294	304
Store staff	64	69
Human Resources and Administration	31	31
Finance and Accounting	19	20
Total	465	484

Geographical locations

	As at 31 March 2013 *Number of employees*	As at 31 July 2013 *Number of employees*
Hong Kong	323	332
China	142	152
Total	465	484

During the Track Record Period, sales, marketing, procurement and production functions in our business operations were principally undertaken by our staff in Hong Kong, whereas pre-press processing, customer services, information technology, software development, accounting and administrative functions were jointly undertaken by our staff in Hong Kong and our back office support teams stationed in Shenzhen, Guangzhou, Maoming and Zhaoqing, Guangdong Province, the PRC. Our staff members at Shenzhen office are primarily responsible for information technology, software development, accounting and administrative functions. Our staff members at Guangzhou branch office are primarily responsible for supervising and monitoring the customer support services provided by Gangsui. Our staff members at Maoming and Zhaoqing branch offices are primarily responsible for undertaking pre-press processing work. Our back office support teams in the PRC are under the direct supervision of the respective department head at our Hong Kong office, and we organise regular meetings for the management team members of our Hong Kong and PRC offices to enhance coordination and cooperation between different offices.

Staff training and relations

We provide training to our staff on a regular basis to enhance their technical and product knowledge including industry quality standards, safety standards and customers sales skills. We constantly carry out staff evaluation to assess their performance.

We maintain good working relationships with our staff. Our Directors believe that our working environment and benefits offered to our employees have contributed to building good staff relations and retention. During the Track Record Period, save as the claims from employees and ex-employees as disclosed in the paragraph headed "Regulatory compliance – Legal proceedings" in this section, we did not experience any strike or labour dispute with our staff which had a material effect on our business or results of operations.

For our employees in Hong Kong, we maintain employee compensation insurance for all of them as required under the Employees' Compensation Ordinance and other applicable laws and regulations in Hong Kong. We also participate in a provident fund scheme registered under the Mandatory Provident Fund Schemes Ordinance for all our eligible employees in Hong Kong. As required under the ordinance, 5% of our employees' relevant income per month is contributed to the provident fund, subject to a maximum of HK$1,250 per employee per month.

For our employees in the PRC, we enter into separate labour contracts with each of our employees in accordance with the PRC labour law. As confirmed by the relevant PRC authorities, we have not been subject to any penalties in relation to any violation of PRC labour laws and regulations. During the Track Record Period, we did not make housing fund contributions for all our employees in the PRC until June 2013. For further details, please refer to the paragraph headed "Regulatory compliance – Major non-compliance matters of our Group during the Track Record Period and as at the Latest Practicable Date" in this section. Save as disclosed as aforesaid, we had made all work-related injury insurance and social insurance contributions for them and were in compliance with all applicable laws and regulations in relation to work-related injury insurance and social insurance in the PRC in all material respects.

REGULATORY COMPLIANCE

During the Track Record Period up to the Latest Practicable Date, save as disclosed in the paragraph headed "Major non-compliance matters of our Group during the Track Record Period and as at the Latest Practicable Date" below, we had complied with all major applicable laws and regulations in Hong Kong and PRC in all material respects and had obtained all necessary approvals, permits, license, approvals and certificates that are material to our business operations from the relevant government authorities.

Major non-compliance matters of our Group during the Track Record Period and as at the Latest Practicable Date

During the Track Record Period and as at the Latest Practicable Date, we had inadvertently contravened certain rules and regulations in Hong Kong and the PRC, including: (i) Companies Ordinance; (ii) Factories and Industrial Undertakings Ordinance; (iii) Waste Disposal Ordinance; (iv) Water Pollution Control Ordinance; and (v) Regulation under Administrative Regulations on the Housing Fund. Set out below is a summary of the major non-compliance matters of our Group during the Track Record Period and as at the Latest Practicable Date.

Relevant section(s) of the ordinance/regulation	Name(s) of our Group companies	Particulars of the non-compliance	Cause/reason of the non-compliance	Possible legal consequences and maximum financial impacts	Whether provisions have been made	Rectification actions
Non-compliance under the Companies Ordinance						
Section 122 of the Companies Ordinance	Promise Network, Invoice Limited, Kimley Technology, Lucky Gainer, Design Easy, Digital Printing and E-Print Bannershop Limited	Each of the companies mentioned failed to lay their profit and loss accounts and balance sheets at their respective annual general meeting within the prescribed time limit after the incorporation date of the each of the companies.	During the material period, our Group companies were not familiar with the specific requirements under the Companies Ordinance and did not have a company secretarial department with relevant working experience to handle company secretarial matters and to ensure compliance with the Companies Ordinance.	The director of the relevant company *(Note 1)* shall be liable to a fine of HK$300,000 and 12-month imprisonment.	No *(Note 2)*	Each of Promise Network, Invoice Limited, Kimley Technology, Lucky Gainer, Design Easy, Digital Printing and E-Print Bannershop Limited had applied to the Court of First Instance of the High Court of Hong Kong in May 2013 for orders to rectify such non-compliance. In June 2013, orders were granted by the High Court of Hong Kong to rectify the non-compliance. All relevant audited accounts were laid before the general meetings of the relevant companies in August 2013 pursuant to the court orders.

Relevant section(s) of the ordinance/regulation	Name(s) of our Group companies	Particulars of the non-compliance	Cause/reason of the non-compliance	Possible legal consequences and maximum financial impacts	Whether provisions have been made	Rectification actions
Sections 45, 92, 109 and 158 of the Companies Ordinance	Promise Network, Invoice Limited, Kimley Technology, Lucky Gainer, Design Easy, Digital Printing and E-Print Bannershop Limited	Each of the companies mentioned failed to file notifications in relation to the annual return, change of registered office, change of particulars of secretary and director or change of secretary and director with the Companies Registry within the prescribed time limit after the incorporation date of each of the companies.	During the material period, our Group companies did not have a company secretarial department with relevant working experience to handle company secretarial matters and to ensure compliance with Companies Ordinance.	For breaches of the regulatory requirements relating to the filing of notifications in relation to the change of registered office, the change of secretary and director and the change of particulars of secretary and director, the relevant company and its director *(Note 1)* shall be liable to a fine of HK$10,000 and a daily default fine of HK$300 for continued default. For breaches of the regulatory requirements relating to the filing of notifications in relation to the annual return and allotment, the relevant company and its director *(Note 1)* shall be liable to a fine of HK$50,000 and a daily default fine of HK$700 for continued default.	No *(Note 3)*	Relevant filings at the Companies Registry have been made. *(Note 4)*

Relevant section(s) of the ordinance/regulation	Name(s) of our Group companies	Particulars of the non-compliance	Cause/reason of the non-compliance	Possible legal consequences and maximum financial impacts	Whether provisions have been made	Rectification actions
Non-compliance under the Factories and Industrial Undertakings Ordinance						
Notification of workplace to the Commissioner for Labour						
Section 9 of the Factories and Industrial Undertakings Ordinance	Promise Network, Lucky Gainer and Invoice Limited	Promise Network, Lucky Gainer and Invoice Limited failed to file notifications of workplace to the Commissioner for Labour with respect to some notifiable workplaces from December 2002 to May 2013.	During the material period, our Group companies did not have a safety management department specifically to handle safety management and to ensure compliance with the relevant ordinances and regulations.	The proprietor (which includes the company and its director *(Note 1)*) of the workplace is liable to a maximum fine of HK$10,000.	No *(Note 5)*	Relevant notifications have been submitted to the Commissioner for Labour by the relevant companies from January 2003 to May 2013.
Duties in respect of safety management system						
Regulations 8 and 34 of the Factories and Industrial Undertakings (Safety Management) Regulation ("**FIUSMR**")	Lucky Gainer	From July 2006 to May 2013, Lucky Gainer failed to implement the safety management system.	During the material period, our Group companies did not have a safety management department specifically to handle safety management and to ensure compliance with the relevant ordinances and regulations.	The proprietor (which includes the company and its director *(Note 1)*) of the workplace is liable on conviction to a maximum fine of HK$200,000 and to imprisonment for 6 months.	No *(Note 5)*	A safety management system was adopted by Lucky Gainer in June 2013.

Relevant section(s) of the ordinance/regulation	Name(s) of our Group companies	Particulars of the non-compliance	Cause/reason of the non-compliance	Possible legal consequences and maximum financial impacts	Whether provisions have been made	Rectification actions
Establishment of safety committee						
Regulations 10 and 34 of the FIUSMR	Lucky Gainer	From May 2009 to May 2013, Lucky Gainer did not establish a safety committee at the workplace in accordance with the FIUSMR.	During the material period, our Group companies did not have a safety management department specifically to handle safety management and to ensure compliance with the relevant ordinances and regulations.	The proprietor (which includes the company and its director *(Note 1)*) of the workplace is liable on conviction to a maximum fine of HK$100,000 and to imprisonment for 3 months.	No *(Note 5)*	Lucky Gainer established a safety committee in May 2013.
Appointment of registered safety auditor						
Regulations 13 and 34 of the FIUSMR	Lucky Gainer	From May 2009 to May 2013, Lucky Gainer did not appoint a safety auditor to conduct safety audit at the workplace and submit the safety audit report in accordance with the FIUSMR.	During the material period, our Group companies did not have a safety management department specifically to handle safety management and to ensure compliance with the relevant ordinances and regulations.	The proprietor (which includes the company and its director *(Note 1)*) of the workplace is liable on conviction to a maximum fine of HK$200,000 and to imprisonment for 6 months.	No *(Note 5)*	Lucky Gainer appointed a safety auditor to conduct safety audit in June 2013. The safety audit report was prepared and submitted to the Labour Department by the safety auditor in June 2013.

Relevant section(s) of the ordinance/regulation	Name(s) of our Group companies	Particulars of the non-compliance	Cause/reason of the non-compliance	Possible legal consequences and maximum financial impacts	Whether provisions have been made	Rectification actions
Fire precautions in notifiable workplaces						
Regulation 5(1) of the Factories and Industrial Undertakings (Fire Precautions in Notifiable Workplaces) Regulations	Invoice Limited	On 22 January 2013, Invoice Limited failed to maintain in good condition and free from obstruction a side exit doorway of a flat within the notifiable workplace which affords a means of escape from the workplace in case of fire.	Due to the large quantity of printed products during the peak period of business, Invoice Limited stored certain printed products near the side exit doorway.	The proprietor (which includes the company and its director *(Note 1)*) of the notifiable workplace is liable on conviction to a fine of HK$200,000 and to imprisonment for 6 months.	No *(Note 6)* Invoice Limited paid a fine in the sum of HK$8,000 in July 2013.	We specifically assigned our safety committee to supervise the compliance in May 2013 and provided training to relevant employees in August 2013.
Non-compliance under the Waste Disposal Ordinance						
Regulations 6 and 7 of the Waste Disposal (Chemical Waste) (General) Regulation	Lucky Gainer	From November 2009 to May 2013, Lucky Gainer did not register as a chemical waste producer with the Environmental Protection Department.	During the material period, our Group companies did not have a designated staff specifically to handle the production of chemical waste and to ensure compliance with the relevant ordinances and regulations.	Any person (which includes the company and its director *(Note 1)*) produces chemical waste without registration is liable on conviction to a maximum fine of HK$200,000 and to imprisonment for 6 months.	No *(Note 7)*	Lucky Gainer obtained the registration as a chemical waste producer from the Environmental Protection Department in June 2013.

Relevant section(s) of the ordinance/regulation	Name(s) of our Group companies	Particulars of the non-compliance	Cause/reason of the non-compliance	Possible legal consequences and maximum financial impacts	Whether provisions have been made	Rectification actions
Non-compliance under the Water Pollution Control Ordinance						
Section 9 of the Water Pollution Control Ordinance	Lucky Gainer	We discharged effluent into the sewer for a period from April 2006 to June 2013 without a water pollution control license issued by the Environmental Protection Department as required under the Water Pollution Control Ordinance.	During the material period, our Group companies did not have a designated staff specifically to handle the discharge of effluent and to ensure compliance with the relevant ordinances and regulations.	The relevant company shall be liable (a) for the first offence, to a fine of HK$200,000; (b) for the second or subsequent offence, to a fine of HK$400,000. If it is a continuing offence, the relevant company shall be liable to an additional daily fine of HK$10,000. The director of the relevant company *(Note 1)* may also be held liable and imprisoned for 6 months. *(Note 8)*	No *(Note 7)*	Lucky Gainer obtained the water pollution control license from the Environmental Protection Department in June 2013.

Relevant section(s) of the ordinance/regulation	Name(s) of our Group companies	Particulars of the non-compliance	Cause/reason of the non-compliance	Possible legal consequences and maximum financial impacts	Whether provisions have been made	Rectification actions
Non-compliance under the Employees' Compensation Ordinance						
Section 48 of the Employee's Compensation Ordinance	Lucky Gainer	Lucky Gainer dismissed injured employees in around June 2012 and October 2012 respectively, in contravention of section 48 of the Employees' Compensation Ordinance.	(i) In around June 2012 , the relevant ex-employee was involved in an incident of affray. The production manager did not consider that the incident was an injury under the Employees' Compensation Ordinance and therefore did not commence the personal injury and accident handling procedure. (ii) In around October 2012, our Group considered that the performance of another ex-employee, who was newly employed in September 2012, was not satisfactory and dismissed him. The relevant ex-employee then initiated a claim in the Labour Tribunal against us and alleged that he was dismissed during a sick-leave period due to injury at workplace.	The employer *(Note 1)* is liable on conviction to a fine at HK$100,000.	No *(Note 9)* Lucky Gainer paid the fine in both cases in the sum of HK$5,000 in July 2013 and HK$5,000 in August 2013, respectively.	Lucky Gainer has strengthened the system for recording and handling injuries and accidents of our Group and centralised the handling procedure by the human resources department since June 2013.

Relevant section(s) of the ordinance/regulation	Name(s) of our Group companies	Particulars of the non-compliance	Cause/reason of the non-compliance	Possible legal consequences and maximum financial impacts	Whether provisions have been made	Rectification actions
Non-compliance relating to housing fund contribution						
Administrative Regulations on the Housing Fund, Article 38	The branch offices of Dajinlai Technology	The branch offices of Dajinlai Technology in Guangzhou, Maoming and Zhaoqing failed to make housing fund contributions for all their employees since July 2012 (when the relevant branch offices started to recruit its staff) and up to (i) March 2013 for Guangzhou branch office and (ii) May 2013 for Maoming and Zhaoqing branch offices.	Our PRC administration staff did not possess sufficient knowledge on and were not fully aware of the requirements under the Administrative Regulations on the Housing Fund, Article 38 to calculate and to provide for the relevant contribution.	According to our PRC legal advisers, the branch offices of Dajinlai Technology are not subject to any risk of penalty in this regard because they paid the outstanding amounts of contributions in full in June 2013.	No	The outstanding amount of the housing fund contributions was settled with the relevant bureaus in June 2013 for all of the relevant employees of each of our branch offices in Guangzhou, Maoming and Zhaoqing.

Notes:

(1) The directorship of Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung, Mr. YP Leung and Mr. Yip in the relevant subsidiaries of our Group was summarised below:

	Mr. She	Mr. Chong	Mr. Lam	Mr. WM Leung	Mr. YP Leung	Mr. Yip
Promise Network	Since October 2001	Since November 2005	Since March 2012	Since March 2012	Since March 2012	–
Invoice Limited	Since February 2013 and from October 2005 to January 2009	Since February 2013	Since February 2013	Since February 2013	Since February 2013	Since October 2005
Kimley Technology	Since March 2009	Since March 2009	Since February 2013	Since February 2013	Since February 2013	–
Lucky Gainer	Since November 2004	Since February 2013	Since February 2013	Since February 2013	Since February 2013	–

	Mr. She	Mr. Chong	Mr. Lam	Mr. WM Leung	Mr. YP Leung	Mr. Yip
Design Easy	Since February 2013 and from June 2007 to January 2009	Since February 2013 and from June 2007 to January 2009	Since February 2013	Since February 2013	Since February 2013	From January 2009 to February 2013
Digital Printing	Since February 2013	Since February 2013 and from September 2008 to July 2009	Since February 2013	Since February 2013	Since February 2013	From July 2009 to February 2013

Since the date of incorporation, the directors of E-Print Bannershop Limited were E-Print Group and Bannershop Investment Limited. Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung have been appointed as the directors of E-Print Group since June 2008.

(2) According to the Legal Counsel, section 122 of the Companies Ordinance provides that imprisonment should not be implemented unless the non-compliance was committed wilfully. Moreover, there are no reported cases on the penalty imposed for breaches of section 122 of the Companies Ordinance. According to the statistics provided by the Companies Registry's website, there were no prosecutions of this section by the Companies Registry in 2012. Even if Companies Registry is minded to prosecute our Group, the penalty would be in a form of a fine and on the low side. Accordingly, no provision has been made in our Group's financial statements as the likelihood of enforcement by the Companies Registry to penalise our Group for possible offences arising from past defaults is low and the financial impact of penalties is not material. On 4 June 2013, the Court of First Instance of the High Court of Hong Kong granted an order to rectify such non-compliance.

(3) As to the non-compliance of late filings relating to company secretarial matters with the Companies Registry, although the discretion to prosecute falls entirely on the Companies Registry and the Companies Ordinance specifies the relevant level of fines, we understand from the Legal Counsel that the Companies Registry does not, in all cases, prosecute late filings or levy penalties. As advised by the Legal Counsel, the Companies Registry would consider the reason of the default, the mitigating factors, the steps taken by the company in question to rectify the default and the period of default. If the Companies Registry chooses to prosecute the relevant Hong Kong subsidiaries, with reference to the daily penalty rate imposed by the Court at their discretion for similar breaches in the past, the risk of imposing the aggregate penalties of more than HK$700,000 is a low one. Therefore, our Directors consider such amount is not material to our Group's consolidated financial statements. In addition, our Controlling Shareholders have given an indemnity in favour of our Group in this connection. Accordingly, no provision for the penalties has been made by our Directors for the preparation of the financial information.

(4) The following filings were submitted to the Companies Registry:

(a) annual return by Promise Network in May 2006, by Invoice Limited in August 2007, by Lucky Gainer in December 2007, by Design Easy in October 2008 and February 2013;

(b) return of allotment by Invoice Limited in November 2005;

(c) notification of situation of registered office or change of address of registered office by Promise Network in November 2004, by Invoice Limited in November 2005 and August 2011, by Lucky Gainer in September 2011 and June 2013, by Design Easy in October 2010 and April 2012, by Digital Printing in October 2009, October 2010 and April 2012;

(d) notification of change of secretary and director by Promise Network in December 2007 and May 2012, by Invoice Limited in November 2005 and December 2007, by Design Easy in April 2009 and July 2009, by E-Print Bannershop Limited in June 2012;

(e) notification of change of particulars of secretary and directors by Promise Network in November 2004 and May 2012, by Invoice Limited in February 2011, by Kimley Technology in March 2011, by Design Easy in June 2008 and October 2010, by Digital Printing in October 2009 and October 2010; and

(f) notification of first secretary and director by Invoice Limited in November 2005.

(5) We understand from the Legal Counsel that the Labour Department does not prosecute each and every case of non-compliance. As advised by the Legal Counsel, the Labour Department would consider the reason of the default, the period of default, rectification measures taken, any mitigating factors and the seriousness of the breach. Although there may still be a risk of prosecution by the Labour Department, the penalty imposed by the court will likely be by way of a fine on the lower level. Therefore, our Directors consider such amount is not material to our Group's consolidated financial statements. In addition, our Controlling Shareholders have given an indemnity in favour of our Group in this connection. Accordingly, no provision for the penalties has been made by our Directors for the preparation of the financial information.

(6) The summons was issued to Invoice Limited for a hearing in June 2013. As the fine of HK$8,000 imposed by a magistrates' court has been paid, no provision for the penalty has been made by our Directors for the preparation of the financial information. For details, please refer to the paragraph headed "Regulatory compliance – Legal proceedings" in this section.

(7) We understand from the Legal Counsel that, in view of the total number of prosecutions in 2012 as provided by the statistics from the Environmental Protection Department, the chance that the Environmental Protection Department will initiate any criminal proceedings against our Group or the director, manager or other officer of the relevant member of our Group, including prosecution in respect of the breaches occurred prior to the obtaining of such licence or registration for breach(es) of the Water Pollution Control Ordinance and Waste Disposal Ordinance is a low one. In the unlikely event the Environmental Protection Department does initiate any criminal proceedings against our Group or the director, manager or other officer of the relevant member of our Group for breach(es) of the Water Pollution Control Ordinance and Waste Disposal Ordinance, according to the prosecution and penalty statistics provided by the Environmental Protection Department, the Legal Counsel forms a view that it will be in the form of a fine at the lower level. The potential fines, if levied on our Group, with respect to the failures to register as a chemical waste producer under the Waste Disposal Ordinance and obtain a water pollution control license under the Water Pollution Control Ordinance are likely below HK$50,000 and HK$30,000, respectively. The chance of imprisonment of the director, manager or other officer of the relevant member of our Group is very remote.

(8) Under section 10A of the Water Pollution Control Ordinance, any director, manager, secretary or other person of the relevant company concerned in their management who consented, connived, or was attributable to any neglect or omission commits the offence, and may also be liable and imprisoned for six months.

(9) The two summons were issued to Lucky Gainer for hearing in June 2013 and August 2013, respectively. As the fines of HK$5,000 for each case imposed by a magistrates' court have been paid, no provision for the penalties has been made by our Directors for the preparation of the financial information. For details, please refer to the paragraph headed "Regulatory compliance – Legal proceedings" in this section.

In relation to the aggregate potential penalties for the above Hong Kong non-compliance matters, the Legal Counsel advises that our Group and each of relevant Directors are unlikely subject to penalties exceeding HK$1,310,000 and HK$3,410,000, respectively. On the assumption that a director of our Group is held by the court to be liable for all the above major Hong Kong non-compliance matters and based on pure mathematical summation of all the possible maximum duration of imprisonment as set out in the paragraph headed "Regulatory compliance – Major non-compliance matters of our Group during the Track Record Period and as at the Latest

Practicable Date" above, the possible maximum duration of imprisonment of the director is estimated to be 45 months. In any event, the Controlling Shareholders have agreed to indemnify us for the potential fines. For details, please refer to the paragraph headed "Regulatory compliance – Deed of Indemnity" in this section below.

During the Track Record Period and up to the Latest Practicable Date, the aggregate amount of penalties paid by the Company for the above non-compliance matters amounted to HK$18,000. As at the Latest Practicable Date, all the non-compliance matters have been rectified. We understand from the Legal Counsel that prosecution is a matter within the discretion of the Department of Justice and the relevant authorities. However, since (i) our Group has already taken positive steps in rectifying the above non-compliance matters; (ii) save for the aggregate fines of HK$10,000 imposed at the magistrates' court for the two aforementioned breaches of the Employee's Compensation Ordinance and the fine of HK$8,000 imposed by the magistrates' court for the aforementioned breach of regulation on fire precautions in notifiable workplace which have been fully settled, we were not aware of any investigation about such Hong Kong non-compliances against our Group and our Directors during the Track Record Period and as at the Latest Practicable Date, the chance of prosecution against the relevant directors (Mr. She was the sole director of Lucky Gainer and Mr. Yip was the sole director of Invoice Limited at the relevant time of the major Hong Kong non-compliance matter) of the relevant member of our Group is relatively low. We understand from the Legal Counsel that even if the relevant authority chooses to prosecute the relevant Directors, the chance of imprisonment of our Directors is remote in view of the nature of the offenses.

Deed of Indemnity

Our Controlling Shareholders have entered into the Deed of Indemnity with and in favour of us to provide indemnities on a joint and several basis in respect of, among other matters, all claims, payments, suits, damages, settlements, payments, fines, actions, liabilities and any associated costs and expenses which may be incurred or suffered by our Group directly or indirectly, from or on the basis of or in connection with any litigation, arbitration and/or legal proceedings against any member of our Group which was issued and/or accrued and/or arising from any act, non-performance, omission or otherwise of any member of our Group occurred at any time on or before the Listing Date. This further protects our Group from any material adverse consequence due to any claims incurred on or before the Listing Date. Further details of the Deed of Indemnity are set out in the section headed "Statutory and General Information – 15. Estate duty, tax and other indemnity" in Appendix IV to this prospectus.

Our Directors are satisfied that our Controlling Shareholders have sufficient financial resources to honour their obligations to provide indemnities in respect of the aforesaid outstanding claim against our Group under the Deed of Indemnity.

Our Directors, after carrying out enquiries on the facts and circumstances leading to the non-compliances, have considered that the non-compliances have no material financial and operational impact on our Group.

Corporate governance measures to prevent recurrence of non-compliance

Our Directors are of the view that the root causes of non-compliance and breaches of law in relation to our business as set out above were due to the deficiency of our corporate governance control measures in legal compliance. In response, our Group has taken the following measures to prevent future occurrence of such non-compliance and breaches and improve our corporate governance to ensure compliance with various applicable laws and regulations going forward:

(a) We have established an internal audit department in December 2012 comprising three members, namely Mr. Fung Hong Keung (our executive Director, company secretary and chief financial officer), Mr. Tsui Pak Wai (our executive Director and manager of the corporate management department) and Mr. Mok Chun Wa (our internal finance officer). The primary duty of our internal audit department is to oversee all compliance-related issues of our Group. The internal audit department will be responsible for the implementation of the internal control policies and procedures, which will be updated according to the guidelines, recommendations and suggestions provided by the safety committee, safety consultants and audit committee of our Company from time to time.

Our internal audit department may invite safety consultants and members of safety committee of our Company when necessary to join its regular meeting to render professional advice as to compliance with the statutory requirements as applicable to our Group from time to time. If any compliance-related incident occurs, a special meeting may be held.

The internal audit department will also be responsible for assisting in risk identification and assessment in response to regulatory update and business development, and providing efficient and practical advice and seeking external advices if necessary, carrying out internal investigation and implementing any preventive measures, and promoting compliance awareness among our staff.

Our internal audit department will hold regular meeting on a quarterly basis to review, investigate and discuss the compliance-related issues with our senior personnel from the production department.

Each of our internal audit committee members has knowledge and previous experience in internal audit. In particular, (i) Mr. Tsui Pak Wai completed certain training courses in relation to internal quality management system, hazard analysis and critical control points implementation and auditing, basic occupational health, basic safety management, safety in manufacturing industry and basic accident prevention in 2005; and (ii) Mr. Fung Hong Keung worked in internal audit department of The Kowloon Motor Bus Co., (1933) Ltd. from 1984 to 1987 and was in charge of various internal control management in his previous position in 生產力(深圳)諮詢有限公司 (Productivity (Shenzhen) Consulting Co., Ltd.) (a subsidiary of the Hong Kong Productivity Council) from October 2011 to March 2012. Both Mr. Tsui and Mr. Fung also attended training courses relating to the duties and roles of directors in 2013. Mr. Mok Chun Wa graduated from the Hong Kong Baptist University with a bachelor degree in business administration in November 2010. Mr. Mok joined our Group in December 2012. Before that, he worked as a staff accountant in an audit firm from October 2010 to

July 2012. Mr. Mok completed the CPA Qualification Programme of the Hong Kong Institute of Certified Public Accountants in November 2012. Each of Mr. Fung Hong Keung and Mr. Mok Chun Wa has approximately 23 and three years of experience, respectively, in internal audit or finance. Please refer to the section headed "Directors and Senior Management" in this prospectus for further biographical details of Mr. Fung Hong Keung and Mr. Tsui Pak Wai.

Our internal audit department will report to our Board on a regular basis. Two out of three members of our internal audit department are our executive Directors who will timely report any material issues to the Board for formulating appropriate remedial measures when necessary. Our Board may also request the internal audit department to conduct investigation upon identification of any problem in connection with the implementation of internal control measures or discovery of non-compliance issues. Our Board will also review the regular reports provided by our internal audit department and engage external professional experts when necessary to render advice or provide training to the staff in order to assist the internal audit department in the performance of their duties.

(b) We have established an audit committee on 13 November 2013 comprising three members, namely Ms. Luk Mei Yan, Dr. Lung Cheuk Wah and Mr. Chi Man Shing Stephen (all being our independent non-executive Directors) to review and supervise our financial reporting process and internal control system, nominate and monitor external auditors and provide advice and comments to our Board on matters related to corporate governance. Ms. Luk Mei Yan has been appointed as the chairlady of the audit committee of our Company. Please refer to the section headed "Directors and Senior Management" of this prospectus for further biographical details of the members of the audit committee of our Company.

(c) Our Company has appointed a compliance adviser, who shall provide advice regarding compliance with the Listing Rules after the Listing. In addition, our compliance adviser would advise on, among other things, assessing the understanding of all new appointees to our Board regarding the nature of their responsibilities and fiduciary duties as a director of a listed issuer.

(d) Our Company arranged for our Directors to attend a training session in June 2013 conducted by our Company's Hong Kong legal advisers, Li & Partners, regarding director's duties under the Listing Rules and the laws of Hong Kong.

(e) Going forward, we will engage external professional advisers such as consultancy firms, auditors and external legal advisers to render professional advice as to compliances with the statutory requirements as applicable to our Group from time to time after Listing.

(f) Our Directors and senior management are required to attend trainings on the laws and regulations relevant to our business operation on a regular basis.

To further enhance the effectiveness of our internal control system and to prevent the recurrence of the abovementioned non-compliance, we have specifically adopted the following internal control measures:

Issues	Measures
Compliance under the Companies Ordinance	We have appointed Mr. Fung Hong Keung (our executive Director), who has approximately 23 years of experience in auditing, accounting, financial management and company secretarial matters, as our company secretary who will be responsible for company secretarial matters of our Group. Mr. Fung joined our Group since May 2012. He obtained a professional diploma in corporate governance & directorship from the Hong Kong Productivity Council and Hong Kong Institute of Director in November 2012. Mr. Fung is also appointed as our executive Director and chief financial officer of our Group. Our Directors believe that our Company will be able to draw on his expertise and experience with respect to compliance with applicable legal and financial reporting requirements. Please see the section headed "Directors and Senior Management" for detailed information of Mr. Fung.
Compliance under the Factories and Industrial Undertakings Ordinance (including regulations on fire precautions)	We established a safety committee in May 2013 pursuant to the FIUSMR and the safety committee of our Company is under the supervision of our internal audit department. We appointed a safety auditor and safety review officer, SA Consultants & Associates, in June 2013 to conduct annual statutory safety audit and safety review on our safety management system and to prepare safety audit and safety review reports to be submitted to the Labour Department (if required). We also engaged SA Consultants & Associates in August 2013 to provide contract registered safety officer services in relation to the implementation of the safety management system in our production base. SA Consultants & Associates will provide safety consultancy services to our Group bi-monthly from August 2013 to January 2014 and tri-monthly from February 2014 to July 2014. The duration of the engagement is one year. The scope of safety consultancy services includes, amongst others, providing safety management consultancy services, advising on warehouse safety issues, supervising the

Issues	Measures
	implementation of our safety policy and safety plan and providing general safety training to our staff. SA Consultants & Associates specialises in safety, health, environmental and quality ("**SHEQ**") management, SHEQ policy and planning, safety management system, education, training, supervision, management, risk assessment, accident investigation, review and independent audit. SA Consultants & Associates has more than 20 years of experience in SHEQ professionals and has been engaged by a number of listed companies and government departments in safety consultancy services. Its consulting team members obtain a number of professional qualifications which include, amongst others, registered safety auditor and registered safety officer with the Labour Department. The responsible team head of SA Consultants & Associates, who was first registered as a safety officer and safety auditor at the Labour Department in December 1989 and August 2001 respectively, has over 20 years of experience in providing safety consultancy services. We provided training to the relevant employees in August 2013 relating to the importance of fire safety and have appointed Mr. Lee Hon Wai, our production manager, to supervise the compliance with the relevant regulations by leading a team of supervisors from each workshop to check and ensure that every doorway, stairway and passageway within the production plant of our Group is maintained in good condition and free from obstruction. Please refer to the section headed "Directors and Senior Management" for detailed information of Mr. Lee Hoi Wai. For other measures adopted by us relating to health and work safety, please refer to the paragraph headed "Environmental protection, health and work safety – Health and work safety" in this section.

Issues	Measures
Compliance under the Waste Disposal Ordinance and the Water Pollution Control Ordinance	We designated Mr. Lee Hon Wai, our production manager, as the chairman of the safety committee of our Company in May 2013 to supervise the compliance with the relevant ordinances and the renewal of the water pollution control licence by keeping track of the pending expiration date of the licence, and coordinating the timely preparation and submission of relevant renewal approvals. Mr. Lee has been appointed as our production manager since November 2009 and responsible for our Group's daily production operation. Mr. Lee has been working closely with the external professional experts including Hong Kong Productivity Council and SA Consultants & Associates and our internal staff to ensure that our Group's operation complies with the relevant safety and environmental protection requirements and have developed the knowledge of the specific safety, waste disposal and water pollution requirements. Mr. Lee will regularly communicate with the external professional experts and seek their advice on compliance with the relevant rules and regulations and keep update on the specific statutory requirements. Mr. Lee will also attend relevant trainings provided by the government department and professional experts, if available, to continuously enhance his knowledge in this aspect from time to time. Our internal audit department will regularly review the matters discussed in the safety committee. We engaged Hong Kong Productivity Council to conduct review of our wastewater handling system in December 2012 and to advise us on water pollution control matters. In accordance with the recommendation of Hong Kong Productivity Council, we installed a new automatic wastewater treatment system in March 2013 to ensure that any effluent discharged to the drainage will comply with the relevant regulatory requirements in Hong Kong. We also engaged Hong Kong Productivity Council to conduct second testing in March 2013 after the installation of the new automatic wastewater treatment system. Hong Kong Productivity Council concluded that all the selected parameters of the treated effluent comply with the relevant government discharge requirements. In June 2013, the Environmental Protection Department granted Lucky Gainer a water pollution control licence.

Issues	Measures
Compliance under the Employees' Compensation Ordinance	In June 2013, we strengthened our personal injury and accident handling procedure and centralised the handling procedure by the human resources department which included, among others: • communication with the injured employee immediately to understand and gather all relevant information of the injury and accident; • recording and handling of information relating to all injuries and accidents of employees, including personal particulars of the employee in question, details of the injuries and accidents, and interview record of the employee in question and witness (if applicable); • reporting any possible claims to the insurance company to protect the interest of the related employees and our Group; and • seeking legal advice when our senior management considers appropriate.
Compliance under Administrative Regulations on the Housing Fund	We adopted internal policies in July 2013 to ensure future compliance with the relevant PRC laws and regulations, which included, amongst others: • calculation of housing fund contributions based on the total number of staff, which shall be recorded by our human resources department; • proper record keeping and regular review of the relevant information by our human resources department, including monthly review of our staff list and payable amounts and monthly verification of actual payments; • annual review of actual payments and calculation basis by our human resources supervisor and remuneration management personnel, respectively; and • submission of review reports to the Board.

Based on the rectification measures taken, our enhanced internal control procedures in place after adoption of the recommendations from the consultants engaged by our Company, together with the establishment of an internal audit department to monitor the continuing compliance of our Group with compliance-related issues in the future, our Directors are of the view and the Sole Sponsor concurs that, the internal control measures adopted by our Group are adequate, effective and fit for its current operational environment in reducing the risk of future non-compliance with applicable legal and regulatory requirements and that our Group has effective work safety measures in place. Our Sole Sponsor confirms that, after carrying out enquiries on the facts and circumstances leading to the non-compliances and having considered that the non-compliances have no material financial and operational impact on our Group and that such incidents did not involve any dishonesty on the part of our Directors or impugn on their integrity or competence, it concurs the views of our Directors that the non-compliances do not affect the suitability of our Directors and our Company for listing under the Listing Rules.

Legal proceedings

From time to time our Group has been, and may in the future be occasionally, involved in routine legal proceedings or disputes in the ordinary course of business that are common for its industry, including minor employment disputes and customer claims.

Set out below are the details of (i) the ongoing litigation against our Group as at the Latest Practicable Date; (ii) the litigation against our Group which had been settled (whether by way of court judgment or settlement) during the Track Record Period and up to the Latest Practicable Date; and (iii) the major potential litigation in relation to employees' compensation claims and common law personal injury claims against our Group arising from work-related incidents and injuries as at the Latest Practicable Date:

1. Ongoing litigation against our Group as at the Latest Practicable Date

Claim number	Nature of claim	Particular of the claims	Status	Total claim amount/ amount of penalty	Covered by insurance
1	Lucky Gainer being a defendant of labour dispute by an ex-employee	The ex-employee claims the amount of terminal payment and an award for compensation under the Employment Ordinance	Ongoing and hearing is scheduled in January 2014	Approximately HK$9,000 as long service payment plus approximately HK$70,000 as compensation for the personal injury (subject to the assessment by the Labour Department and the Labour Tribunal) *(Note 1)*	It is expected that all costs and expenses will be settled by our internal resources

Note:

(1) In around June 2012, the relevant ex-employee was involved in an incident of affray and suffered from left neck and lower back pain. Our Group terminated his employment contract as a result of his involvement in the said affray. The relevant ex-employee initiated a claim in the Labour Tribunal in August 2012 against us and claimed for approximately HK$9,000 as long service payment plus compensation for the personal injury to be assessed. Based on past experience and subject to the assessment by the Labour Department and the Labour Tribunal, our Directors estimate that the compensation to be paid to the relevant ex-employee for the personal injury is approximately HK$70,000. Furthermore, it was ruled that our Group dismissed the relevant ex-employee in contravention of section 48 of the Employees' Compensation

Ordinance and our Group was fined for HK5,000 which was paid in July 2013. For more details, please refer to the paragraph headed "Regulatory compliance – Major non-compliance matters of our Group during the Track Record Period and as at the Latest Practicable Date" in this section.

2. *Litigation against our Group which had been settled (whether by way of court judgment or settlement) during the Track Record Period and up to the Latest Practicable Date*

During the Track Record Period and up to the Latest Practicable Date, in addition to the one ongoing litigation as disclosed above, our Group was involved as a defendant in legal proceedings comprising one customer claim, two employment disputes, and one case relating to non-compliance with the fire precautions regulations.

The customer claim was heard in the Small Claim Tribunal. The customer claimed for the loss relating to late delivery in 2009 and the amount of approximately HK$49,000 had been settled by our Group. The revenue contribution of this customer was minimal and less than 0.1% of the total revenue of our Group during the Track Record Period. Our Company confirms that there was no other material customer complaint on our printing services as at the Latest Practicable Date.

The two employment disputes involved the dismissal of two ex-employees of our Group. In both cases, the magistrates' court ruled that our Group dismissed the relevant ex-employees in contravention of section 48 of the Employees' Compensation Ordinance and our Group was fined for HK$5,000 in each dispute, which was paid in July 2013 and August 2013, respectively. For more details, please refer to the paragraph headed "Regulatory compliance – Major non-compliance matters of our Group during the Track Record Period and as at the Latest Practicable Date" in this section. In relation to the Labour Tribunal claims on the said two employment disputes, in one case, it was subsequently agreed by our Group and the relevant ex-employee that the dismissal claim was settled for HK$11,000 in February 2013. For another case, please refer to note (1) to ongoing claim number 1 above.

With respect to the non-compliance with the fire precautions regulations, the magistrates' court imposed the fine for the contravention of the fire precautions regulations under the Factories and Industrial Undertakings (Fire Precautions in Notifiable Workplaces) Regulations amounted to HK$8,000 which was paid in July 2013. For details, please refer to the paragraph headed "Regulatory compliance – Major non-compliance matters of our Group during the Track Record Period and as at the Latest Practicable Date" in this section.

3. Major potential litigation in relation to employees' compensation claims and common law personal injury claims against our Group arising from work-related incidents and injuries as at the Latest Practicable Date

As confirmed by our Directors, during the Track Record Period and up to the Latest Practicable Date, there were 28 major potential personal injury litigation claims. Those who had claimed/may claim against us under the Employees' Compensation Ordinance may also pursue personal injury claims under common law. For further details, please refer to the paragraph headed "Environmental protection, health and work safety – Health and work safety" in this section.

Save for two employment disputes which involved the dismissal of two ex-employees of our Group, no common law personal injury litigation had been commenced against our Group in relation to the abovementioned potential personal injury claims as at the Latest Practicable Date. Our Directors have confirmed that our Group's liabilities under all the potential employees' compensation claims and common law personal injuries actions are sufficiently covered by insurance or internal resources. These accidents were caused during the usual and ordinary business of our Group and did not cause material disruption to our Group's business or material adverse impact on our Group.

As at the Latest Practicable Date, save as disclosed above, we were not aware of any current, pending or threatened litigation, arbitration or administrative proceedings against us or any of our subsidiaries or any of our Directors which could have a material adverse effect on our financial condition or results of operations.

RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

Immediately after completion of the Share Offer (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme), eprint Limited, Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung will effectively hold approximately 58.5%, 3.57%, 3.57%, 3.57%, 3.57% and 2.22% of the total issued share capital of our Company. eprint Limited is held as to approximately 21.62%, 21.62%, 21.62%, 21.62% and 13.52% by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively. eprint Limited together with the Concerted Shareholders will continue to control more than 30% of our issued share capital and will remain as Controlling Shareholders after the Share Offer.

Apart from our Group, our Controlling Shareholders and their respective associates are currently conducting other businesses or holding interest directly or indirectly in certain companies which are engaged in businesses not in competition with the businesses of our Group. These major other businesses relating to the printing industry conducted or owned directly or indirectly by our Controlling Shareholders and their respective associates include the following:

Name of major businesses relating to the printing industry owned by our Controlling Shareholders and their respective associates outside our Group	Principal activities engaged by the relevant company	Effective shareholding of the relevant company
Partner Horizon Limited	Investment holding	100% *(Note 1)*
Nippon Binding Equipment Limited	Trading of binding equipment and spare parts	83% *(Note 1)*
Techpoint Technology Limited	Trading of printer's ink cartridge	40% *(Note 2)*
Wilson Printing Equipment Limited	Trading of printing equipment and printing materials	100% *(Note 3)*
Wilson (Hong Kong) Limited	Trading of printing machineries and spare parts	65% *(Note 4)*
China Million Technology Limited	Trading of printing machines, related software and spare parts	100% *(Note 5)*

Name of major businesses relating to the printing industry owned by our Controlling Shareholders and their respective associates outside our Group	Principal activities engaged by the relevant company	Effective shareholding of the relevant company
Acme Group International Limited	Trading of printing and other industrial machineries	100% *(Note 6)*
Artco Trading Limited	Trading of printing materials	100% *(Note 7)*
Million Ways Technologies Limited	No current operation	40% *(Note 8)*

Notes:

(1) Nippon Binding Equipment Limited is owned as to 83% by Partner Horizon Limited and 17% by an Independent Third Party. Partner Horizon Limited is owned as to 21.62%, 21.62%, 21.62%, 21.62% and 13.52% by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively.

(2) Techpoint Technology Limited is owned as to 40% by Mr. WM Leung and 60% by an Independent Third Party.

(3) Wilson Printing Equipment Limited is owned as to 100% by Mr. Lam Shing Tai (a brother of Mr. Lam who is one of the Controlling Shareholders and non-executive Directors).

(4) Wilson (Hong Kong) Limited is owned as to 65% by Mr. Lam Shing Tai (a brother of Mr. Lam who is one of the Controlling Shareholders and non-executive Directors) and 35% by Independent Third Parties.

(5) China Million Technology Limited is owned as to 100% by Mr. YP Leung.

(6) Acme Group International Limited is owned as to 100% by Mr. WM Leung.

(7) Artco Trading Limited is owned as to 100% by Mr. Lam.

(8) Million Ways Technologies Limited is owned as to 40% by Mr. YP Leung and 60% by Independent Third Parties.

As we are principally engaged in the provision of commercial printing services for our customers, our Directors are of the view that there are clear delineations between the principal businesses of our Company and those of the above companies owned by our Controlling Shareholders and their respective associates.

Other than the above companies, the Controlling Shareholders are also interested in a number of companies which are not related to the printing industry, such as property investment, trading of fruit and securities investment.

None of our executive Directors, non-executive Directors, Controlling Shareholders and their respective associates are engaged in any business that, directly or indirectly, competes or may compete with the business of our Group. To ensure that competition will not exist in the future, our Controlling Shareholders have entered into the Deed of Non-Competition with us to the effect that each of them will not, and will procure each of their respective associates not to, directly or indirectly participate in, or hold any right or interest or otherwise be involved in, any business which may be in competition with our businesses.

NON-COMPETE UNDERTAKINGS

Each of our Controlling Shareholders (collectively, the "**Non-Competing Covenantors**") has entered into the Deed of Non-Competition in favor of our Company, pursuant to which the Non-Competing Covenantors have undertaken to our Company (for itself and for the benefit of each of the members of our Group) that, with effect from the date of Listing and for as long as our Shares remain so listed on the Stock Exchange and our Controlling Shareholders are individually or collectively with any of his/its associates interested directly or indirectly in not less than 30% of the issued ordinary share capital of our Company (the "**Restricted Period**"), the Non-Competing Covenantors or their respective associates shall not, (i) directly or indirectly engage in, participate or hold any right or interest in or render any services to or otherwise be involved in any business (whether as owner, director, operator, licensor, licensee, partner, shareholder, joint venturer, employee, consultant or otherwise) in competition with or likely to be in competition with the existing business carried on by our Group (the "**Restricted Business**"); and (ii) directly or indirectly take any action which constitutes an interference with or a disruption of the Restricted Business including, but not limited to, solicitation of our Group's customers, suppliers or personnel of any member of our Group.

The aforesaid undertaking does not apply with respect to the holding of or being interested in, directly or indirectly, any shares in any company which conducts or is engaged in, directly or indirectly, any Restricted Business, provided that:

(a) such shares are listed on a recognised stock exchange;

(b) the total number of such shares held by the relevant Non-Competing Covenantors and/or their respective associates in aggregate does not amount to more than 10% of the issued shares of that class of such company in question; and

(c) any Restricted Business conducted or engaged in by such company (and assets relating thereto) accounts for less than 10% of that company's consolidated turnover or consolidated assets (individually or collectively with their respective associates) as shown in that company's latest audited accounts.

The Non-Competing Covenantors have further undertaken to procure that, during the Restricted Period, any business investment or other commercial opportunity relating to the Restricted Business (the "**New Opportunity**") identified by or offered to the Non-Competing Covenantors and/or any of their associates (other than members of our Group) (the "**Offeror**") is first referred to us in the following manner:

(a) the Non-Competing Covenantors are required to, and shall procure their associates (other than members of our Group) to, refer, or procure the referral of, the New Opportunity to us, and shall give written notice to us of any New Opportunity containing all information reasonably necessary for us to consider whether (i) the New Opportunity would constitute competition with our core business and/or any other new business which our Group may undertake at the relevant time; and (ii) it is in the interest of our Group to pursue the New Opportunity, including but not limited to the nature of the New Opportunity and the details of the investment or acquisition costs (the "**Offer Notice**"); and

(b) the Offeror will be entitled to pursue the New Opportunity only if (i) the Offeror has received a written notice from us declining the New Opportunity and confirming that the New Opportunity would not constitute competition with our core business; or (ii) the Offeror has not received the notice from us within 10 business days from our receipt of the Offer Notice. If there is a material change in the terms and conditions of the New Opportunity pursued by the Offeror, the Offeror will refer the New Opportunity as so revised to us in the manner as set out above.

Upon receipt of the Offer Notice, we will seek opinions and decisions from a committee of our Board consisting of Directors who do not have a material interest in the matter as to whether (a) such New Opportunity would constitute competition with our core business; and (b) it is in the interest of our Company and our Shareholders as a whole to pursue the New Opportunity.

Each of the Non-Competing Covenantors jointly and severally undertakes to indemnify and keep indemnified our Group against any damage, loss or liability suffered by our Company or any other member of our Group arising out of or in connection with any breach of its undertakings and/or obligations under the Deed of Non-Competition, including any costs and expenses incurred as a result of such breach provided that such indemnity shall be without prejudice to any other rights and remedies our Company is entitled to in relation to any such breach, including specific performance, and all such other things and remedies are hereby expressly reserved by our Company.

CORPORATE GOVERNANCE MEASURES

Our Company will adopt the following measures to manage the conflict of interests arising from competing business and to safeguard the interests of our Shareholders:

(1) our independent non-executive Directors will review, on an annual basis, the Deed of Non-Competition to ensure compliance with the non-compete undertaking by our Controlling Shareholders;

(2) our Controlling Shareholders undertake to provide all information requested by our Company which is necessary for the annual review by our independent non-executive Directors and the enforcement of the Deed of Non-Competition;

(3) our Company will disclose decisions on matters reviewed by our independent non-executive Directors relating to compliance and enforcement of the Deed of Non-Competition in the annual reports of our Company; and

(4) our Controlling Shareholders will provide confirmation on compliance pursuant to their undertaking under the Deed of Non-Competition in the annual report of our Company.

INDEPENDENCE OF MANAGEMENT, FINANCING AND OPERATION

Having considered the following factors, our Directors are satisfied that our Group will be able to be operationally and financially independent from our Controlling Shareholders and their associates:

Non-competition – although there are certain businesses owned by our Controlling Shareholders as mentioned above in this section, none of our Controlling Shareholders or executive Directors or non-executive Directors has any interest in a business which competes or is likely to compete, either directly or indirectly, with our Group's business. In addition, each of our Controlling Shareholders has given a non-competition undertaking in favor of us. For details, please refer to the paragraph headed "Relationship with Controlling Shareholders – Non-compete undertakings" in this section.

Management independence – Our Board comprises three executive Directors, four non-executive Directors and four independent non-executive Directors. Despite the interest of our Controlling Shareholders in certain businesses outside our Group, we consider that our Board will function independently from our Controlling Shareholders because:

(a) each Director is aware of his fiduciary duties as a Director which requires, among other things, that he acts for the benefit and in the best interests of our Company and that he does not allow any conflict between his duties as a Director and his personal interest;

(b) in the event that there is a potential conflict of interest arising out of any transaction to be entered into between our Company and our Directors or their respective associates, the interested Director(s) shall abstain from voting at the relevant board meetings of our Company in respect of such transactions; and

(c) our board comprises eleven Directors and four of them are independent non-executive Directors who represent more than one-third of the members of the Board which is in line with the requirement as set out in the Listing Rules.

Financial independence – Our Group has an independent financial system and makes financial decisions according to its own business needs. As at the Latest Practicable Date, there had not been any outstanding amount owed by our Group to our Controlling Shareholders and their respective associates. Guarantee and/or security provided by our Controlling Shareholders and their respective associates for our outstanding banking facilities (which amounted to approximately HK$39,876,000 as at 31 July 2013) had been discharged prior to the Listing. In the circumstances, we believe we are capable of obtaining financing from third parties without reliance on our Controlling Shareholders.

Operational independence – Our Group has an independent work force to carry out our operation and has not shared its operation team with our Controlling Shareholders' businesses outside our Group. Although during the Track Record Period, there have been certain transactions between us and our related parties, details of which are set out in Note 29 to the Accountant's Report in Appendix I to this prospectus, our Directors have confirmed that, save as disclosed in the section headed "Connected Transactions – Discontinued related party transactions" in this prospectus, these related party transactions (which were trade-related) were conducted in the ordinary course of business and on fairly and reasonably normal commercial terms. Despite the fact that we will have certain continuing connected transactions by leasing certain properties from the Controlling Shareholders or companies controlled by them, particulars of which are set out in the section headed "Connected Transactions" in this prospectus, having considered that (i) our Group may lease properties at other locations for its production plants, workshops, stores and/or office premises in substitution for and/or in addition to the said properties leased by the Controlling Shareholders or companies controlled by them; and (ii) our Group has not shared our general administration and operational resources with the Controlling Shareholders and/or their associates, our Directors consider that our Group can operate independently from our Controlling Shareholders from the operational perspective.

CONNECTED TRANSACTIONS

Our Group entered into certain transactions with the connected persons which will continue following the Listing and which will constitute continuing connected transactions within the meaning of the Listing Rules.

CONNECTED PERSONS

1. CTP Limited ("CTP")

CTP is principally engaged in the business of property investment, and is beneficially owned as to 25% by Mr. She, 25% by Mr. Chong, 25% by Mr. Lam and 25% by Mr. WM Leung, respectively.

2. Promise Properties Limited (保諾時物業有限公司) ("Promise Properties")

Promise Properties is principally engaged in the business of property investment, and is beneficially owned as to approximately 21.62% by Mr. She, 21.62% by Mr. Chong, 21.62% by Mr. Lam, 13.52% by Mr. YP Leung, 10.81% by Ms. Chau Fung Kiu, the wife of Mr. WM Leung and 10.81% by an Independent Third Party.

3. VVV Limited ("VVV")

VVV is principally engaged in the business of property investment, and is beneficially owned as to approximately 21.62% by Mr. She, 21.62% by Mr. Chong, 21.62% by Mr. Lam, 21.62% by Mr. WM Leung and 13.52% by Mr. YP Leung, respectively.

4. Profit More Rich Limited (盈富多有限公司) ("Profit More")

Profit More is principally engaged in the business of property investment, and is beneficially owned as to approximately 100% by CTP.

5. King Profit International Limited (至利國際有限公司) ("King Profit")

King Profit is principally engaged in the business of property investment, and is beneficially owned as to approximately 70% by VVV and 30% by Mr. Yip Chi Man.

6. Wilson Printing Equipment Limited (威信印刷設備有限公司) ("Wilson Printing")

Wilson Printing is principally engaged in the business of trading of printing equipment and printing materials, and is beneficially owned as to 100% by Mr. Lam Shing Tai, the brother of Mr. Lam, one of the Controlling Shareholders and non-executive Directors.

7. Wilson (Hong Kong) Limited (威譽(香港)有限公司) ("Wilson HK")

Wilson HK is principally engaged in the business of trading of printing machineries and spare parts, and is beneficially owned as to 65% by Mr. Lam Shing Tai, the brother of Mr. Lam, one of the Controlling Shareholders and non-executive Directors.

Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung are the Directors and Controlling Shareholders. The above companies are associates of Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, and hence they are considered as connected persons of our Group under Rule 14A.11 of the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

Upon the Listing, the transactions set forth below will constitute continuing connected transactions (the "**Continuing Connected Transactions**") of our Company for the purpose of Chapter 14A of the Listing Rules:

1. Tenancy agreements

Background

(a) Tenancy agreements relating to CTP

Sixteen tenancy agreements signed in July 2013 were entered into between CTP, as landlord, and Lucky Gainer and Invoice Limited, as tenants, under which CTP agreed to lease a number of properties located in Kwun Tong Industrial Centre to Lucky Gainer and Invoice Limited, with a total saleable area of approximately 23,000 square feet, for a term of 33 months ending on 31 March 2016 for use as offices, workshops, stores and car parks. The monthly rental payable to CTP for the period from April 2013 to June 2013 is approximately HK$371,000 and for the period from July 2013 to 31 March 2014 under the above mentioned tenancy agreements is approximately HK$371,000. The monthly rentals payable to CTP for the two years ending 31 March 2015 and 2016 are approximately HK$390,000 and HK$410,000. The aggregate rentals payable to CTP for the three years ending 31 March 2014, 2015 and 2016 are approximately HK$4,452,000, HK$4,680,000 and HK$4,925,000, respectively (exclusive of government rent, management fees and other utilities outgoings which are payable by the relevant tenant).

(b) Tenancy agreements relating to Promise Properties

Five tenancy agreements signed in July 2013 were entered into between Promise Properties, as landlord, and Lucky Gainer and Invoice Limited, as tenants, under which Promise Properties agreed to lease a number of properties located in Kwun Tong Industrial Centre to Lucky Gainer and Invoice Limited with a total saleable area of approximately 8,300 square feet, for a term of 33 months ending on 31 March 2016 for use as workshops. The monthly rental payable to Promise Properties for the period from April 2013 to June 2013 is approximately HK$113,000 and for the period from July 2013 to 31 March 2014 under the above mentioned tenancy agreements is approximately HK$113,000. The monthly rentals payable to Promise Properties for the two years ending 31 March 2015 and 2016 are approximately HK$119,000 and HK$125,000. The aggregate rentals payable to Promise Properties for the three years ending 31 March 2014, 2015 and 2016 are approximately HK$1,358,000, HK$1,428,000 and HK$1,502,000, respectively (exclusive of government rent, management fees and other utilities outgoings which are payable by the relevant tenant).

(c) Tenancy agreements relating to VVV

Six tenancy agreements signed in July 2013 were entered into between VVV, as landlord, and Lucky Gainer, as tenant, under which VVV agreed to lease a number of properties located in Kwun Tong Industrial Centre to Lucky Gainer for use as workshops and a car park and one property in Chai Wan to Promise Network for use as a store, with a total saleable area of approximately 12,000 square feet, for a term of 33 months ending on 31 March 2016. The monthly rental payable to VVV for the period from April 2013 to June 2013 is approximately HK$159,000 and for the period from July 2013 to 31 March 2014 under the above mentioned tenancy agreements is approximately HK$174,000. The monthly rentals payable to VVV for the two years ending 31 March 2015 and 2016 are approximately HK$182,000 and HK$193,000. The aggregate rentals payable to VVV for the three years ending 31 March 2014, 2015 and 2016 are approximately HK$2,046,000, HK$2,190,000 and HK$2,321,000, respectively (exclusive of government rent, management fees and other utilities outgoings which are payable by the relevant tenant).

(d) Tenancy agreement relating to Profit More

A tenancy agreement signed in July 2013 was entered into between Profit More, as landlord, and Lucky Gainer, as tenant, under which Profit More agreed to lease a property located in Kwun Tong Industrial Centre to Lucky Gainer with a total saleable area of approximately 2,900 square feet, for a term of 33 months ending on 31 March 2016 for use as a workshop. The monthly rental payable to Profit More for the period from April 2013 to June 2013 is approximately HK$41,000 and for the period from July 2013 to 31 March 2014 under the above mentioned tenancy agreements is approximately HK$41,000. The monthly rentals payable to Profit More for the two years ending 31 March 2015 and 2016 are approximately HK$43,000 and HK$45,000. The aggregate rentals payable to Profit More for the three years ending 31 March 2014, 2015 and 2016 are approximately HK$492,000, HK$517,000 and HK$544,000, respectively (exclusive of government rent, management fees and other utilities outgoings which are payable by the relevant tenant).

(e) Tenancy agreement relating to King Profit

A tenancy agreement signed in July 2013 was entered into between King Profit, as landlord, and Invoice Limited, as tenant, under which King Profit agreed to lease a property and a car park located in Kwun Tong Industrial Centre to Invoice Limited with a total saleable area of approximately 1,800 square feet, for a term of 33 months ending on 31 March 2016 for use as a workshop and car park. The monthly rental payable to King Profit for the period from April 2013 to June 2013 is approximately HK$26,000 and for the period from July 2013 to 31 March 2014 under the above mentioned tenancy agreements is approximately HK$26,000. The monthly rentals payable to King Profit for the two years ending 31 March 2015 and 2016 are approximately HK$28,000 and HK$29,000. The aggregate rentals payable to King Profit for the three years ending 31 March 2014, 2015 and 2016 are approximately HK$322,000, HK$338,000 and HK$358,000, respectively (exclusive of government rent, management fees and other utilities outgoings which are payable by the relevant tenant).

(collectively, the "**Tenancy Agreements**").

Historical transaction value

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, our Group paid annual rentals in the amount of approximately HK$2,100,000, HK$3,330,000, HK$3,968,000 and HK$1,484,000 to CTP respectively.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, our Group paid annual rentals in the amount of approximately HK$484,000, HK$964,000, HK$1,230,000 and HK$453,000 to Promise Properties respectively.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, our Group paid annual rentals in the amount of approximately nil, nil, HK$1,060,000 and HK$651,000 to VVV respectively.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, our Group paid annual rental in the amount of approximately nil, nil, HK$456,000 and HK$164,000 to Profit More respectively.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, our Group paid annual rental in the amount of approximately nil, nil, HK$312,000 and HK$107,000 to King Profit respectively.

Pricing basis

Pursuant to Rules 14A.26 and 14A.27 of the Listing Rules, the yearly rentals under the Tenancy Agreements may be aggregated. The total amount of annual rentals payable by our Group to CTP, Promise Properties, VVV, Profit More and King Profit, if aggregated, for the three years ending 31 March 2014, 2015 and 2016 will be approximately HK$8,670,000, HK$9,153,000 and HK$9,650,000, respectively which were determined by each of the parties to the Tenancy Agreements on normal commercial terms (as defined under Chapter 14A of the Listing Rules) basis and with reference to the prevailing market rents. Asset Appraisal Limited, an independent property valuer, is of the opinion that the rent for the tenancy is fair and reasonable, consistent with and comparable to the prevailing market rent as at the dates of the Tenancy Agreements for similar premises at similar location.

Proposed annual caps

Our Directors estimated that the aggregate annual rentals payable by our Group to CTP, Promise Properties, VVV, Profit More and King Profit will be approximately HK$8,670,000, HK$9,153,000 and HK$9,650,000 for the three years ending 31 March 2014, 2015 and 2016 (including the rentals already paid for the three months period from 1 April 2013 to 30 June 2013), therefore, the proposed annual caps for the leases under the Tenancy Agreements, for the three years ending 31 March 2014, 2015 and 2016 will be approximately HK$8,670,000, HK$9,153,000 and HK$9,650,000 respectively. Our Directors have confirmed that the annual rentals payable under the Tenancy Agreements are determined on normal commercial terms (as defined under Chapter 14A of the Listing Rules) basis and with reference to the prevailing market rates of similar properties in the locality and thus in the interest of the Company and Shareholders as a whole.

Reasons

CTP, Promise Properties, VVV, Profit More and King Profit are the landlords of certain properties which are leased to our Group. These companies mainly engage in the business of property investment, which is different from our Group's business focus, and therefore they are excluded from our Group. As certain subsidiaries of our Group have been using the properties historically, the Directors consider that it would be commercially beneficial to us if our production plants and offices are located in the same industrial building or in close proximity to each other, and are of the view that it is in the interest of our Group for saving time and cost to enter into the above Tenancy Agreements instead of finding and relocating to other properties.

Listing Rules implications

Pursuant to Rules 14A.26 and 14A.27 of the Listing Rules, the Tenancy Agreements may be aggregated. It is anticipated that on an annual basis, the aggregate annual rentals to be paid by our Group for the three years ending 31 March 2014, 2015 and 2016 will be approximately HK$8,670,000, HK$9,153,000 and HK$9,650,000, respectively, and each of the applicable percentage ratios (other than the profits ratio) under Chapter 14 of the Listing Rules, where applicable, in respect of the Tenancy Agreements is, on an annual basis, less than (1) 5% or (2) 25% and the annual consideration is less than HK$10,000,000. Therefore, the Tenancy Agreements will be exempted from the independent Shareholders' approval requirement but are subject to the reporting and announcement and annual review requirements as set out in Chapter 14A of the Listing Rules.

2. Master Supply Agreement

Background

On or about 27 September 2013, Wilson Printing and Wilson HK, all of which are controlled by Mr. Lam Shing Tai, the brother of Mr. Lam, and our Company entered into a master supply agreement (the "**Master Supply Agreement**") for a term of three years ending on 31 March 2016, pursuant to which Wilson Printing and Wilson HK agreed to supply raw materials which mainly include ink products, zinc printing plates, printing solutions, consumables of printing machines and spare parts and provide maintenance services in respect of the printing machines to our Group. The purchase price payable by our Group to Wilson Printing and Wilson HK will be agreed following arm's length negotiations between the relevant parties with reference to the prevailing market price of the similar products and services in Hong Kong.

Historical transaction value

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, the aggregate purchase price paid by our Group for the provision of the following products and services supplied by Wilson Printing and Wilson HK are as follows:

	Years ended 31 March			Four months ended
	2011	**2012**	**2013**	**31 July 2013**
	(Approximately)	*(Approximately)*	*(Approximately)*	*(Approximately)*
Raw materials, spare parts and maintenance services	HK$19,700,000	HK$23,300,000	HK$22,600,000	HK$8,200,000

Proposed annual caps

The proposed annual cap amounts of the fees to be paid by our Group for the provision of ink products, zinc printing plates, printing solutions, consumables of printing machines, spare parts and maintenance services under the Master Supply Agreement for the three years ending 31 March 2014, 2015 and 2016 are as follows:

	Years ended 31 March		
	2014	**2015**	**2016**
Raw materials, spare parts and maintenance services	HK$26,800,000	HK$27,500,000	HK$28,200,000

Pricing basis

Such proposed cap amounts are determined based on (i) the historical amount of the purchase price paid by our Group during the Track Record Period; (ii) our expected increase in the demand for the ink products, zinc printing plates, printing solutions, consumables of printing machines, spare parts and maintenance services as a result of the anticipated growth in the printing market and our expansion plan; and (iii) the anticipated annual growth rate of inflation rate in Hong Kong of approximately 2.5% each year.

Reasons

Our Group has established a long term relationship with Wilson Printing and Wilson HK which provide ink products, zinc printing plates, printing solutions, consumables of printing machines and spare parts to our Group regularly. Wilson Printing and Wilson HK have been appointed as distributors of certain printing machines by two international printing machine suppliers since 2008 and 2012, respectively.

Ink products, zinc printing plates and printing solutions are the principal raw materials to our business. During the Track Record Period, Wilson Printing and Wilson HK have been consistently supplying us with quality ink products, zinc printing plates and printing solutions in a timely fashion. Moreover, our Group purchased printing machines from Wilson Printing and Wilson HK and therefore requires the supply of consumable of printing machines, spare parts and maintenance services from Wilson Printing and Wilson HK. Our Directors consider that it is in our Group's interests to continue our relationship with Wilson Printing and Wilson HK and source the ink products, zinc printing plates, printing solutions, consumable of printing machines, spare parts and maintenance services from Wilson Printing and Wilson HK upon the Listing.

Further, our Group may acquire printing machines from Wilson Printing and Wilson HK from time to time based on the business need and the utilisation rates of our existing printing machines. However, our Company considers that it is not practicable to determine our annual caps and therefore the Master Supply Agreement does not include the purchase of printing machines from Wilson Printing and Wilson HK. Our Company will comply with all the requirements under the Listing Rules if it determines to purchase any printing machines from Wilson Printing and Wilson HK after the Listing.

Listing Rules implications

The proposed annual cap amounts of the transactions under the Master Supply Agreement for the three years ending 31 March 2014, 2015 and 2016 exceed HK$10,000,000 and each of the percentage ratios (other than the profits ratio) under Chapter 14 of the Listing Rules, where applicable and on an annual basis, is higher than 5%. As such, the transactions under the Master Supply Agreement will constitute non-exempt continuing connected transactions of our Company under Rule 14A.35 of the Listing Rules and are subject to the reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Application for waivers

As the Continuing Connected Transactions will continue after the Listing on a recurring basis, our Directors consider that strict compliance with the announcement and (where applicable) the independent Shareholders' approval requirements under the Listing Rules would be burdensome and would add unnecessary administrative costs to the Company each time when such transactions arise. With respect to the above Continuing Connected Transactions, we have, pursuant to Rule 14A.42(3) of the Listing Rules, applied for, and the Stock Exchange has agreed to grant, a waiver from strict compliance with the announcement and (where applicable) the independent Shareholders' approval requirements under the Listing Rules.

Confirmation from our Directors

Our Directors (including our independent non-executive Directors) confirm that the above Continuing Connected Transactions have been and will be entered into in the ordinary and usual course of our Group's business and is based on normal commercial terms that are fair and reasonable and in the interest of the Shareholders as a whole, and that the proposed annual caps for the transactions under the Tenancy Agreements and Master Supply Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Confirmation from the Sole Sponsor

The Sole Sponsor, Cinda International Capital Limited, considers that the Continuing Connected Transactions have been and shall be entered into in the ordinary and usual course of business of our Group on normal commercial terms, and the terms of which and the respective proposed annual caps set for the Continuing Connected Transactions are fair and reasonable and in the interests of our Group and Shareholders as a whole.

DISCONTINUED RELATED PARTY TRANSACTIONS

Our Group entered into certain related party transactions with its related parties during the Track Record Period ("**Discontinued Related Party Transactions**"), which had either been discontinued or settled or are expected to be discontinued or settled upon or prior to the Listing. Details of the Discontinued Related Party Transactions are set out in Note 29 to the Accountant's Report in Appendix I to this prospectus.

The nature of various Discontinued Related Party Transactions is set out below:

(a) Rental expense

Our Group leased certain premises from CTP for use as store and workshop. As our Company chose to lease another larger unit of CTP for its control center and considered that certain premises leased from CTP were not necessary, the relevant tenancy agreements with CTP were discontinued.

In addition, E-Print Bannershop (an unlimited company) leased certain premises from landlords and sub-leased the same premises to our Group for use as store during the Track Record Period. The tenancy agreements between E-Print Bannershop and the landlords and the sub-tenancy agreements between E-Print Bannershop and the Group were ended in around July 2013.

(b) Management services

CTP, Promise Properties and VVV are principally engaged in the business of property investment and own a number of properties. Our Group provided administrative, corporate secretarial and management services to these companies and therefore received management fees from them during the Track Record Period. The provision of management services by our Group to CTP, Promise Properties and VVV ceased in around June 2013.

(c) Logistics services

Our Group engaged Basys Logistics Limited, a logistics company, for arranging logistics services such as arranging the transportation of printed products between our workshops and our stores or the location designated by our customers, during the years ended 31 March 2011 and 2012. Basys Logistics Limited was held by Mr. She, Mr. Chong and an Independent Third Party as to 51%, 19% and 30%, respectively, until February 2012. In February 2012, Mr. She and Mr. Chong transferred all their interests in Basys Logistics Limited to an Independent Third Party. As our Group has engaged independent logistics service providers since around July 2011, the logistics services provided by Basys Logistics Limited were no longer needed.

(d) Information technology support services

We engaged 深圳市保諾時科技有限公司* (Shenzhen Promise Technology Company Limited) ("**Shenzhen Promise**"), which was owned by Mr. Chong's wife as to 100% before its deregistration in January 2013, to provide information technology support service for us. In order to build our own information technology support and software development team and meet our business development requirements, our Company recruited the core software development staff members of Shenzhen Promise and ceased the engagement of Shenzhen Promise in around March 2012.

(e) Interest income

CTP, Promise Properties and VVV are principally engaged in the business of property investment while Nippon Binding Equipment Limited is principally engaged in trading of binding equipment and spare parts. Nippon Binding Equipment Limited is owned as to 83% by Partner Horizon Limited and 17% by an Independent Third Party. Partner Horizon Limited is owned as to 21.62%, 21.62%, 21.62%, 21.62% and 13.52% by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively. These companies borrowed funds from our Group for their business needs and therefore our Group received interest income from them. These financing arrangements were ceased in around January 2013.

(f) Purchase of machinery and repair services

Our Group acquired certain machines mainly for post-press finishing process from Nippon Binding Equipment Limited and required its repair services during the Track Record Period. Our Company considers that it can source printing machines from other suppliers and therefore the transaction between us and Nippon Binding Equipment Limited was discontinued.

(g) Disposal of subsidiary

In around December 2011 and March 2012, our Group disposed of two subsidiaries, namely, Gain More Investment Limited and Profit More Rich Limited, to Mr. WM Leung and CTP. For further details, please refer to the section headed "History, Development and Reorganisation – Corporate development – Disposal of subsidiaries during the Track Record Period" in this prospectus.

(h) Disposal of leasehold land and building

In around March 2012, our Group transferred a property and a car park located in Kwun Tong Industrial Centre to King Profit as our Company considered that providing printing services rather than holding property is our Group's business focus. Our Group is renting the property and car park. For further details, please refer to the paragraph headed "Continuing connected transactions" in this section.

(i) Subcontracting income and subcontracting charge

Pro-print

During the Track Record Period up to March 2011, (a) Pro-print, which was wholly-owned by Mr. Yip, referred certain customers who were interested in printing services to Digital Printing, a subsidiary of our Company; (b) Digital Printing received the work orders for printing from these customers and engaged Pro-print to provide customer liaison and follow-up work for these work orders since Pro-print was more familiar with the requirements of these customers; (c) Pro-print in turn engaged Promise Network, a subsidiary of our Company and which owned printing machines, to provide printing services in relation to these work orders received from the customers of Digital Printing. The transactions were initially entered into as Mr. Yip has decided to cease Pro-print's printing business, and as a result, Pro-print referred customers who were interested in printing services to Digital Printing, and agreed with Digital Printing to provide assistance in customer liaison services and follow-up work with respect to the work orders in the interim period by the then existing staff of Pro-print who were used to handle such orders. Since Pro-print and Digital Printing had not agreed on the basis of determination of the consideration for such subcontracting service for the Track Record Period up to 31 March 2011, the subcontracting services were provided at cost, and subcontracting services provided by Promise Network to Pro-print in relation to the printing service were charged at cost plus a mark-up.

During the year ended 31 March 2012, Pro-print continued to provide client liaison work to Digital Printing and in return, the parties finally reached an agreement to charge a management fee for such assistance by Pro-print in the amount of approximately HK$400,000 having regard the operation costs of Pro-print including salaries and other expenses. For further details, please refer to Note 29 to the Accountant's Report in Appendix I to this prospectus.

Our Directors are of the view that the above transactions were not conducted on normal commercial terms. Should Pro-print charge our Group based on normal commercial terms with reference to the normal pricing policy of Pro-print, and taking into account the management fee already paid by our Group, our Directors estimated that the financial impact on our Group for the two years ended 31 March 2012 would be approximately HK$555,000 and HK$39,000, respectively. On such basis, our Directors are of the view that such impact would not materially affect our Group's financial position during the Track Record Period. The above transactions have ceased since the financial year ended 31 March 2013 as Mr. Yip, the beneficial owner of Pro-print, has decided to focus on his other business and we have since then directly dealt with the customers and no longer require the services from Pro-print. After Listing, the audit committee of our Company would review our transactions with the connected persons of our Company and we will make disclosure pursuant to the Listing Rules where appropriate.

Print Art

During the Track Record Period up to November 2012, Invoice Limited, a subsidiary of our Company, engaged Print Art, a company which is owned as to 51% by Mr Yip and as to 49% by Independent Third Parties, to provide manufacturing services of banners in relation to various work orders received by Invoice Limited from its customers since Print Art has the relevant production facilities. Separately, during the Track Record Period up to November 2012, Print Art engaged Invoice Limited to provide printing services in relation to various work orders received by Print Art from its customers. Pursuant to the above arrangements and during the Track Record Period up to November 2012, the subcontracting fees were charged by Print Art to Invoice Limited based on the prevailing market rate offered by Print Art to its customers plus a discount, and in return, the subcontracting fees were charged by Invoice Limited to Print Art based on the prevailing market rate offered by Invoice Limited to its customers plus a discount. The Directors were of the view that the above transactions were conducted based on normal commercial terms. The above transactions were discontinued since November 2012 and we no longer require the services from Print Art.

SUBSTANTIAL SHAREHOLDERS

So far as our Directors are aware, immediately following completion of the Share Offer and the Capitalisation Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme), the following persons will have an interest or short position in the Shares or the underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or 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 our Company or any other members of our Group:

A. Interest in Company

Name of Shareholder	Capacity/Nature of interest	Number and class of securities[1]	Approximate percentage of interest in the Company
eprint Limited[2]	Beneficial owner	292,500,000 Shares (L)	58.5%
Mr. She[3]	Beneficial owner	17,850,000 Shares (L)	3.57%
	Interest in a controlled corporation[2]	292,500,000 Shares (L)	58.5%
Ms. Lo Suet Yee[4]	Interest of spouse	310,350,000 Shares (L)	62.07%
Mr. Chong[3]	Beneficial owner	17,850,000 Shares (L)	3.57%
	Interest in a controlled corporation[2]	292,500,000 Shares (L)	58.5%
Ms. Yip Fei[5]	Interest of spouse	310,350,000 Shares (L)	62.07%

Name of Shareholder	Capacity/Nature of interest	Number and class of securities[1]	Approximate percentage of interest in the Company
Mr. Lam[3]	Beneficial owner	17,850,000 Shares (L)	3.57%
	Interest in a controlled corporation[2]	292,500,000 Shares (L)	58.5%
Ms. Yu Siu Ping[6]	Interest of spouse	310,350,000 Shares (L)	62.07%
Mr. WM Leung[3]	Beneficial owner	17,850,000 Shares (L)	3.57%
	Interest in a controlled corporation[2]	292,500,000 Shares (L)	58.5%
Ms. Chau Fung Kiu[7]	Interest of spouse	310,350,000 Shares (L)	62.07%
Mr. YP Leung[3]	Beneficial owner	11,100,000 Shares (L)	2.22%
	Interest in a controlled corporation[2]	292,500,000 Shares (L)	58.5%

Notes:

(1) The letter "L" denotes the person's long position in the shares of our Company.

(2) eprint Limited is directly interested in approximately 58.5% in our Company (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme).

(3) Our Company will be held as to approximately 58.5%, 3.57%, 3.57%, 3.57%, 3.57% and 2.22% by eprint Limited, Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively, immediately following the completion of the Share Offer and the Capitalisation Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme). eprint Limited is held as to approximately 21.62%, 21.62%, 21.62%, 21.62% and 13.52% by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, respectively. Pursuant to the Acting in Concert Confirmation, each of Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung has agreed to jointly control their respective interests in our Company. Accordingly, eprint Limited is accustomed to act in accordance with joint instructions of the Concerted Shareholders. Hence, each of the Concerted Shareholders is deemed to be interested in all the Shares held by eprint Limited by virtue of the SFO.

(4) Ms. Lo Suet Yee is the spouse of Mr. She. Under the SFO, Ms. Lo Suet Yee is taken to be interested in the same number of Shares in which Mr. She is interested.

(5) Ms. Yip Fei is the spouse of Mr. Chong. Under the SFO, Ms. Yip Fei is taken to be interested in the same number of Shares in which Mr. Chong is interested.

(6) Ms. Yu Siu Ping is the spouse of Mr. Lam. Under the SFO, Ms. Yu Siu Ping is taken to be interested in the same number of Shares in which Mr. Lam is interested.

(7) Ms. Chau Fung Kiu is the spouse of Mr. WM Leung. Under the SFO, Ms. Chau Fung Kiu is taken to be interested in the same number of Shares in which Mr. WM Leung is interested.

B. Interest in Invoice Limited

Name of shareholder	Capacity/Nature of interest	Number and class of securities[(1)]	Approximate percentage of interest in Invoice Limited
Mr. Yip	Beneficial owner	300 ordinary shares (L)	30%

Note:

(1) The letter "L" denotes the person's long position in the shares of the relevant Group member.

Save as disclosed herein, our Directors are not aware of any person (who are not Directors or chief executive of our Company) who will, immediately following completion of the Share Offer and the Capitalisation Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme), have an interest or short position in the Shares and the underlying Shares which would fall to be disclosed to our Company under provisions of Divisions 2 and 3 of Part XV of the SFO, or will be directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company or any other members of our Group.

DIRECTORS

Our Board consists of eleven members, four of whom are independent non-executive Directors. The power and duties of the Board include convening shareholders' meetings and reporting our Board's work at shareholders' meeting, implementing resolutions passed at shareholders' meetings, determining our Group's business plans and investment plans, formulating our Group's annual budget and final accounts, formulating proposals for profit distributions and for the increase or reduction of share capital as well as exercising other powers, functions and duties as conferred by the Memorandum and Articles of Association. All the executive Directors have entered into service contracts with our Group.

The following table sets out the information regarding the current Directors of our Company.

Name	Age	Position	Date of Appointment
Mr. She Siu Kee William	50	Chairman, executive Director and chief executive officer	18 February 2013
Mr. Tsui Pak Wai	46	Executive Director and manager of the corporate management department	13 November 2013
Mr. Fung Hong Keung	50	Executive Director, company secretary and chief financial officer	13 November 2013
Mr. Lam Shing Kai	41	Non-executive Director	13 November 2013
Mr. Leung Wai Ming	42	Non-executive Director	13 November 2013
Mr. Leung Yat Pang	49	Non-executive Director	13 November 2013
Mr. Chong Cheuk Ki	49	Non-executive Director	13 November 2013
Dr. Lung Cheuk Wah	62	Independent non-executive Director	13 November 2013
Mr. Chan Chi Yu	59	Independent non-executive Director	13 November 2013
Mr. Chi Man Shing Stephen	49	Independent non-executive Director	13 November 2013
Ms. Luk Mei Yan	49	Independent non-executive Director	13 November 2013

Executive Directors

Mr. She Siu Kee William (佘紹基), aged 50, is our Chairman, executive Director and chief executive officer. He is the founder of our Group and has participated in the management of our Group since October 2001. He has been a director of Promise Network since October 2001 and other companies within our Group. Mr. She is also our Controlling Shareholder. Immediately following the Share Offer and the Capitalisation Issue, Mr. She will directly hold approximately 3.57% interest in his personal capacity in our Company and approximately 21.62% in eprint Limited, our Controlling Shareholder holding approximately 58.5% in our Company (assuming the Over-allotment Option is not exercised).

Mr. She was a director and general manager of 廣州星輝電腦分色有限公司 Guangzhou Sanfine Colour Correcting Co., Ltd. ("**Guangzhou Sanfine**") at the time of revocation of the business licence. As a result of the expiry of the term of operation in September 2006, Guangzhou Sanfine has initiated liquidation proceedings in accordance with the relevant PRC laws and completed such proceedings in 2007. It is also noted that Guangzhou Sanfine has not attended to completion of annual inspection. Accordingly, the relevant industry and commerce administration bureau revoked the business licence of Guangzhou Sanfine in 2007.

Mr. She is primarily responsible for the overall management, development and planning of our Group and has more than 20 years of experience in the printing industry.

Mr. She obtained from International American University the degree of doctor of philosophy in business administration (Honoris Causa) in December 2012. International American University is accredited by Bureau for Private Post Secondary Education in California. Mr. She was a committee member of Graphic Arts Association of Hong Kong from 2009 to 2010.

Mr. Tsui Pak Wai (徐柏煒), aged 46, is our executive Director and manager of the corporate management department. Mr. Tsui is primarily responsible for formulating new business policy and workflow, monitoring the daily operation of the human resources department and administrative department and participating in brand building activities of our Group.

Mr. Tsui has over 10 years of experience in the corporate administration and management. He served as the administration manager in Promise Network from July 2006 to April 2009 and administration manager of Sailing Boat Catering Management Limited from December 2001 to February 2006. He rejoined our Group in March 2010.

Mr. Tsui obtained his master of business administration from the University of Management & Technology in September 2013 through distance learning and bachelor of arts from Fu Jen Catholic University in June 1997.

Immediately following the Share Offer and the Capitalisation Issue, Mr. Tsui will have approximately 0.5% interest in our Company pursuant to the options granted under Pre-IPO Share Option Scheme (assuming the Over-allotment Option is not exercised).

Mr. Fung Hong Keung (馮康強), aged 50, is our executive Director, company secretary and chief financial officer. He is responsible for the supervision and management of our Group's financial matters and strategic planning of the Group. He joined our Group in May 2012.

Mr. Fung has approximately 23 years of experience in the field of corporate finance and accounting. Prior to joining the Group, he served as chief corporate services officer in 生產力(深圳)諮詢有限公司 (Productivity (Shenzhen) Consulting Co., Ltd.) (a subsidiary of the Hong Kong Productivity Council) from October 2011 to March 2012. Mr. Fung served as a financial controller of Neo-Concept (Holdings) Co. Ltd. from March 2011 to October 2011. He worked as an account manager in Hiway Textiles Limited from March 2008 to January 2011. He worked in Sanmina-SCI (China) Limited (which is a subsidiary of Sanmina-SCI (NASDAQ stock code: SANM) from November 2005 to January 2008 and was promoted to regional finance manager in January 2007. He worked in Integrated Display Technology Limited (which is a subsidiary of IDT International Limited (stock code: 167)) from May 1992 to November 2005 and the last position he held was account manager. He worked in Swire Magnetic Holdings Ltd. from September 1988 to April 1992 and the last position he held was assistant accountant.

He has been a member of Hong Kong Institute of Directors since January 2013, a member of Hong Kong Institute of Certified Public Accountants since January 2005 and a fellow member of the Association of Chartered Certified Accountants since December 2004.

Mr. Fung was awarded the graduate diploma in China marketing and e-business from the University of Hong Kong School of Professional and Continuing Education in November 2004 and the degree of bachelor of arts in accountancy from Bolton Institute of High Education in October 2003.

Immediately following the Share Offer and the Capitalisation Issue, Mr. Fung will have approximately 0.5% interest in our Company pursuant to the options granted under Pre-IPO Share Option Scheme (assuming the Over-allotment Option is not exercised).

Non-executive Directors

Mr. Lam Shing Kai (林承佳), aged 41, is our non-executive Director and Controlling Shareholder. Immediately following the Share Offer and the Capitalisation Issue, Mr. Lam will directly hold approximately 3.57% interest in his personal capacity in our Company and approximately 21.62% in eprint Limited, our Controlling Shareholder holding approximately 58.5% in our Company (assuming the Over-allotment Option is not exercised).

Mr. Lam was appointed as a director of E-Print Group in June 2008. Mr. Lam has approximately 20 years of experience in the printing industry. He served as a sales manager of Wilson Printing Equipment Limited from April 2011 to November 2012, a sales manager of Artco Trading Limited from June 2010 to March 2011, a sales manager of Wilson Printing Equipment Limited from March 2002 to May 2010, a technician in Wilson International Company from June 1998 to February 2002, a senior technician in Show Manner Company Limited from 1995 to May 1998 and a technician in Rietschle Hong Kong Limited from September 1991 to March 1995.

Mr. Lam received secondary school education in Hong Kong.

Mr. Lam was the director of the following company which was incorporated in Hong Kong and deregistered and the relevant details are as follows (Note 1):

Company Name	Nature of Business	Date of Submission of Application for Deregistration	Date of Deregistration
Foreverluck International Corporation Limited 百事利國際有限公司	Trading of printing materials	25 June 2007	2 November 2007

It is confirmed by Mr. Lam that the above deregistration was voluntary by way of submitting an application to the Companies Registry of Hong Kong.

Note:

1 A defunct solvent private company which meets the statutory requirements may be dissolved by way of a summary procedure called deregistration under s.291AA (Application to Registrar for deregistration of defunct private company) of the Companies Ordinance.

Mr. Leung Wai Ming (梁衞明), aged 42, is our non-executive Director and Controlling Shareholder. Immediately following the Share Offer and the Capitalisation Issue, Mr. Lam will directly hold approximately 3.57% interest in his personal capacity in our Company and approximately 21.62% in eprint Limited, our Controlling Shareholder holding approximately 58.5% in our Company (assuming the Over-allotment Option is not exercised).

Mr. WM Leung was appointed as a director of E-Print Group in June 2008. Mr. WM Leung has approximately 10 years of experience in the marketing field. He has served as a sales manager in Grandwin Development Limited since October 2002.

Mr. WM Leung received secondary school education in Hong Kong.

Mr. WM Leung was the director of the following company which was incorporated in Hong Kong and deregistered and the relevant details are as follows:

Company Name	Nature of Business	Date of Submission of Application for Deregistration	Date of Deregistration
A & A Printing Machinery Limited 利威印刷機械有限公司	Trading of machineries	20 July 2009	4 December 2009

It is confirmed by Mr. WM Leung that the above deregistration was voluntary by way of submitting an application to the Companies Registry of Hong Kong.

Mr. Leung Yat Pang (梁一鵬), aged 49, is our non-executive Director and Controlling Shareholder. Immediately following the Share Offer and the Capitalisation Issue, Mr. YP Leung will directly hold approximately 2.22% interest in his personal capacity in our Company and approximately 13.52% in eprint Limited, our Controlling Shareholder holding approximately 58.5% in our Company (assuming the Over-allotment Option is not exercised).

Mr. YP Leung was appointed as a director of E-Print Group in June 2008. Mr. YP Leung has approximately 20 years of experience in the printing industry. He has served as a director of Million Way Technologies Limited since May 2002 and a director of China Million Technology Limited since November 2012. Mr. YP Leung also served as a director and a marketing executive in Sunky Printing Equipment Limited (dissolved) from April 1992 to April 2002 and from April 1991 to March 1992 respectively.

Mr. YP Leung graduated from Huaqiao University with a bachelor's degree in engineering in July 1987.

Mr. YP Leung was the director of the following company which was incorporated in Hong Kong and was deregistered and the relevant details are as follows:

Company Name	Nature of Business	Date of Submission of Application for Deregistration	Date of Deregistration
Sunky Printing Equipment Limited	Trading of printing equipment	25 April 2006	1 September 2006

It is confirmed by Mr. YP Leung that the above deregistration was voluntary by way of submitting an application to the Companies Registry of Hong Kong.

Mr. Chong Cheuk Ki (莊卓琪), aged 49, is our non-executive Director and Controlling Shareholder. Immediately following the Share Offer and the Capitalisation Issue, Mr. Chong will directly hold approximately 3.57% interest in his personal capacity in our Company and approximately 21.62% in eprint Limited, our Controlling Shareholder holding approximately 58.5% in our Company (assuming the Over-allotment Option is not exercised).

Mr. Chong was appointed as a director of Promise Network in November 2005. He has approximately 10 years of experience in the corporate management. He has served as a director of CTP Limited since September 2003.

Mr. Chong was awarded a diploma in marketing from the Chartered Institute of Marketing for fulfilling the requirements of the institute's examiners at the diploma examination held in June 1991. He also obtained a certificate in marketing from Vocational Training Council in June 1989 and a higher certificate in electronic engineering from Hong Kong Polytechnic (currently known as the Hong Kong Polytechnic University) in November 1987. He received secondary school education in Hong Kong.

Independent non-executive Directors

Dr. Lung Cheuk Wah (龍卓華), aged 62, is an independent non-executive Director of our Company. He joined our Group on 13 November 2013 when he was appointed as an independent non-executive Director.

Dr. Lung is currently engaged in teaching and training profession. He has been teaching a wide range of professional subjects in local and overseas universities and institutions since 1992. He provides professional training seminar through Uni-1 Corporate Services Limited. He served in VST Holdings Limited (stock code: 856) as the company secretary from November 2002 to October 2009 and the financial controller from November 2002 to October 2008. Dr. Lung worked as the finance manager of Bel Trade International Company Limited from March 2000 to October 2002 and the accounts manager of Swedish Trading International Holdings Limited from April 1995 to June 1999.

Dr. Lung has been admitted as a fellow member of The Hong Kong Institute of Chartered Secretaries in April 2006 and as a fellow member of The Institute of Chartered Secretaries and Administrators in April 2006. He has also been admitted as an associate member of the Taxation Institute of Hong Kong in February 1996 and registered as a certified tax adviser of the Taxation Institute of Hong Kong from June 2010 to December 2013.

Dr. Lung obtained his doctor of philosophy in business administration from the Tarlac State University in November 2012 through distance learning and master of business administration from the University of East Asia (currently known as University of Macau) in February 1988 and diploma in management studies from the Hong Kong Management Association and the Hong Kong Polytechnic (currently known as the Hong Kong Polytechnic University) in November 1985.

Dr. Lung was invited to serve in the membership committee of the Hong Kong Institute of Chartered Secretaries ("**HKICS**") in 2013. He has also been invited to represent HKICS to act in the panel of adjudicators for the Best Annual Report Awards as organised by the Hong Kong Management Association since 2009.

Mr. Chan Chi Yu (陳志裕), aged 59, is an independent non-executive Director of our Company. He joined our Group on 13 November 2013 when he was appointed as an independent non-executive Director.

Mr. Chan is currently a non-executive director of Vanke Property (Overseas) Limited (formerly known as Winsor Properties Holdings Limited (stock code: 1036)) and a director of Vanke Real Estate (Hong Kong) Company Limited. Mr. Chan served as a non-executive director of China Vanke Co., Ltd. (listed on the Shenzhen Stock Exchange with stock code: 000002) from May 1997 to April 2008 and has been appointed as a consultant of China Vanke Co., Ltd. since April 2008. He has served as a director in a private company since January 1987.

Mr. Chan has received various training in accounting, business administration, corporate governance and security brokerage. Mr. Chan has been as a fellow member of The Hong Kong Institute of Directors since May 2012, an affiliated member of The Association of International Accountants since July 1993, and an associate member and a full member of the Hong Kong Management Association since October 1981 and April 2012, respectively.

Mr. Chan was the director of the following companies which were incorporated in Hong Kong and deregistered and the relevant details are as follows:

Company Name	**Nature of Business**	**Date of Submission of Application for Deregistration**	**Date of Deregistration**
Alps Capital Limited 阿爾卑斯資本有限公司	Land development	17 October 2008	6 March 2009
Carway Limited 加偉有限公司	Land development	17 October 2008	6 March 2009
Cisang Company Limited	Land development	17 March 2009	31 July 2009

Company Name	Nature of Business	Date of Submission of Application for Deregistration	Date of Deregistration
Dragon Sun Limited 龍新有限公司	Land development	17 October 2008	6 March 2009
Euston Capital Limited	Land development	17 October 2011	2 March 2012
Great Hill Limited 巨峰有限公司	Land development	17 October 2008	6 March 2009
Longhua Investments Limited	Land development	25 November 2008	9 April 2009
Manten Limited 萬登有限公司	Land development	13 January 2009	29 May 2009
Mega Falcon Limited 宏鵬有限公司	Land development	25 November 2011	13 April 2012
Seawin Limited 海永有限公司	Land development	25 November 2011	13 April 2012
Sindar Textiles Limited 先達紗布有限公司	Trading of textiles	28 June 2000	10 November 2000
Yunhe Limited	Land development	2 December 2011	20 April 2012

It is confirmed by Mr. Chan that all the above deregistration was voluntary by way of submitting an application to the Companies Registry of Hong Kong.

Mr. Chi Man Shing Stephen (池文盛), aged 49, is an independent non-executive Director of our Company. He joined our Group on 13 November 2013 when he was appointed as an independent non-executive Director.

Mr. Chi has served as the managing director, ITD China of Federal Express (Hong Kong) Limited (the holding company of which is listed in the New York Stock Exchange (stock code: FDX)) from June 2009. He was the managing director, ITD Infrastructure of Federal Express (Hong Kong) Limited from April 2007 to May 2009. He also served in a number of positions in Federal Express (Hong Kong) Limited from March 1995 to February 2006.

Mr. Chi obtained his master of commerce in information systems from the University of New South Wales in October 1994, master of science from the University of Salford in July 1987 and bachelor of science from the University of London in August 1985.

Ms. Luk Mei Yan (陸美恩), aged 49, is an independent non-executive Director of our Company. She joined our Group on 13 November 2013 when she was appointed as an independent non-executive Director.

Ms. Luk has served as a group financial controller of Golden Sun Home Products Limited since July 2008. She also served for a number of positions (including accounting supervisor, senior accountant and assistant finance manager) in Integrated Display Technology Limited (which is a subsidiary of IDT International Limited (stock code:167)) from September 1992 to April 2007.

Ms. Luk was certified as an associate of Hong Kong Society of Accountants (currently known as Hong Kong Institute of Certified Public Accountants) in July 1998 and admitted as a certified practicing accountant of the Australian Society of Certified Practising Accountants in March 1998. Ms. Luk obtained her bachelor of commerce (accounting) from Curtin University of Technology in August 1996 and associate diploma in accounting from Adelaide College of TAFE in Australia in May 1993.

Save as disclosed, each of the Directors has not been a director of any other publicly listed company during the three years preceding the date of this prospectus.

Save as disclosed herein, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, there were no other matters with respect of the appointment of the Directors that need to be brought to the attention of the Shareholders and there was no information relating to the Directors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules as at the Latest Practicable Date.

SENIOR MANAGEMENT

Mr. Lee Hon Wai (李瀚偉), aged 44, is the production manager of the Group. Mr. Lee joined our Group in November 2009. Mr. Lee has approximately 7 years of experience in the printing industry. Mr. Lee worked in Norman Graphic Printing Company Limited as the plant manager from January 2008 to October 2009 and a production senior officer from May 2006 to December 2007.

Mr. Lee received secondary school education in Hong Kong.

Immediately following the Share Offer and the Capitalisation Issue, Mr. Lee will have approximately 0.25% interest in our Company pursuant to the options granted under Pre-IPO Share Option Scheme (assuming the Over-allotment Option is not exercised).

Mr. Chan Wai Keung (陳偉强), aged 46, is the sales and marketing manager of the Group. Mr. Chan joined our Group in December 2011. Mr. Chan has approximately 11 years of experience in the printing industry. Mr. Chan served as a sales manager in Wilson Printing Equipment Limited from August 2001 to July 2009.

Immediately following the Share Offer and the Capitalisation Issue, Mr. Chan will have approximately 0.25% interest in the Company pursuant to the options granted under Pre-IPO Share Option Scheme (assuming the Over-allotment Option is not exercised).

Mr. Chan received secondary school education in Hong Kong.

Mr. Cheang Ngai Wang (鄭毅宏), aged 50, is the information technology director of the Group. Mr. Cheang joined our Group in December 2004. Mr. Cheang acted as the nominee of the Group for holding 30% interest in E-Print Solutions, which was incorporated in Malaysia in December 2007. Mr. Cheang has approximate 8 years of experience in the printing industry.

Immediately following the Share Offer and the Capitalisation Issue, Mr. Cheang will have approximately 0.25% interest in the Company pursuant to the options granted under Pre-IPO Share Option Scheme (assuming the Over-allotment Option is not exercised).

Ms. Zhang Yiqing (張藝清), aged 28, is the information technology deputy manager of the Group. Ms. Zhang joined our Group in July 2009 and has been responsible for the co-ordination and development of the information technology projects. Ms. Zhang has approximately 4 years of experience in the printing and information technology industry.

Ms. Zhang obtained the degree of master of science in information technology management (merit) from Hong Kong Baptist University in November 2009 and the degree of bachelor of science in software engineering from Beijing Normal University, Zhuhai in July 2008. Ms. Zhang was awarded the Merit Scholarship in June 2009 from Hong Kong Baptist University.

Save as disclosed, each of the senior management has not been a director of any other publicly listed company during the three years preceding the date of this prospectus.

COMPANY SECRETARY

Mr. Fung Hong Keung (馮康強), aged 50, joined our Group in May 2012 as company secretary of our Company. His biographical details are set out in the paragraph headed "Executive Directors" in the above.

MANAGEMENT PRESENCE IN HONG KONG

Rule 8.12 of the Listing Rules requires that a new applicant applying for a primary listing on the Stock Exchange must have a sufficient management presence in Hong Kong. This normally means that at least two of its executive directors must be ordinarily resident in Hong Kong. At present, all the executive Directors of our Company are ordinarily resident in Hong Kong.

BOARD COMMITTEES

Audit Committee

Our Company established an audit committee on 13 November 2013 with its written terms of reference in compliance with the Listing Rules. The primary duties of the audit committee are to review and supervise our financial reporting process and internal control system, nominate and monitor external auditors and to provide advice and comments to the Board.

Our audit committee consists of three members, being Ms. Luk Mei Yan, Dr. Lung Cheuk Wah and Mr. Chi Man Shing Stephen. Ms. Luk Mei Yan currently serves as the chairlady of our audit committee.

Remuneration Committee

Our Company established a remuneration committee on 13 November 2013 with its written terms of reference in compliance with the Corporate Governance Code set out in Appendix 14 to the Listing Rules. The primary duties of the remuneration committee are to evaluate the performance and make recommendations on the remuneration of our Directors and senior management.

Our remuneration committee consists of three members, being Dr. Lung Cheuk Wah, Mr. Chan Chi Yu and Mr. She Siu Kee William. Dr. Lung Cheuk Wah currently serves as the chairman of our remuneration committee.

Nomination Committee

Our Company established a nomination committee on 13 November 2013 with its written terms of reference by reference to the code provisions of the Corporate Governance Code set out in Appendix 14 to the Listing Rules. The primary duties of the nomination committee are to make recommendations to our Board regarding candidates to fill vacancies on our Board and/or in senior management.

Our nomination committee consists of three members, being Mr. Chi Man Shing Stephen, Dr. Lung Cheuk Wah and Mr. She Siu Kee William. Mr. Chi Man Shing Stephen currently serves as the chairman of our nomination committee.

COMPLIANCE ADVISER

Our Company appointed Cinda International Capital Limited as its compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance adviser (when consulted) will advise our Company on the following matters:

(i) before the publication of any regulatory announcement, circular or financial report;

(ii) where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues and share repurchases;

(iii) where our Company proposes to use the proceeds of the Share Offer in a manner different from that detailed in this prospectus or where our business activities, developments or results deviate from any forecast, estimate, or other information in this prospectus; and

(iv) where the Stock Exchange makes an inquiry of our Company regarding unusual movements in the price or trading volume of the Shares of our Company.

The term of the appointment of our compliance officer shall commence on the Listing Date and end on the date on which our Company distributes its annual report in respect of its financial results for the first full financial year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.

AUTHORISED AND ISSUED SHARE CAPITAL

The following is a description of the authorised and issued share capital immediately following completion of the Capitalisation Issue and the Share Offer:

		HK$
Authorised Share Capital:		
10,000,000,000	Shares of HK$0.01 each	100,000,000
Shares issued and to be issued, fully paid or credited as fully paid:		
100,000	Shares in issue at the date of this prospectus	1,000
374,900,000	Shares to be issued pursuant to the Capitalisation Issue	3,749,000
125,000,000	Shares to be issued pursuant to the Share Offer (excluding any Shares which may be issued under the Over-allotment Option and any Shares which may be issued pursuant to exercise of the options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme)	1,250,000
500,000,000	Shares in total	5,000,000

ASSUMPTIONS

The above table assumes that the Share Offer becomes unconditional.

The table takes no account of Shares which may be allotted and issued upon the exercise of the Over-allotment Option or any options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme or of any Shares which may be allotted and issued or repurchased by our Company pursuant to the Issuing Mandate (as defined below) given to our Directors to allot and issue or repurchase Shares as described below.

RANKING

The Offer Shares and the Shares that may be issued pursuant to exercise of the Over-allotment Option will rank *pari passu* in all respects with all other existing Shares in issue as mentioned in this prospectus, and in particular, will be entitled to all dividends and other distributions hereafter declared, paid or made on the Shares after the date of this prospectus save for entitlements under the Capitalisation Issue.

SHARE OPTION SCHEME

Our Company has conditionally adopted the Share Option Scheme on 13 November 2013. Under the Share Option Scheme, the eligible participants of the scheme, including directors, full-time employees of and advisers and consultants to our Company or our subsidiaries may be granted options which entitle them to subscribe for Shares, when aggregated with options granted under any other scheme, representing initially not more than 10% of the Shares in issue on the Listing Date. Further details of the rules of the Share Option Scheme are set out in the section headed "Statutory and General Information – 13. Share Option Scheme" in Appendix IV to this prospectus.

PRE-IPO SHARE OPTION SCHEME

Our Company has adopted the Pre-IPO Share Option Scheme on 13 November 2013. The principal terms of the Pre-IPO Share Option Scheme are set out in the section headed "Statutory and General Information – 14. Pre-IPO Share Option Scheme" in Appendix IV to this prospectus.

ISSUING MANDATE

Our Directors have been granted the Issuing Mandate to allot, issue and deal with Shares with an aggregate nominal value not exceeding the sum of (a) 20% of the aggregate nominal value of the share capital of our Company in issue as enlarged by the Share Offer and the Capitalisation Issue (but excluding any Shares which may be issued pursuant to the Over-allotment Option); and (b) the aggregate nominal value of the share capital of our Company which may be repurchased by our Company under the Repurchase Mandate.

Our Directors may, in addition to the Shares which they are authorised to issue under the Issuing 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 or convertible securities of our Company, scrip dividends or similar arrangements or the exercise of options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme. The aggregate nominal value of the Shares which our Directors are authorised to allot and issue under this Issuing Mandate will not be reduced by the allotment and issue of such Shares.

This Issuing Mandate will expire:

(i) at the conclusion of our Company's next annual general meeting; or

(ii) upon the expiry of the period within which our Company is required by any applicable law or the Memorandum and Articles of Association to hold its next annual general meeting; or

(iii) when varied, revoked or renewed by an ordinary resolution of our Shareholders in general meeting;

whichever occurs first.

For further details of the Issuing Mandate, please see the section headed "Statutory and General Information – 3. Resolutions in writing of our Shareholders passed on 13 November 2013" in Appendix IV to this prospectus.

REPURCHASE MANDATE

Our Directors have been granted the Repurchase Mandate to exercise all of the powers of our Company to repurchase Shares with an aggregate nominal value of not more than 10% of the aggregate nominal amount of the share capital of our Company in issue, as enlarged by the Share Offer and the Capitalisation Issue (but excluding any Shares which may be issued pursuant to the Over-allotment Option).

This Repurchase Mandate relates only 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 made in accordance with all applicable laws and the requirements of the Listing Rules. Further information required by the Stock Exchange to be included in this prospectus regarding the repurchase of Shares is set out in the section headed "Statutory and General Information – 6. Securities repurchase mandate" in Appendix IV to this prospectus.

This Repurchase Mandate will expire:

(i) at the conclusion of our Company's next annual general meeting; or

(ii) upon the expiry of the period within which our Company is required by any applicable law or the Memorandum and Articles of Association to hold its next annual general meeting; or

(iii) when varied, revoked or renewed by an ordinary resolution of our Shareholders in general meeting;

whichever occurs first.

For further information about this Repurchase Mandate, please see the section headed "Statutory and General Information – 3. Resolutions in writing of our Shareholders passed on 13 November 2013" in Appendix IV to this prospectus.

You should read the following discussion and analysis of our financial condition and our results of operations together with our financial information included in the Accountant's Report in Appendix I to this prospectus. The consolidated financial information contained in the Accountant's Report has been prepared in accordance with HKFRSs. The following discussion and analysis contains forward looking statements that involve risks and uncertainties. Our actual results may differ from those anticipated in these forward looking statements as a result of a number of factors, including those set forth in the section headed "Risk Factors" in this prospectus.

OVERVIEW

We are a printing service provider for a large and diverse group of customers in Hong Kong. We offer for our customers speedy and high quality printing services for paper products, from the provision of design tools and software for customising products, to an array of printing and finishing services to suit their diversified business or personal needs through our extensive sales channels, integrated information technology infrastructure and production facilities situated in Hong Kong. We have established different sales channels for customers through which they could place orders with us, and leveraging on the information technology and printing know-how/technique which we have adopted, we allow flexibility to our customers to place print orders in a wide spectrum of quantity.

Our revenue for the years ended 31 March 2011, 2012 and 2013 was approximately HK$213.5 million, HK$254.1 million, and HK$284.5 million, respectively, representing a CAGR of approximately 15.4%. Our profit for the years ended 31 March 2011, 2012 and 2013 was HK$22.9 million, HK$41.9 million and HK$42.6 million, respectively, representing a CAGR of approximately 36.4%. For the four months ended 31 July 2013, our revenue and profit were approximately HK$101.6 million and HK$4.7 million, respectively.

BASIS OF PRESENTATION

Our consolidated statements of financial position, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the Track Record Period as included in the Accountant's Report, the text of which is set out in Appendix I to this prospectus, include the results of operations of the companies comprising the Group following the consummation of the Reorganisation, as if our Group had been in existence in its current form throughout the Track Record Period.

Our Group is principally engaged in the provision of advertisement, bound book and stationery printing services, through our sales network, to a diversified customer base in Hong Kong (the "**Listing Business**"). Immediately prior to the Reorganisation, the Listing Business was controlled by the Concerted Shareholders which was conducted through Promise Network, Invoice Limited, Lucky Gainer, Design Easy, Digital Printing, Kimley Technology and its subsidiary which are ultimately controlled by the Concerted Shareholders and are the only operating entities of our Group. Pursuant to the Reorganisation, the Listing Business is transferred to and held by our Company. Our Company and intermediate holding entities have not been involved in any other business prior to the Reorganisation and do not meet the definition of a business. The Reorganisation did not result in any change in management and the ultimate owners of the Listing Business remained the same. Accordingly, the consolidated financial information of the Company and the

Listing Business is prepared in accordance with HKAS 27, Consolidated and Separate Financial Statements, issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), using the carrying values of the Listing Business under the Concerted Shareholders for all periods presented, or since the respective dates of incorporation/establishment of the subsidiaries, or since the date when the subsidiaries first came under control of the Concerted Shareholders, whichever is the earlier.

For companies acquired from or disposed of during the Track Record Period, they are included in or excluded from the financial information of the Group from the date of the acquisition or disposal.

Inter-company transactions, balances and unrealised gains/losses on transactions between group companies are eliminated.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITIONS

Demand for our printing services

Demand for our printing services is affected by a variety of factors including, but not limited to, the macroeconomic conditions in Hong Kong and the consumption pattern of our major customer groups such as SMEs. The consumption of printed materials, office supplies as well as spending on advertising and marketing materials are expected to change in light of the revival of the economy of Hong Kong which affects the spending power of our major customer group and particularly SMEs in Hong Kong. During the period between 2008 and 2012, according to Euromonitor, GDP and annual disposable income per household in Hong Kong increased by a CAGR of approximately 4.5% and 4.1%, respectively, and the number of SMEs in Hong Kong increased by a CAGR of approximately 3.2%, and the CAGR of customer value spend on printing services provided by all printing companies and printing companies with retail channels was approximately 3.4% and 10.5%, respectively. Our Directors believe that the economic conditions of Hong Kong and the growth trend of the customer value spend on printing services will continue to have an impact on our results of operations and the growth of our revenue in future.

Cost of raw materials and consumables

Costs of raw materials and consumables represent a significant portion of our costs of sales. During the Track Record Period, cost of raw materials and consumables represented approximately 60.4%, 59.8%, 58.7% and 59.1% of the cost of sales of our Group for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, respectively. Our major raw materials include paper, zinc printing plates and printing ink and other materials such as laminating and packaging materials, with paper as our principal raw materials, representing approximately 70.8%, 68.7%, 66.0% and 64.3% of our total cost of raw materials and consumables for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, respectively. As such, any significant fluctuation in the price of our principal raw materials may have a significant adverse impact on our cost of sales and our profitability.

For illustrative purpose only, the below table illustrates the sensitivity on our profit resulting from hypothetical fluctuations in costs of paper for the periods indicated:

Hypothetical fluctuations(1)	**+12.7%**	**+8.6%**	**+3.6%**	**-3.6%**	**-8.6%**	**-12.7%**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Change in cost of paper						
For the year ended 31 March 2011	8,133	5,508	2,306	(2,306)	(5,508)	(8,133)
For the year ended 31 March 2012	8,550	5,790	2,424	(2,424)	(5,790)	(8,550)
For the year ended 31 March 2013	8,938	6,052	2,534	(2,534)	(6,052)	(8,938)
For the four months ended 31 July 2013	3,090	2,092	876	(876)	(2,092)	(3,090)
Change in profit for the year(2)						
For the year ended 31 March 2011	(6,735)	(4,560)	(1,909)	1,909	4,560	6,735
For the year ended 31 March 2012	(7,319)	(4,956)	(2,075)	2,075	4,956	7,319
For the year ended 31 March 2013	(7,499)	(5,078)	(2,126)	2,126	5,078	7,499
For the four months ended 31 July 2013	(1,885)	(1,276)	(534)	534	1,276	1,885

Note:

(1) Hypothetical fluctuations are assumed to be 3.6%, 8.6% and 12.7% with reference to the changes in our average unit price of paper used and purchased by us during the Track Record Period.

(2) Save for the hypothetical fluctuations in cost of paper, all other factors are assumed to be unchanged.

For illustrative purpose only, the below table illustrates the sensitivity on our profit resulting from fluctuations in the aggregate costs of zinc printing plates and printing ink for the period indicated:

Hypothetical fluctuations(1)	**+16.9%**	**+11.5%**	**+11.0%**	**-11.0%**	**-11.5%**	**-16.9%**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Change in cost of zinc printing plates and printing ink						
For the year ended 31 March 2011	3,029	2,061	1,972	(1,972)	(2,061)	(3,029)
For the year ended 31 March 2012	3,377	2,298	2,198	(2,198)	(2,298)	(3,377)
For the year ended 31 March 2013	3,748	2,550	2,439	(2,439)	(2,550)	(3,748)
For the four months ended 31 July 2013	1,441	980	938	(938)	(980)	(1,441)
Change in profit for the year(2)						
For the year ended 31 March 2011	(2,508)	(1,707)	(1,633)	1,633	1,707	2,508
For the year ended 31 March 2012	(2,891)	(1,967)	(1,882)	1,882	1,967	2,891
For the year ended 31 March 2013	(3,144)	(2,140)	(2,047)	2,047	2,140	3,144
For the four months ended 31 July 2013	(879)	(598)	(572)	572	598	879

Note:

(1) Hypothetical fluctuations are assumed to be 11.0%, 11.5% and 16.9% with reference to the changes in the aggregate cost of zinc printing plates and printing ink during the Track Record Period.

(2) Save for the hypothetical fluctuations in the aggregate cost of zinc printing plates and printing ink, all other factors are assumed to be unchanged.

Market competition

We operate in a highly competitive printing industry, with a few number of players dominating the market even though the rest of the industry is fragmented, according to Euromonitor. Our success depends on our ability to compete against our competitors in terms of convenience, speed and quality. We have made substantial investment in production equipment and information technology infrastructure in order to maintain our competitiveness. However, if the competition intensifies and we could not compete successfully with existing or potential competitors, our market share, revenue growth and results of operations may be adversely affected.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our financial information for the Track Record Period has been prepared in accordance with HKFRSs which require management to make judgments, assumptions and estimates concerning the future. These judgments, assumptions and estimates are based on historical experience and other factors that are considered to be relevant, including expectations of future events that are believed to be reasonable under the circumstances. By their nature, these judgments, assumptions and estimations are subjected to an inherent degree of uncertainty. Actual results may differ from our estimates.

Our Directors believe the following accounting policies are among those that involve significant judgments and estimates used in the preparation of our financial information. Other significant accounting policies are set forth in detail in Note 2 to the Accountant's Report in Appendix I to this prospectus.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown, net of returns, rebates and discounts.

We recognise revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(i) Revenue from the provision of printing services is recognised when services are rendered.

(ii) Interest income is recognised on a time-proportion basis using the effective interest method.

(iii) Rental income is recognised on a straight-line basis over the terms of the respective leases.

(iv) Management fee income and I.T. training service income are recognised when the related service are rendered.

(v) Scrap sale income is recognised when the scrap materials are delivered to the customers.

Estimated provision for impairment of receivables from third parties and related parties

We make provision for impairment of receivables from third parties and related parties based on an assessment of the recoverability of these receivables. Provisions for impairment are applied to receivables where events or changes in circumstances indicate that the balances may not be recoverable. The identification of doubtful debts requires the use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying amount of receivables and doubtful debt expense in the period in which such estimate is changed.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, the total amount of the provision which has been made were approximately HK$402,000, nil, HK$48,000 and HK$1,000, respectively. If the financial conditions of customers of our Group were to change, resulting in an impairment of their ability to make payments, additional provision may be required.

Useful lives of property, plant and equipment

Management determines the estimated lives and related depreciation charges for its property, plant and equipment. Management will revise the depreciation charge where useful lives are different from those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Incomes taxes

Our Group is principally subject to income taxes both in Hong Kong and the PRC. Significant judgement is 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. Our Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

RESULTS OF OPERATIONS

Our Group's consolidated statements of comprehensive income for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013 set forth below are extracted from the Accountant's Report in Appendix I to this prospectus.

	For the year ended 31 March						For the four months ended 31 July			
	2011		2012		2013		2012		2013	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*	*HK$'000* (Unaudited)	*%*	*HK$'000*	*%*
Revenue	213,536	100.0	254,146	100.0	284,498	100.0	93.138	100.0	101,569	100.0
Cost of sales	(149,751)	(70.1)	(163,877)	(64.5)	(181,583)	(63.8)	(58,878)	(63.2)	(64,033)	(63.0)
Gross profit	63,785	29.9	90,269	35.5	102,915	36.2	34,260	36.8	37,536	37.0
Other income	4,731	2.2	5,797	2.3	6,238	2.2	1,857	2.0	1,902	1.9
Other (losses)/gains – net	(1,919)	(0.9)	6,176	2.4	(1,198)	(0.4)	(29)	0.0	(193)	(0.3)
Selling and distribution expenses	(8,403)	(3.9)	(12,995)	(5.1)	(15,821)	(5.6)	(5,009)	(5.4)	(5,905)	(5.8)
Administrative expenses	(28,898)	(13.6)	(39,992)	(15.7)	(41,583)	(14.6)	(13,679)	(14.7)	(26,036)	(25.6)
Operating profit	29,296	13.7	49,255	19.4	50,551	17.8	17,400	18.7	7,304	7.2
Finance income	1,252	0.6	2,022	0.8	976	0.3	356	0.4	142	0.1
Finance costs	(2,639)	(1.3)	(2,146)	(0.8)	(1,724)	(0.6)	(562)	(0.7)	(700)	(0.7)
Share of (losses)/profits of joint ventures	(271)	(0.1)	(160)	(0.1)	1,022	0.4	514	0.6	921	0.9
Profit before income tax	27,638	12.9	48,971	19.3	50,825	17.9	17,708	19.0	7,667	7.5
Income tax expense	(4,750)	(2.2)	(7,060)	(2.8)	(8,207)	(2.9)	(2,900)	(3.1)	(2,989)	(2.9)
Profit for the year/period	22,888	10.7	41,911	16.5	42,618	15.0	14,808	15.9	4,678	4.6
Profit for the year/period attributable to:										
Equity holders of the Company	22,912	10.7	39,773	15.6	42,438	14.9	14,718	15.8	4,719	4.6
Non-controlling interests	(24)	0.0	2,138	0.9	180	0.1	90	0.1	(41)	0.0
	22,888	10.7	41,911	16.5	42,618	15.0	14,808	15.9	4,678	4.6

DESCRIPTION OF SELECTED STATEMENT OF COMPREHENSIVE INCOME ITEMS

Revenue

We generate revenue from the provision of printing services in Hong Kong during the Track Record Period. Our revenue is recognised when the printing service is rendered and the product is readily collectable at our store or location designated by our customer. The following table sets forth a breakdown of our revenue by service category and their respective percentage of our total revenue for the periods indicated.

	For the year ended 31 March						For the four months ended 31 July			
	2011		2012		2013		2012		2013	
Revenue	*HK$'000*	%	*HK$'000*	%	*HK$'000*	%	*HK$'000* (Unaudited)	%	*HK$'000*	%
Printing services										
Advertisement printing [1]	97,905	45.9	113,219	44.5	123,079	43.3	39,684	42.6	40,870	40.2
Bound book printing [2]	57,449	26.9	70,700	27.8	82,805	29.1	29,380	31.6	32,295	31.8
Stationery printing [3]	52,415	24.5	63,635	25.0	71,685	25.2	22,726	24.4	25,266	24.9
Sub-total:	207,769	97.3	247,554	97.3	277,569	97.6	91,790	98.6	98,431	96.9
Other services [4]	5,767	2.7	6,592	2.7	6,929	2.4	1,348	1.4	3,138	3.1
Total	**213,536**	**100.0**	**254,146**	**100.0**	**284,498**	**100.0**	**93,138**	**100.0**	**101,569**	**100.0**

Notes:

(1) Advertisement printing primarily include printing of placemats, menus and leaflets.

(2) Bound book printing primarily includes printing of booklets of different binding styles, such as saddle stitching binding or perfect binding or sewn perfect binding.

(3) Stationery printing primarily includes printing of envelopes, business cards, and paper folders.

(4) Other services include the revenue from the sales of pre-ink stamps, crystal trophies and other miscellaneous services such as product courier.

As illustrated above, our sales mix remained relatively stable during the Track Record Period and advertisement printing was our primary printing service that accounted for approximately 45.9%, 44.5%, 43.3% and 40.2% of our total revenue for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, respectively.

Number of order and average sales per order

The following table sets forth a breakdown of the number of orders and the average sales per order of each service category for the periods indicated.

	For the year ended 31 March						For the four months ended 31 July			
	2011		2012		2013		2012		2013	
	Number of order(1)	Average sales per order(2)	Number of order(1)	Average sales per order(2)	Number of order(1)	Average sales per order(2)	Number of order(1)	Average sales per order(2)	Number of order(1)	Average sales per order(2)
		HK$		*HK$*		*HK$*		*HK$*		*HK$*
Advertisement printing	102,000	959	117,000	967	127,000	968	41,000	976	45,000	903
Bound book printing	11,000	5,469	14,000	5,221	16,000	5,321	5,000	5,503	6,000	5,132
Stationery printing	216,000	242	243,000	261	263,000	273	86,000	264	93,000	272
Other services(3)	12,000	114	16,000	132	18,000	142	5,000	131	5,000	188

Notes:

(1) Order(s) represents the production order(s) processed by us of each category of printing service.

(2) Calculation of average sales per order is based on revenue generated from each service category for the period indicated divided by total number of orders of the corresponding service category in the relevant period.

(3) Courier service is excluded since it was not measured on a production order basis.

Our average sales per order are primarily affected by factors such as the change in pricing of our services and the change in printing size per order placed by our customers. During the Track Record Period, there were no material fluctuations in the average sales per order of each category of service.

Costs of sales

Our cost of sales primarily consists of cost of raw materials and consumables, staff costs, subcontracting fee and depreciation. The following table sets forth a breakdown of our costs of sales by nature and the respective percentages of total costs of sales for the periods indicated.

	For the year ended 31 March						For the four months ended 31 July			
	2011		2012		2013		2012		2013	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*	*HK$'000* (Unaudited)	*%*	*HK$'000*	*%*
Raw materials and consumables	90,460	60.4	97,964	59.8	106,674	58.7	35,377	60.1	37,834	59.1
Staff costs	26,574	17.7	29,318	17.9	36,008	19.8	11,503	19.5	13,735	21.4
Subcontracting fee	16,895	11.3	16,210	9.9	14,041	7.7	4,486	7.6	2,649	4.1
Depreciation	5,689	3.8	6,746	4.1	8,459	4.7	2,642	4.5	3,159	4.9
Others	10,133	6.8	13,639	8.3	16,401	9.1	4,870	8.3	6,656	10.5
Total	149,751	100.0	163,877	100.0	181,583	100.0	58,878	100.0	64,033	100.0

Raw materials and consumables, primarily comprise paper, zinc printing plates, printing ink and other materials such as laminating and packaging materials, together was the largest component of our cost of sales during the Track Record Period. Subcontracting fee primarily comprises cost of our subcontractors' pre-press and post-press services such as print proof preview, folding and binding and the production of other products such as pre-ink stamps and crystal trophies which we did not have the relevant production expertise.

Gross profit and gross profit margin

The following table sets forth our gross profit and gross profit margin by service category for the periods indicated.

	For the year ended 31 March						For the four months ended 31 July			
	2011		2012		2013		2012		2013	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*	*HK$'000* (Unaudited)	*%*	*HK$'000*	*%*
Advertisement printing	28,224	28.8	39,896	35.2	46,280	37.6	15,180	38.3	15,539	38.0
Bound book printing	13,325	23.2	21,849	30.9	24,425	29.5	9,752	33.2	10,070	31.2
Stationery printing	18,759	35.8	24,482	38.5	28,273	39.4	8,697	38.3	9,588	37.9
Other services	3,477	60.3	4,042	61.3	3,937	56.8	631	46.8	2,339	74.5
Total	63,785	29.9	90,269	35.5	102,915	36.2	34,260	36.8	37,536	37.0

Our overall gross profit and gross profit margin both increased during the Track Record Period. The increase in our overall gross profit was primarily due to the increase in our revenue while our increase in gross profit margin was primarily a combined result of (i) the decrease in overall market price and our cost of paper; (ii) the adjustment in unit retail price of some of our services; (iii) the increase in our production costs of certain products mainly due to certain production equipment we acquired and additional staff employed; and (iv) sales discounts we offered for some of our services during the Track Record Period.

Other income

Other income primarily comprises sales of scrap materials, such as used zinc printing plates and paper scrap, management fee received from several companies controlled by certain Directors of our Group, I.T. training services income and rental income.

Other gains/(losses) – net

Other gains/(losses) – net primarily comprises our gain or loss on disposal of property, plant and equipment and our gain on disposal of two subsidiaries of our Group.

Selling and distribution expenses

Our selling and distribution expenses primarily consist of delivery expenses, handling charges for electronic payments we received, and store rentals as well as advertising and marketing expenses. Our selling and distribution expenses represent approximately 3.9%, 5.1%, 5.6% and 5.8% of revenue for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, respectively.

Administrative expenses

Our administrative expenses primarily comprise staff costs, outsourced customer support expenses, I.T. support services expenses, office rental and utilities, depreciation, internet and telephone expenses, professional expenses incurred in connection with the Company's Listing and other miscellaneous administrative expenses. Our administrative expenses represent approximately 13.6%, 15.7%, 14.6% and 25.6% of our total revenue for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, respectively. The following table sets forth a breakdown of our administrative expenses for the periods indicated.

	For the year ended 31 March						For the four months ended 31 July			
	2011		2012		2013		2012		2013	
	HK$'000	*%*	*HK$'000*	*%*	*HK$'000*	*%*	*HK$'000* (Unaudited)	*%*	*HK$'000*	*%*
Staff costs	12,241	42.4	19,527	48.8	22,944	55.1	7,212	52.7	8,444	32.4
Outsourced customer support expenses	2,345	8.1	4,019	10.1	5,141	12.4	2,379	17.4	4,108	15.8
I.T. support services expenses	3,234	11.2	3,951	9.9	–	–	–	0.0	–	0.0
Office rental and utilities	2,036	7.0	1,989	5.0	2,327	5.6	814	6.0	647	2.5
Depreciation	1,691	5.9	1,378	3.4	1,486	3.6	510	3.7	441	1.7
Internet and telephone expenses	1,133	3.9	1,363	3.4	1,342	3.2	514	3.8	450	1.7
Professional expenses incurred in connection with the Company's Listing	–	–	–	–	1,275	3.1	–	0.0	9,650	37.1
Others	6,218	21.5	7,765	19.4	7,068	17.0	2,250	16.4	2,296	8.8
Total	28,898	100.0	39,992	100.0	41,583	100.0	13,679	100.0	26,036	100.0

Finance income

Finance income primarily consists of interest income from amounts due from related companies, bank deposits and loans to third parties.

Finance costs

Finance costs primarily consist of interest expenses on bank borrowings and finance charges on obligations under finance lease.

Share of losses/profits of joint ventures

Share of losses/profits of joint ventures represent the share of profit or loss of our joint ventures in each period using equity method of accounting. During the Track Record Period, we had two entities jointly controlled in Hong Kong and Malaysia. Please refer further details of our joint ventures to Note 8 to the Accountant's Report in Appendix I to this prospectus.

Income tax expense

Income tax expense represents income tax paid or payable by us, at the applicable tax rates in accordance with the relevant laws and regulations in each tax jurisdiction our Group operates or domiciles. We had no tax payable in other jurisdictions other than Hong Kong and the PRC during the Track Record Period. Our operations in Hong Kong are subject to a statutory profit tax rate of 16.5%. Under the EIT Law, our operations in the PRC are subject to an enterprise income tax rate of 25%. Our Group's effective tax rate, calculated as profit before income tax for the year divided by income tax expenses for the corresponding year, was approximately 17.2%, 14.4%, 16.1% and 39.0% for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, respectively.

PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

Four months ended 31 July 2013 compared to four months ended 31 July 2012

Revenue

Our revenue increased by approximately HK$8.5 million or 9.1%, from approximately HK$93.1 million for the four months ended 31 July 2012 to approximately HK$101.6 million for the four months ended 31 July 2013. Such increase was primarily attributable to the increase in number of completed orders.

Revenue from advertisement printing

Our revenue from advertisement printing, which was our primary type of printing service, increased by approximately HK$1.2 million or 3.0% from HK$39.7 million for the four months ended 31 July 2012 to HK$40.9 million for the four months ended 31 July 2013. Such increase was mainly attributable to the increase in number of orders for our leaflets printing service.

Revenue from bound book printing

Our revenue from bound book printing increased by approximately HK$2.9 million or 9.9% from HK$29.4 million for the four months ended 31 July 2012 to HK32.3 million for the four months ended 31 July 2013. The increase was mainly attributable to the increase in number of completed orders by approximately 20.0% and partially offset by the impact of discount offered for certain orders of our bound book printing service since July 2012.

Revenue from stationery printing

Our revenue from stationery printing increased by approximately HK$2.5 million or 11.2% from HK$22.7million for the four months ended 31 July 2012 to HK25.3 million for the four months ended 31 July 2013. The increase was mainly attributable to the increase in number of completed orders by approximately 8.1% and the increase in average unit retail price of our service on printing of invoice and receipt book by around 10% to 12% per batch since June 2012.

Revenue from other services

Our revenue from other services increased by approximately HK$1.8 million or 138.5% from HK$1.3 million for the four months ended 31 July 2012 to HK3.1 million for the four months ended 31 July 2013, which was primarily attributable to the increase in revenue from our courier service as a result of the increase in number of completed orders during the year.

Cost of sales

Our cost of sales increased by approximately HK$5.1 million or 8.7%, from approximately HK$58.9 million for the four months ended 31 July 2012 to approximately HK$64.0 million for the four months ended 31 July 2013. The increase was a combined result of (i) the increase in raw material and consumables used by approximately HK$2.5 million or 7.1% mainly due to the increase in our production; (ii) the increase in staff costs by approximately HK$2.2 million mainly because of the increase in number of our production staff by around 104; (iii) the increase in our operating costs of production facilities such as depreciation, workshop rentals, utility charges and repair and maintenance expenses of our plant and machinery; (iv) the decrease in subcontractors' services fee by approximately HK$1.8 million after acquisition of certain production machineries of our own during the year ended 31 March 2013.

Gross profit and gross profit margin

Our gross profit increased by approximately HK$3.2 million or 9.3%, from approximately HK$34.3 million for the four months ended 31 July 2012 to approximately HK$37.5 million for the four months ended 31 July 2013. Our increase in gross profit was primarily attributable to our increase in revenue. Our gross profit margin slightly increased from 36.8% for the four months ended 31 July 2012 to 37.0% for the same period in 2013 which was mainly attributable to (i) the increase in gross profit we generated from our product courier service along with the increase in number of orders; (ii) the decrease in gross profit margin of our bound book printing service as a result of discount offered for certain orders since July 2012.

Other income

Our other income remained relatively stable at approximately HK$1.9 million for both the four months ended 31 July 2012 and the same period in 2013.

Selling and distribution expenses

Our selling and distribution expenses increased by approximately HK$0.9 million or 18.0%, from approximately HK$5.0 million for the four months ended 31 July 2012 to approximately HK$5.9 million for the four months ended 31 July 2013. The increase was a combined result of (i) the increase in handling charges of electronic payments and delivery expenses of our products as a result of the increase number of our completed orders; and (ii) the increase in rentals as a result of the increase in monthly rentals upon renewal of the lease or relocation of certain of our stores.

Administrative expenses

Our administrative expenses increased by approximately HK$12.3 million or 89.8%, from approximately HK$13.7 million for the four months ended 31 July 2012 to approximately HK$26.0 million for the four months ended 31 July 2013. The increase was primarily attributable to (i) professional fees in connection with the Company's Listing of approximately HK$9.7 million we incurred during the period; (ii) the increase in staff costs by approximately HK$1.2 million as a result of the increase headcount by 25; and (iii) the increase in outsourced customer support expenses by approximately HK$1.7 million mainly because of the increase in number of customer support personnel and the increase in service fee per delegate charged by our service provider for the customer support personnel despatched.

Finance income

Our finance income decreased by approximately HK$0.3 million or 75.0%, from approximately HK$0.4 million for the four months ended 31 July 2012 to approximately HK$0.1 million for the four months ended 31 July 2013. The decrease was primarily attributable to the decrease in amounts due from related companies and loans to third parties.

Finance costs

Our finance costs increased by approximately HK$0.1 million or 16.7%, from approximately HK$0.6 million for the four months ended 31 July 2012 to approximately HK$0.7 million for the four months ended 31 July 2013. The increase primarily reflected the increase in balances of our bank borrowings and obligations under finance lease in the period.

Share of profits of joint ventures

Our share of profits of joint ventures increased by approximately HK$0.4 million or 80.0%, from approximately HK$0.5 million for the four months ended 31 July 2012 to approximately HK$0.9 million for the four months ended 31 July 2013. The increase primarily reflected the improvement in financial result of our joint venture in Malaysia.

Income tax expenses

Our income tax expenses slightly increased by approximately HK$0.1 million or 3.4%, from approximately HK$2.9 million for the four months ended 31 July 2012 to approximately HK$3.0 million for the four months ended 31 July 2013. The increase primarily reflected our improvement in revenue and gross profit for the period.

Our effective tax rate significantly increased from approximately 16.4% for the four months ended 31 July 2012 to approximately 39.0% for the same period in 2013. Such increase was mainly because we incurred professional fee in connection with our Company's Listing of approximately HK$9.7 million which was not deductible for tax purposes.

Profit for the period

Our profit significantly decreased by approximately HK$10.1 million or 68.2%, from approximately HK$14.8 million for the four months ended 31 July 2012 to approximately HK$4.7 million for the four months ended 31 July 2013. Our net profit margin also significantly decreased from approximately 15.9% for the four months ended 31 July 2012 to approximately 4.6% for the four months ended 31 July 2013. The decreases in our net profit and net profit margin primarily reflected professional expenses of approximately HK$9.7 million in connection with our Company's Listing incurred during the period.

Year ended 31 March 2013 compared to year ended 31 March 2012

Revenue

Our revenue increased by approximately HK$30.4 million or 12.0%, from HK$254.1 million for the year ended 31 March 2012 to HK$284.5 million for the year ended 31 March 2013. Such increase was primarily attributable to the increase in total number of completed orders together with either relatively stable or increase in average sales per order for all of our printing services for the year.

Revenue from advertisement printing

Our revenue from advertisement printing, which was our primary type of printing service, increased by approximately HK$9.9 million or 8.7% from HK$113.2 million for the year ended 31 March 2012 to HK$123.1 million for the year ended 31 March 2013. The increase was mainly a result of the increase in number of completed orders by approximately 8.6% for the year.

Revenue from bound book printing

Our revenue from bound book printing increased by approximately HK$12.1 million or 17.1% from HK$70.7 million for the year ended 31 March 2012 to HK$82.8 million for the year ended 31 March 2013. Such increase was primarily attributable to the increase in number of completed orders by approximately 2,021 orders or 14.9% and the increase in average sales per order for our bound book printing service. The average sales per order of our bound book printing service increased by approximately HK$100 per order or 1.9%, which was mainly attributable to certain completed orders in connection with the printing of large quantity of pamphlets during the legislative election in September 2012.

Revenue from stationery printing

Our revenue from stationery printing increased by approximately HK$8.1 million or 12.7% from HK$63.6 million for the year ended 31 March 2012 to HK$71.7 million for the year ended 31 March 2013. The increase mainly reflected the increase in number of completed orders of our stationery printing by approximately 7.9%. Further, the unit retail price of our service on printing of invoices and receipt books increased by approximately 10% to 12% per batch in June 2012.

Revenue from other services

Our revenue from other services slightly increased by approximately HK$0.3 million or 4.5% from HK$6.6 million for the year ended 31 March 2012 to HK$6.9 million for the year ended 31 March 2013.

Cost of sales

Our cost of sales increased by approximately HK$17.7 million or 10.8% from HK$163.9 million for the year ended 31 March 2012 to HK$181.6 million for the year ended 31 March 2013. The increase was a combined result of (i) the increase in raw materials and consumables used by around HK$8.7 million or 8.9% mainly due to the increase in our production; (ii) the increase in staff costs by around HK$6.7 million due to increase in number of our production staff by around 113; (iii) the increases in our operating costs of production facilities such as depreciation, workshop rentals and repairs and maintenance expenses of our plant and machinery; and (iv) the decrease in the use of subcontractor's services by around HK$2.2 million after certain production machinery we acquired during the years ended 31 March 2012 and 2013.

Gross profit and gross profit margin

Our gross profit increased by approximately HK$12.6 million or 14.0% from approximately HK$90.3 million for the year ended 31 March 2012 to approximately HK$102.9 million for the year ended 31 March 2013. Our increase in gross profit was primarily attributable to our increase in revenue while our increase in gross profit margin, from 35.5% for the year ended 31 March 2012 to 36.2% for the year ended 31 March 2013, was primarily attributable to:

(i) Advertisement printing

Gross profit margin of our advertisement printing slightly increased from 35.2% for the year ended 31 March 2012 to 37.6% for the year ended 31 March 2013, which was primarily attributable to the decrease in the cost of paper mainly as a result of the decrease in average unit purchase price of paper by around 8.6% in the year.

(ii) Bound book printing

Gross profit margin of our binding product printing slightly decreased from 30.9% for the year ended 31 March 2012 to 29.5% for the year ended 31 March 2013, which was a combined result of (i) the increase in production costs of our bound book printing service primarily because of certain production equipment we acquired and additional staff employed and assigned for such service; (ii) the decrease in the cost of paper mainly as a result of the decrease in average unit purchase price of paper by around 8.6% in the year.

(iii) Stationery printing

Gross profit margin of stationery printing slightly increased from 38.5% for the year ended 31 March 2012 to 39.4% for the year ended 31 March 2013, which was primarily because of the increase in the average unit retail price of our service on printing of invoice and receipt book by around 10% to 12% per batch in June 2012.

(iv) Other services

Gross profit margin of other services decreased from approximately 61.3% for the year ended 31 March 2012 to 56.8% for the year ended 31 March 2013, which was mainly due to increase in subcontracting costs of our other services such as the production of pre-ink stamps.

Other income

Our other income increased by approximately HK$0.4 million or 6.9% from HK$5.8 million for the year ended 31 March 2012 to HK$6.2 million for year ended 31 March 2013. The increase primarily reflected I.T. training services provided by us to a joint venture since April 2012.

Other gains/(losses) – net

Our other gains – net of approximately HK$6.2 million for the year ended 31 March 2012 primarily reflected our non-recurring gains on disposal of subsidiaries of approximately HK$3.3 million and gains on disposal of property, plant and equipment of approximately HK$3.1 million during the year. Other loss of approximately HK$1.2 million for year ended 31 March 2013 represents our loss on disposal of property, plant and equipment during the year.

Selling and distribution expenses

Our selling and distribution expenses increased by approximately HK$2.8 million or 21.5% from HK$13.0 million for the year ended 31 March 2012 to HK$15.8 million for year ended 31 March 2013. The increase was mainly due to (i) the increase in the handling charges of electronic payments and delivery expenses of the printed products as a result of the increase in the number of our completed orders; and (ii) the increase in rentals of some of our stores during the year.

Administrative expenses

Our administrative expenses increased by approximately HK$1.6 million or 4.0% from HK$40.0 million for the year ended 31 March 2012 to HK$41.6 million for year ended 31 March 2013. The increase was mainly a combined result of (i) the increase in staff costs by approximately HK$3.4 million and the decrease in I.T. support services expenses by approximately HK$4.0 million primarily because we employed additional I.T. staff and reduced the use of external I.T. support services since November 2011; (ii) the increase in outsourced customer support services expenses by approximately HK$1.1 million mainly due to the increase in service fee per delegate charged by our service provider; and (iii) professional fee in connection with our Company's Listing of approximately HK$1.3 million incurred during the year ended 31 March 2013.

Finance income

Our finance income decreased by approximately HK$1.0 million or 50.0% from HK$2.0 million for the year ended 31 March 2012 to HK$1.0 million for year ended 31 March 2013. Such decrease was mainly due to the decreases in amounts due from related companies and loans to third parties during the year.

Finance costs

Our finance costs decreased by approximately HK$0.4 million or 19.0% from HK$2.1 million for the year ended 31 March 2012 to HK$1.7 million for year ended 31 March 2013. The decrease was mainly due to the decrease in average balance of our bank borrowings during the year.

Share of losses/profits of joint ventures

We recorded a share of losses of joint ventures of approximately HK$0.2 million for the year ended 31 March 2012 and a share of profits of approximately HK$1.0 million for the year ended 31 March 2013, which was mainly due to improvement in the financial results of a joint venture.

Income tax expenses

Our income tax expenses increased by approximately HK$1.1 million or 15.5% from HK$7.1 million for the year ended 31 March 2012 to HK$8.2 million for year ended 31 March 2013. The increase primarily reflected the increase in our profit before tax as a result of the factors discussed above.

Our effective tax rate increased from approximately 14.4% for the year ended 31 March 2012 to approximately 16.1% for the year ended 31 March 2013. The lower effective tax rate for the year ended 31 March 2012 was primarily attributable to the increase in income not subject to taxation in respect of gain on disposal of subsidiaries during the year.

Profit for the year

As a combined result of the foregoing, our profit for the year slightly increased by approximately HK$0.7 million or 1.7% from HK$41.9 million for the year ended 31 March 2012 to HK$42.6 million for year ended 31 March 2013. Our decrease in net profit margin from approximately 16.5% for the year ended 31 March 2012 to approximately 15.0% for the year ended 31 March 2013 was primarily because of the change in other gains/(losses) – net discussed above.

Year ended 31 March 2012 compared to year ended 31 March 2011

Revenue

Our revenue increased by approximately HK$40.6 million or 19.0%, from HK$213.5 million for the year ended 31 March 2011 to HK$254.1 million for the year ended 31 March 2012. Such increase was primarily attributable to the increase in total number of completed orders together with either relatively stable or increase in average sales per order for all of our printing services in the period.

Revenue from advertisement printing

Our revenue from advertisement printing, which was our primary type of products, increased by approximately HK$15.3 million or 15.6% from HK$97.9 million for the year ended 31 March 2011 to HK$113.2 million for the year ended 31 March 2012. The increase was mainly a result of (i) the increase in number of completed orders by approximately 15,000 orders or 14.7% for the year and (ii) we increased the unit retail price of our printing services of leaflet by HK$10 per batch since May 2011.

Revenue from bound book printing

Our revenue from bound book printing increased by approximately HK$13.3 million or 23.2% from HK$57.4 million for the year ended 31 March 2011 to HK$70.7 million for the year ended 31 March 2012 which was mainly attributable to the increase in number of completed orders by approximately 27.3% and partially offset by the decrease in average sales per order of our bound book printing service. The average sales per order of our binding products printing decreased by around HK$248 per order or 4.5%, which was mainly because we offered discount for some of our bound book printing service to our customers since May 2011 for marketing purpose.

Revenue from stationery printing

Our revenue from stationery printing increased by approximately HK$11.2 million or 21.4% from HK$52.4 million for the year ended 31 March 2011 to HK$63.6 million for the year ended 31 March 2012. The increase was mainly attributable to the increase in number of completed orders by 12.5% and the increase in unit retail price of our printing service of name card during the year.

Revenue from other services

Our revenue from other services increased, by approximately HK$0.8 million or 13.8% from HK$5.8 million for the year ended 31 March 2011 to HK$6.6 million for the year ended 31 March 2012, which was mainly attributable to the increase in revenue from our courier service as a result of the overall increase in number of completed orders during the year.

Cost of sales

Our cost of sales increased by approximately HK$14.1 million or 9.4% from HK$149.8 million for the year ended 31 March 2011 to HK$163.9 million for the year ended 31 March 2012. The increase was mainly attributable to (i) the increase in raw materials used in production by around HK$7.5 million mainly due to the increase in our production; (ii) the increase in staff costs by around HK$2.7 million due to increase in number of our production staff; and (iii) the increases in our operating costs of production facilities such as depreciation, workshop rentals and repair and maintenance expenses after certain production machinery we acquired in May and November 2011.

Gross profit and gross profit margin

Our gross profit increased by approximately HK$26.5 million or 41.5% from approximately HK$63.8 million for the year ended 31 March 2011 to approximately HK$90.3 million for the year ended 31 March 2012. The increases in our overall gross profit was primarily attributable to our increase in revenue while our increase in gross profit margin from approximately 29.9% for the year ended 31 March 2011 to 35.5% for the year ended 31 March 2012 was mainly attributable to:

(i) Advertisement printing

Gross profit margin of advertisement printing increased from 28.8% for the year ended 31 March 2011 to 35.2% for the year ended 31 March 2012, primarily attributable to (i) the decrease in the cost of paper mainly because of the decrease in average unit purchase price of paper by around 12.7% in the year; and (ii) we increased the unit retail price of our printing services of leaflet by HK$10 per batch since May 2011.

(ii) Bound book printing

Gross profit margin of bound book printing increased from 23.2% for the year ended 31 March 2011 to 30.9% for the year ended 31 March 2012. Similar to advertisement printing service, the increase in gross profit margin of our bound book printing was a combined result of (i) the decrease in our cost of paper mainly because of the decrease in average unit purchase price of paper by around 12.7% during the year; (ii) the decrease in our marginal cost of bound book printing along with the increase in number of orders for such printing service; and (iii) we offered discount for some of bound book printing service since May 2011.

(iii) Stationery printing

Gross profit margin of stationery printing increased from 35.8% for the year ended 31 March 2011 to 38.5% for the year ended 31 March 2012. The increases was mainly attributable to the increase in unit retail price of our printing services of name cards during the year.

(iv) Other services

Gross profit margin of other products and services slightly increased from approximately 60.3% for the year ended 31 March 2011 to 61.3% for the year ended 31 March 2012.

Other income

Our other income increased by approximately HK$1.1 million or 23.4% from HK$4.7 million for the year ended 31 March 2011 to HK$5.8 million for year ended 31 March 2012. The increase primarily reflected the increase in sales of scrap paper and used zinc printing plate as a result of the expansion of our production during the year.

Other losses/gains – net

Other losses – net of approximately HK$1.9 million for year ended 31 March 2011 represents our loss on disposal of property, plant and equipment during the year. Our other gains – net of approximately HK$6.2 million for the year ended 31 March 2012 primarily reflected our non-recurring gains on disposal of subsidiaries of approximately HK$3.3 million and gains on disposal of property, plant and equipment of approximately HK$3.1 million during the year.

Selling and distribution expenses

Our selling and distribution expenses increased by approximately HK$4.6 million or 54.8% from HK$8.4 million for the year ended 31 March 2011 to HK$13.0 million for year ended 31 March 2012. The increase was mainly due to (i) the increase in store rentals expenses by around HK$1.9 million as result of the opening of two additional stores, and relocation of existing stores and renewal of the tenancy agreements during the year; (ii) the increase in handling charges for electronic payments by approximately HK$1.2 million mainly due to the increase in number of payments we received through electronic means; and (iii) the increase in delivery expenses of printed products by approximately HK$0.9 million in line with our increases in number of work orders as well as revenue for the year.

Administrative expenses

Our administrative expenses increased by approximately HK$11.1 million or 38.4% from HK$28.9 million for the year ended 31 March 2011 to HK$40.0 million for year ended 31 March 2012. The increase was mainly due to (i) the increase in staff costs by approximately HK$7.3 million as a combined result of the increase in number of our staff, the increase in discretionary bonus by around HK$3.0 million and the increase in directors' salaries and allowances by around HK$1.6 million; and (ii) the increase in outsourced customer support expenses of approximately HK$1.7 million as a result of the increase in service fee per delegate charged by our service provider during the year ended 31 March 2012.

Finance income

Our finance income increased by approximately HK$0.7 million or 53.8% from HK$1.3 million for the year ended 31 March 2011 to HK$2.0 million for year ended 31 March 2012. The increase was mainly attributable to the increase in the amounts due from related companies during the year.

Finance costs

Our finance costs decreased by approximately HK$0.5 million or 19.2% from HK$2.6 million for the year ended 31 March 2011 to HK$2.1 million for year ended 31 March 2012. The decrease was mainly attributable to the decrease in the balance of our bank borrowings during the year.

Share of losses of joint ventures

Our share of losses of joint ventures reduced by approximately HK$0.1 million from HK$0.3 million for the year ended 31 March 2011 to HK$0.2 million for the year ended 31 March 2012. The decrease was mainly due to improvement in a joint venture's financial results in the relevant year.

Income tax expenses

Our income tax expenses increased by approximately HK$2.3 million or 47.9% from HK$4.8 million for the year ended 31 March 2011 to HK$7.1 million for year ended 31 March 2012. The increase primarily reflected the increase in our profit before tax as a result of the factors discussed above.

Our effective tax rate decreased from approximately 17.2% for the year ended 31 March 2011 to approximately 14.4% for the year ended 31 March 2012. The lower effective tax rate for the year ended 31 March 2012 was primarily attributable to certain income not subject to taxation in respect of gain on disposal of subsidiaries in the relevant year.

Profit for the year

As a combined result of the foregoing, in particular our improvement in gross profit and gross profit margin, our profit for the year increased by approximately HK$19.0 million or 83.0% from HK$22.9 million for the year ended 31 March 2011 to HK$41.9 million for year ended 31 March 2012 and our net profit margin increased from approximately 10.7% for the year ended 31 March 2011 to approximately 16.5% for the year ended 31 March 2012.

LIQUIDITY AND FINANCIAL RESOURCES

Financial resources

Our sources of cash are primarily cash generated from operations and bank borrowings. Our uses of cash are mainly on financing our operations and working capital requirements, repayment of bank borrowings and obligations under finance leases, and capital expenditure for the expansion of our business. Going forward, we do not expect any material changes to the underlying drivers of our sources of cash and uses of cash, except for the net proceeds from the Share Offer which will be used according to our use of proceeds plan as detailed in the section headed "Future Plans and Use of Proceeds" in this prospectus.

Cash flows

The table below summarises our consolidated cash flows for the periods indicated:

	For the year ended 31 March			For the four months ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Net cash generated from operating activities	39,150	56,709	46,336	18,696	21,529
Net cash (used in)/generated from investing activities	(6,885)	(7,118)	43,778	11,047	(18,141)
Net cash used in financing activities	(17,671)	(42,800)	(42,745)	(13,467)	(14,093)
Net increase/(decrease) in cash and cash equivalents	14,594	6,791	47,369	16,276	(10,705)
Cash and cash equivalent at beginning of the year/period	2,320	16,923	23,717	23,717	71,086
Effect of change in exchange rate	9	3	–	6	9
Cash and cash equivalent at end of the year/period	16,923	23,717	71,086	39,999	60,390

Net cash generated from operating activities

Cash flow from operations primarily comprises profit before taxation adjusted for non-cash items and the effect of changes in working capital. We derive our cash generated from operating activities principally from receipt of payments for our services. Our cash used in operating activities is principally for payment for purchases of raw materials and consumables, staff costs, rentals and subcontracting fees.

Net cash generated from operating activities of approximately HK$21.5 million for the four months ended 31 July 2013 was a combined result of operating cash inflow before working capital change of approximately HK$11.1 million, net decrease in working capital of approximately HK$12.5 million, interest paid of approximately HK$0.7 million and income tax paid of approximately HK$1.4 million. Change in working capital primarily reflected the increase in accruals and other payables of approximately HK$5.3 million, the increase in trade payables of approximately HK$3.9 million, the decrease in other receivables and prepayments of approximately HK$3.2 million, the decrease in inventories of approximately HK$0.5 million, and partially offset by the increase in trade receivables of approximately HK$0.4 million.

Net cash generated from operating activities of approximately HK$46.3 million for the year ended 31 March 2013 was a combined result of operating cash inflow before working capital change of approximately HK$61.7 million, net increase in working capital of approximately HK$0.7 million, interest paid of approximately HK$1.7 million and tax paid of approximately HK$12.9 million. Net increase in working capital primarily reflected the increase in other receivables and prepayments of approximately HK$3.8 million, increase in inventories of approximately HK$0.9 million and partially offset by the increase in accruals and other payables of approximately HK$2.5 million, decrease in trade receivables of approximately HK$1.1 million and the increase in trade payables of approximately HK$0.4 million. The significant increase in our tax paid during the year ended 31 March 2013 was primarily because the major operating subsidiary of the Group had tax losses carried forward for utilisation during the years ended 31 March 2011 and 2012.

Net cash generated from operating activities of approximately HK$56.7 million for the year ended 31 March 2012 was a combined result of operating cash inflow before working capital changes of approximately HK$51.1 million, net decrease in working capital of approximately HK$7.8 million, interest paid of approximately HK$2.1 million and tax paid of approximately HK$54,000. Net decrease in working capital primarily reflected the increase in accruals and other payables of approximately HK$6.4 million, increase in trade payables of approximately HK$3.3 million partially offset by the increase in inventories of approximately HK$0.8 million, increase in trade receivables of approximately HK$0.7 million and increase in other receivables and prepayments of approximately HK$0.4 million.

Net cash generated from operating activities of approximately HK$39.2 million for the year ended 31 March 2011 was a combined result of operating cash inflow before working capital changes of approximately HK$39.0 million, net increase in working capital of approximately HK$2.8 million, interest paid of approximately HK$2.6 million and tax paid of approximately HK$5,000. Net decrease in working capital primarily reflected the decrease in trade receivables of approximately HK$1.5 million, decrease in other receivables and prepayments of approximately HK$4.5 million, decrease in inventories of approximately HK$2.1 million partially offset by the decrease in accruals and other payables of approximately HK$3.8 million and decrease in trade payables of approximately HK$1.5 million.

Net cash (used in)/generated from investing activities

Net cash used in investing activities of approximately HK$18.1 million for the four months ended 31 July 2013 primarily reflected bank deposits of approximately HK$18.0 million, advances to related companies of approximately HK$0.2 million, purchases of property, plant and equipment of approximately HK$0.1 million and interest received of approximately HK$0.1 million during the period.

Net cash generated from investing activities of approximately HK$43.8 million for the year ended 31 March 2013 primarily reflected the repayments of advance to related companies and loans to a third party in aggregate of approximately HK$52.9 million, the proceed from disposal of property, plant and equipment of approximately HK$3.1 million and partially offset by purchases of property, plant and equipment of approximately HK$13.2 million during the year.

Net cash used in investing activities of approximately HK$7.1 million for the year ended 31 March 2012 primarily reflected advances to related companies of approximately HK$4.9 million, purchases of property, plant and equipment of approximately HK$10.1 million, loan to third party of approximately HK$5.0 million and offset by proceeds from disposal of property, plant and equipment and disposal of investment properties of approximately HK$11.2 million and interest received of approximately HK$2.0 million during the year.

Net cash used in investing activities of approximately HK$6.9 million for the year ended 31 March 2011 primarily reflected purchases of investment properties and property, plant and equipment in aggregate of approximately HK$15.5 million, advances to related companies of approximately HK$1.4 million and partially offset by proceeds of approximately HK$3.0 million and HK$5.7 million from disposal of property, plant and equipment and disposal of investment properties during the year, respectively.

Net cash generated used in financing activities

Net cash used in financing activities of approximately HK$14.1 million for the four months ended 31 July 2013 primarily reflected dividend paid of approximately HK$7.0 million, repayment of obligations under finance leases of approximately HK$3.6 million, repayment of borrowings of approximately HK$3.1 million and professional expenses in connection with the Company's Listing of approximately HK$0.4 million paid during the period.

Net cash used in financing activities of approximately HK$42.7 million for the year ended 31 March 2013 primarily reflected dividend paid of approximately HK$38.7 million, repayment of obligations under finance leases and borrowings of approximately HK$22.8 million, listing expense paid of approximately HK$1.4 million and partially offset by proceeds from borrowings of approximately HK$20.0 million during the year.

Net cash used in financing activities of approximately HK$42.8 million for the year ended 31 March 2012 primarily reflected repayments of bank loans and obligations under finance leases in aggregate of approximately HK$47.9 million, dividend paid of approximately HK$12.7 million, repayments of advances from non-controlling interests of approximately HK$4.9 million and partially offset by the proceeds from bank loans of approximately HK$24.3 million and advances from related companies of approximately HK$1.7 million during the year.

Net cash used in financing activities of approximately HK$17.7 million for the year ended 31 March 2011 primarily reflected repayments of bank loans and obligations under finance leases in aggregate of approximately HK$35.2 million, dividend paid of approximately HK$16.2 million and partially offset by the proceeds from bank loans of approximately HK$22.6 million and advances from shareholders and non-controlling interests in aggregate of approximately HK$12.0 million.

NET CURRENT LIABILITIES/ASSETS

The table below sets out our current assets and current liabilities as at the dates indicated.

	As at 31 March			As at 31 July	As at 30 September
	2011	**2012**	**2013**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
					(Unaudited)
Current assets					
Inventories	2,049	2,848	3,736	3,259	2,993
Trade receivables	2,265	2,945	1,803	2,230	3,564
Other receivables and prepayments	3,941	9,340	9,565	8,609	10,555
Amounts due from non-controlling interests	–	414	–	–	–
Amounts due from related companies	34,943	48,608	296	518	311
Bank deposit	–	–	–	17,951	18,029
Cash and cash equivalents	16,923	23,717	71,086	60,390	53,968
	60,121	87,872	86,486	92,957	89,420
Current liabilities					
Trade payables	20,813	24,140	24,531	28,439	28,860
Accruals and other payables	5,690	11,987	14,474	21,657	21,625
Amounts due to shareholders	2,312	303	–	400	–
Amounts due to non-controlling interests	4,464	–	–	–	–
Amounts due to related companies	2,148	477	–	–	–
Borrowings	41,684	27,680	21,013	19,198	12,267
Obligations under finance leases	13,885	17,156	13,415	13,465	12,749
Current income tax payable	3,318	8,758	2,437	3,847	5,283
	94,314	90,501	75,870	87,006	80,784
Net current (liabilities)/assets	(34,193)	(2,629)	10,616	5,951	8,636

We recorded net current liabilities position of approximately HK$34.2 million and HK$2.6 million as at 31 March 2011 and 2012, respectively. Our net current liabilities position as at 31 March 2011 and 31 March 2012 was primarily attributable to borrowings we used to finance our working capital requirements and capital expenditure. Such borrowings in aggregate amounted to approximately HK$41.7 million and HK$27.7 million, respectively, which accounted for approximately 44.2% and 30.6% of our total current liabilities as at 31 March 2011 and 2012, respectively. Due to the fact that the corresponding loan agreements include a repayment on demand clause giving the banks an unconditional right to call the loan at anytime notwithstanding any other terms and maturity as set out in the loan agreements, the borrowings were classified as current liabilities despite approximately HK$14.9 million and HK$13.8 million as at 31 March 2011 and 2012, respectively, were repayable over one year according to the corresponding loan agreements. Further, we had obligations under finance leases repayable within one year of approximately HK$13.9 million and HK$17.2 million as at 31 March 2011 and 2012, respectively, to finance our capital expenditure on certain long term assets mainly plant and machinery. Attributable to the profit we generated during the Track Record Period, and the repayment of our borrowings, we recorded net current assets of approximately HK$10.6 million as at 31 March 2013.

Our net current assets decreased, from approximately HK$10.6 million as at 31 March 2013 to approximately HK$6.0 million as at 31 July 2013, was primarily attributable to the increase in our accruals and other payables that primarily reflected professional expenses in connection the Company's Listing of approximately HK$7.4 million payable as at 31 July 2013.

Inventories

Our inventory balance was HK$2.0 million, HK$2.8 million, HK$3.7 million and HK$3.3 million as at 31 March 2011, 2012 and 2013 and 31 July 2013, respectively, which accounted for approximately 1.4%, 1.6%, 1.9% and 1.6% of our total assets as at the same dates. The increase in our inventory balance was primarily attributable to our expansion of production.

	For the year ended 31 March			For the four months ended 31 July
	2011	2012	2013	2013
Inventory turnover days[1]	8	5	7	7

Note:

(1) Inventory turnover days equals average balance of inventory divided by costs of sales for the relevant year/period multiplied by the number of days in the relevant year/period. Average balance is calculated as the sum of the beginning balance and ending balance for the relevant year/period divided by two.

Trade receivables

Our trade receivables represent amount receivables from customers for services we performed in ordinary course of our business. We periodically monitor and review the credit conditions of our major customer as well as the ageing of our trade receivable and all overdue trade receivables are being followed up. In the event of evidence of impairment on trade receivables arises, such as a customer is experiencing significant financial difficulty or will likely enter into bankruptcy, we may provide allowance for the amounts that are considered not recoverable. The table below sets out a breakdown of our trade receivable as at the dates indicated:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Trade receivable	2,529	2,945	1,803	2,230
Less: provision for impairment	(264)	–	–	–
	2,265	2,945	1,803	2,230

Our trade receivable increased by HK$0.6 million from HK$2.3 million as at 31 March 2011 to HK$2.9 million as at 31 March 2012. Such increase was primarily due to our increase in revenue during the year.

Our trade receivable decreased by HK$1.1 million to HK$1.8 million as at 31 March 2013. Such decrease was primarily because we had fewer orders and production shortly before and after 31 March 2013 during the public holidays. In the absence of the aforesaid event, our trade receivable increased to approximately HK$2.2 million as at 31 July 2013.

The following table sets forth the ageing analysis of our trade receivables net of provision for impairment based on invoice dates as of the dates indicated:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
1 to 30 days	1,897	2,190	1,405	1,918
31 to 60 days	222	465	266	246
Over 60 days	146	290	132	66
	2,265	2,945	1,803	2,230

Our payment terms offered to customers include cash on delivery and on credit. Our average credit period offered to customer ranges from 30 days to 60 days.

As at 31 March 2011, 2012 and 2013 and 31 July 2013, trade receivables of HK$0.8 million, HK$1.5 million, HK$0.7 million and HK$1.0 million, respectively, were past due but not impaired. These overdue balances were related to certain customers with no recent history of default. The Directors believe that no impairment is required for these balances as there has not been a significant change in credit quality of these customers. As at Latest Practicable Date, all of our trade receivables as at 31 July 2013 have been settled.

	For the year ended 31 March			For the four months ended 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Trade receivable turnover days(1)	5	4	3	2

Note:

(1) Trade receivable turnover days equals average balance of trade receivables divided by revenue for the relevant year/period multiplied by the number of days in the relevant year/period. Average balance is calculated as the sum of the beginning balance and ending balance for the relevant year/period divided by two.

Our trade receivable turnover days were relatively stable during the Track Record Period.

Other receivables and prepayments

Our other receivables and prepayments mainly consist of rental deposits, prepayment for utility, loan to a third party, prepayments for advertising and professional expenses in connection with our Company's Listing.

The balance of our other receivables and prepayments increased by HK$5.4 million or 138.5% from HK$3.9 million as at 31 March 2011 to HK$9.3 million as at 31 March 2012. The increase was mainly due to a loan of approximately HK$5.0 million to a supplier during the year ended 31 March 2012 for short-term working capital needs. Such loan bears interest of 5% per annum and was fully settled in December 2012. Our Directors confirm that such arrangement was one-off and will not be made after our Company's Listing.

The balance further increased by HK$0.3 million to HK$9.6 million as at 31 March 2013. The increase was a combined result of (i) the repayment of loan to a supplier of HK$5.0 million; (ii) prepaid or deferred expenses in connection with our Company's Listing of approximately of HK$4.3 million; and (iii) net increase in miscellaneous payment and deposits by approximately HK$1.0 million.

The balance of our other receivables and prepayments decreased by HK$1.0 million to approximately HK$8.6 million as at 31 July 2013, which was primarily attributable to the decrease in our prepaid or deferred expenses in connection with our Company's Listing.

Trade payables

Our trade payables primarily represent amounts payable to suppliers of raw materials and consumables and subcontractors.

Our trade payables increased by approximately HK$3.3 million from approximately HK$20.8 million as at 31 March 2011 to approximately HK$24.1 million as at 31 March 2012 and increased further to HK$24.5 million as at 31 March 2013 and HK$28.4 million as at 31 July 2013. Such increase was primarily attributable to the expansion of our production during the Track Record Period.

	For the year ended 31 March			For the four months ended 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Trade payable turnover days[1]	53	50	49	50

Note:

(1) Trade payable turnover days equals average balance of trade payables divided by cost of sales for the relevant year/period multiplied by the number of days in the relevant year/period. Average balance is calculated as the sum of the beginning balance and ending balance for the relevant year/period divided by two.

Our trade payable turnover days were relatively stable during the Track Record Period.

Accruals and other payables

Our accruals and other payables mainly consist of accrued staff-related expenses and professional expenses in connection with our Company's Listing, advanced receipt from customers, and other operating expenses payable.

Our accruals and other payables increased by HK$6.3 million from HK$5.7 million as at 31 March 2011 to HK$12.0 million as at 31 March 2012. The increase was mainly due to a provision for discretionary bonus of approximately HK$2.6 million payable to our staff as at 31 March 2012 and the increase in accrued expenses by approximately HK$1.8 million in respect of salaries and wages and the increase in advanced receipt from customer by approximately HK$0.4 million.

Our accruals and other payables further increased by HK$2.5 million to HK$14.5 million as at 31 March 2013, which was mainly due to the increase in advanced receipt from customers for our printing services by approximately HK$2.1 million, the increase in other payables by approximately HK$2.1 million mainly in connection with certain machinery we purchased, and partially offset by the decrease in provision for discretionary bonus by approximately HK$1.5 million during the year.

Our accruals and other payables significantly increased by HK$7.2 million or 49.7% to approximately HK$21.7 million as at 31 July 2013, which primarily reflected professional expenses in connection with our Company's Listing of approximately HK$7.4 million payable as at 31 July 2013.

OTHER SELECTED BALANCE SHEET TIMES

Amounts due from/to shareholders, non-controlling interests and related companies

Except for the amounts due from CTP Limited, Promise Properties Limited, VVV Limited, Nippon Binding Equipment Limited and Profit More, totaling approximately HK$20.6 million, HK$32.1 million, nil, and nil as at 31 March 2011, 2012 and 2013 and 31 July 2013, respectively, that bear interest at 6% per annum, the amounts due from/to shareholders, non-controlling interests and related companies are unsecured, interest free and receivable/repayable on demand. Please refer to Note 29 to the Accountant's Report in Appendix I to this prospectus for more details. All such balances were fully settled prior to the Listing.

CAPITAL EXPENDITURE

We have financed our historical capital expenditure through cash flows generated from operating activities, bank loans, and finance leases. The following table sets forth a summary of our capital expenditure for the periods indicated.

	For the year ended 31 March			For the four months ended 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Plant and machinery	2,010	24,993	27,290	5,098
Leasehold improvements	996	2,782	1,202	799
Computer, furniture and equipment	1,227	1,684	601	1,160
Motor vehicles	617	790	694	–
Investment properties	10,051	11	–	–
	14,901	30,260	29,787	7,057

INDEBTEDNESS

The following table sets forth a breakdown of our indebtedness as at the dates indicated:

	As at 31 March			As at 31 July	As at 30 September
	2011	2012	2013	2013	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
					(Unaudited)
Borrowings					
– Bank loans	28,377	20,391	33,074	28,350	22,911
– Trust receipt loans	13,307	7,289	4,156	5,780	3,642
	41,684	27,680	37,230	34,130	26,553
Obligation under finance leases	19,033	26,362	31,979	33,183	31,221
Amounts due to shareholders	2,312	303	–	400	–
Amounts due to non-controlling interests	4,464	–	–	–	–
Amounts due to related companies	2,148	477	–	–	–
	69,641	54,822	69,209	67,713	57,774

Bank loans

We primarily used our bank loans in financing the working capital requirement in our operation. Our bank loans are secured by leasehold properties, investment properties, personal guarantee by our directors, guarantee given by our Company, the related companies and properties extended from related companies. All guarantees provided by related parties will be fully released upon Listing.

Our bank loans also contain standard covenants that restrict us, among others, the use of borrowed funds and/or significant change in beneficial or legal ownership. Our Directors have confirmed that, during the Track Record Period and up to the Latest Practicable Date, we were in compliance with the financial covenants and terms set forth in the loan agreements.

Without taking into account any repayment on demand clause and based on the scheduled repayment dates set out in the loan agreements, our borrowings were repayable as follows:

	As at 31 March			As at 31 July	As at 30 September
	2011	2012	2013	2013	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
					(Unaudited)
Within one year	26,757	13,917	14,425	13,937	9,899
Between one to two years	2,744	4,661	7,002	6,562	5,214
Between two to five years	4,614	7,186	15,803	13,631	11,440
Over five years	7,569	1,916	–	–	–
	41,684	27,680	37,230	34,130	26,553

The following table sets out the weighted average effective interest rate per annum of our borrowings as at the dates indicated:

	As at 31 March			As at 31 July	As at 30 September
	2011	2012	2013	2013	2013
Bank loans	3.35%	4.19%	3.14%	3.13%	2.99%
Trust receipt loans	4.09%	3.89%	2.57%	2.57%	2.57%

As at 30 September 2013, our Group had unutilised banking facilities of approximately HK$39.4 million available for drawdown.

Obligation under finance leases

Certain equipment and machinery of the Group were under finance leases. Our obligations under finance leases were secured by the relevant leased equipment and machinery.

The increase in our obligation under finance leases are mainly attributable to certain production machinery we acquired using finance leases during the Track Record Period.

As at the dates indicated, our obligations under finance leases were repayable as follows:

	As at 31 March			As at 31 July	As at 30 September
	2011	**2012**	**2013**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
					(Unaudited)
Within one year	13,885	17,156	13,415	13,465	12,749
Between one to five years	5,148	9,206	18,564	19,718	18,472
	19,033	26,362	31,979	33,183	31,221

The following table sets out the weighted average interest rate of our obligations under finance leases as at the dates indicated:

	As at 31 March			As at 31 July	As at 30 September
	2011	*2012*	*2013*	*2013*	*2013*
Obligations under finance leases	3.99%	3.56%	3.30%	3.29%	3.29%

General

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, our Group did not have any outstanding debt securities, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, finance leases or hire purchase commitments, guarantees or other material contingent liabilities as at the indebtedness date. As at the Latest Practicable Date, our Group did not have plan to make additional external debt financing.

CONTINGENT LIABILITIES

As of the Latest Practicable Date, we did not have any material contingent liabilities other than certain financial guarantee contracts disclosed in Note 29 to the Accountant's Report in Appendix I to this prospectus. We are not currently involved in any material legal proceedings, nor are we aware of any pending or potential material legal proceedings involving us. If we were involved in such material legal proceedings, we would record any loss or contingency when, based on the information then available, it is likely that a loss has been incurred and the amount of the loss can be reasonably estimated.

COMMITMENTS

Capital commitment

Our capital commitment primarily consisted of capital expenditure that our Group contracted but not provided for at the end of each reporting period. The following table sets forth our total capital commitment as at the dates indicated:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Property, plant and equipment	5,524	8,495	2,570	217

Operating lease commitment

Our Group leases stores and premises and certain machinery and office equipment under non-cancellable operating lease arrangements with lease terms between one to five years. The following table sets forth our total future minimum lease payments under non-cancellable operating leases as at the dates indicated:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Within one year	6,281	4,257	6,141	14,406
After one year but within five years	4,103	2,717	2,812	19,902
	10,384	6,974	8,953	34,308

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As at the Latest Practicable Date, we had no material off-balance sheet agreements.

OTHER KEY FINANCIAL RATIOS

	As at/for the year ended 31 March			As at/for the four months ended 31 July
	2011	2012	2013	2013
Current ratio(1)	0.6	1.0	1.1	1.1
Gearing ratio(2)	156.5%	79.5%	96.2%	97.4%
Debt to equity ratio(3)	112.9%	44.6%	N/A	10.0%
Return on equity(4)	64.6%	78.5%	60.9%	N/A(7)
Return on total assets(5)	15.7%	26.2%	23.2%	N/A(7)
Interest coverage(6)	11.1	23.0	29.3	10.4

Notes:

(1) Current ratio is calculated based on total current assets divided by total current liabilities.

(2) Gearing ratio is calculated based on total borrowings and obligations under finance leases divided by total equity and multiplied by 100%.

(3) Debt to equity ratio is calculated based on total borrowings and obligations under finance leases less cash and cash equivalents divided by total equity as at the end of relevant period and multiplied by 100%.

(4) Return on equity equals profit for the period divided by average balance of total equity of the relevant period and multiplied by 100%. Average balance is calculated as the sum of the opening balance and closing balance of the relevant period divided by two.

(5) Return on total assets equals profit for the period divided by average balance of total assets of the relevant period and multiplied by 100%. Average balance is calculated as the sum of the opening balance and closing balance of the relevant period divided by two.

(6) Interest coverage equals operating profit divided by finance costs for the period.

(7) The net profit for the four months ended 31 July 2013 is not comparable to that for each of the years ended 31 March 2011, 2012, and 2013.

Current ratio

Our current ratio increased from 0.6 as at 31 March 2011 to 1.0 as at 31 March 2012. The increase was mainly due to the increase in our amounts due from related companies by approximately HK$13.7 million.

Our current ratio remained stable at 1.0, 1.1 and 1.1 as at 31 March 2012 and 2013 and 31 July 2013, respectively.

Gearing ratio

Our gearing ratio decreased from approximately 156.5% as at 31 March 2011 to approximately 79.5% as at 31 March 2012. The decrease in our gearing ratio primarily reflected the increase in our equity as a result of profit generated during the year. Our gearing ratio increased from approximately 79.5% as at 31 March 2012 to approximately 96.2% as at 31 March 2013 as our total borrowings and obligations under finance leases increased by approximately 28.1% as at 31 March 2013, whereas our total equity increased by approximately 5.7%. Our gearing ratio as at 31 July 2013 remained relatively stable at 97.4% compared to 96.2% as at 31 March 2013.

Debt to equity ratio

Our debt to equity ratio was 112.9% and 44.6% as at 31 March 2011 and 2012, respectively. The decrease primarily reflected the increase in our equity as a result of profit generated during the year. We had cash and cash equivalents in excess of total borrowings and obligations under finance leases as at 31 March 2013. Our debt to equity ratio increased to 10% as at 31 July 2013 which was mainly attributable to decrease in equity as a result of dividend of approximately HK$7.0 million declared and partially offset by the profit we generated during the period.

Return on equity

Our return on equity increased from approximately 64.6% for the year ended 31 March 2011 to approximately 78.5% for the year ended 31 March 2012. The increase was primarily attributable to the significant increase in our profit by approximately 83.1%. Our year on year profit increased in a lesser extent by approximately 1.7% for the year ended 31 March 2013 and, as a result, our return on equity decreased to 60.9% for the same period.

Return on total assets

Return on total assets increased from approximately 15.7% for the year ended 31 March 2011 to approximately 26.2% for the year ended 31 March 2012, which was primarily attributable to the significant increase in our profit for the year ended 31 March 2012. Return on total assets slightly decreased to 23.2% for the year ended 31 March 2012, which was primarily attributable to the certain plant and machinery we acquired using finance leases during the year.

Interest coverage

Interest coverage increased from 11.1 for the year ended 31 March 2011 to 23.0 for the year ended 31 March 2012, which was primarily attributable to the increase in our operating profit by approximately HK$20.0 million or 68.1% for the year ended 31 March 2012. Interest coverage further increased to 29.3 for the year ended 31 March 2013, which primarily reflected the decrease in our finance costs for the year ended 31 March 2013. The decrease in our interest coverage to 10.4 for the four months ended 31 July 2013 primarily reflected the significant decrease in our operating profit mainly because of professional expenses in connection with our Company's Listing of approximately HK$9.7 million we incurred during the period.

MARKET RISK

Credit risk

Our credit risk mainly arises from bank deposit, cash and cash equivalents, trade receivables, other receivables and amounts due from related companies and non-controlling interests. The carrying amounts of these balances represent our maximum exposure to credit risk in relation to financial assets. Please refer to Note 3.1 to the Accountant's Report set out in Appendix I to this prospectus for further details.

Liquidity risk

Our liquidity risk is controlled by maintaining sufficient cash flows of banking facilities, bank deposit and cash and cash equivalents, which are generated from the financing activities and the operating activities, respectively. For further analysis of our exposure to liquidity risk, please refer to Note 3.1 to the Accountant's Report set out in Appendix I to this prospectus.

Interest rate risk

Our interest rates risk arises primarily from interest bearing bank borrowings. Borrowings issued at variable rates expose our Group to cash flow interest rate risk. Please refer to Note 3.1 to the Accountant's Report set out in Appendix I to this prospectus for further details.

DIVIDEND AND DIVIDEND POLICY

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.

With the exception of sections 34 and 37A(7) of the Companies Law, there are no statutory provisions relating to the payment of dividends. Based upon English case law which is likely to 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 of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account.

During the years ended 31 March 2011, 2012 and 2013, the subsidiaries now comprising our Group declared dividends totalling approximately HK$16.2 million, HK$12.7 million, HK$38.7 million and HK$7.0 million, respectively. On 11 November 2013, a dividend of HK$8.0 million, financed by our Group's internally generated funds, was declared and paid to the then Shareholders. As at the Latest Practicable Date, all such dividends declared had been fully paid.

Our historical dividend distribution may not be used as a reference or basis to determine the level of dividends that may be declared or paid by us in the future. Subject to, among others, the factors described below, our Directors currently intend to recommend dividends of around 30% or more of our net profit available for distribution to the Shareholders in the foreseeable future. Any declaration and payments, as well as the amount of dividends, will be subject to the approval of our Board and factors including but not limited to our profitability, financial condition, business development requirements, working capital, business prospects, cash requirements, regulatory and contractual restrictions on our declaration and payment of dividends and other factors that our Directors deem relevant.

LISTING EXPENSES

Listing expenses represent professional fees, underwriting commission and fees, incurred in connection with our Company's Listing. Listing expenses to be borne by our Company are estimated to be approximately HK$26.6 million, of which approximately HK$9.7 million is directly attributable to the issue of new Shares to the public and to be accounted for as a deduction from equity, and approximately HK$16.9 million has been or is expected to be reflected in our consolidated statement of comprehensive income. Approximately HK$10.9 million of the listing expenses in relation to services already performed has been reflected in the consolidated statement of comprehensive income of our Group for the Track Record Period, and the remaining amount of approximately HK$6.0 million is expected to be reflected in the consolidated statement of comprehensive income of our Group after the Track Record Period.

Please note that the listing expenses above are the latest practicable estimate for reference only and the actual amount may differ from this estimate. Our results of operations for the year ending 31 March 2014 is expected to be adversely affected by the non-recurring listing expenses in connection with the Listing.

WORKING CAPITAL

Taking into account the financial resources available to the Group, including the internally generated funds, the available banking facilities and the estimated net proceeds of the Share Offer, our Directors consider that our Group has sufficient working capital for its present requirements and for at least the next 12 months commencing from the date of this prospectus.

The Sole Sponsor concurs with the Directors' view above.

DISTRIBUTABLE RESERVES

As at 31 July 2013, our Company had distributable reserve of approximately HK$62.5 million.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted net tangible assets prepared in accordance with Rule 4.29 of the Listing Rules are set out below to illustrate the effect of the Share Offer on our net tangible assets as at 31 July 2013 as if the Share Offer had taken place on that date.

The unaudited pro forma statement of adjusted net tangible assets has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true picture of our net tangible assets had the Share Offer been completed as at 31 July 2013 or at any future dates. The unaudited pro forma statement of adjusted net tangible assets is based on our audited consolidated net tangible assets of the Group attributable to our equity holders as at 31 July 2013 as shown in the Accountant's Report of the Company, the text of which is set out in Appendix I to this prospectus, and adjusted as described below.

	Audited consolidated net tangible assets of our Group attributable to equity holders of the Company as at 31 July 2013[(1)]	Estimated net proceeds from the Share Offer[(2)]	Unaudited pro forma adjusted net tangible assets attributable to equity holders of the Company as at 31 July 2013	Unaudited pro forma adjusted net tangible assets per Share[(3)]
	HK$'000	*HK$'000*	*HK$'000*	*HK$*
Based on an Offer Price of HK$0.78 per Share	66,970	82,525	149,495	0.30
Based on an Offer Price of HK$1.08 per Share	66,970	118,634	185,604	0.37

Notes:

(1) The unadjusted audited consolidated net tangible assets of the Group attributable to equity holders of the Company as at 31 July 2013 is extracted from the Accountant's Report of our Company in Appendix I to this prospectus, which is based on the audited consolidated net assets of the Group attributable to equity holders of the Company as at 31 July 2013 of HK$66,970,000.

(2) The estimated net proceeds from the Share Offer are based on the Offer Price of HK$0.78 and HK$1.08 per Share, respectively, after deduction of the underwriting fees and other related expenses (excluding approximately HK$10,925,000 listing expenses which have been incurred as of 31 July 2013) and takes no account of any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or any Shares which may be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme or which may be granted under the Share Option Scheme or any Share which may be allotted and issued or repurchased by the Company pursuant to the Issuing Mandate and the Repurchase Mandate.

(3) The unaudited pro forma adjusted net tangible assets per Share is arrived at after the adjustments referred to in Note (2) above and on the basis that 500,000,000 Shares were in issue assuming that the Capitalisation Issue and the Share Offer have been completed on 31 July 2013 but takes no account of any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or any Shares which may be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme or which may be granted under the Share Option Scheme or any Share which may be allotted and issued or repurchased by the Company pursuant to the Issuing Mandate and the Repurchase Mandate.

(4) Except as disclosed above, no adjustment has been made to reflect any trading result or other transactions of the Group entered into subsequent to 31 July 2013. In particular, the unaudited pro forma adjusted net tangible assets of the Group has not taken into account the payment of a dividend of HK$8,000,000 which was approved by the Board of Directors and fully paid on 11 November 2013. The unaudited pro forma net tangible assets per Share would have been HK$0.28 and HK$0.36 per Share based on the Offer Price of HK$0.78 and HK$1.08 respectively if the payment of dividend of HK$8,000,000 had been accounted for.

DISCLOSURE REQUIRED UNDER THE LISTING RULES

As at the Latest Practicable Date, our Directors confirm that there were no circumstances that would give rise to a disclosure requirement under Rule 13.13 to Rule 13.19 of the Listing Rules.

NO MATERIAL ADVERSE CHANGE

Save as disclosed in the section headed "Summary – Summary of financial information – Recent development" and the paragraph headed "Listing expenses" in this section, the Directors confirm that there has been no material adverse change in the financial or trading position of our Group since 31 July 2013 up to the date of this prospectus.

FUTURE PLANS

Please see the section headed "Business – Our business strategies" in this prospectus for a description of our future plans.

USE OF PROCEEDS

We estimate that the net proceeds to our Company from the Share Offer, after deducting the underwriting commissions and estimated expenses in relation to the Share Offer payable by us, will be approximately HK$89.7 million before any exercise of the Over-allotment Option, assuming an Offer Price of HK$0.93 per Share, being the mid-point of the proposed Offer Price range set out in this prospectus.

We intend to use the net proceeds for the following purposes:

- approximately 37.5% of the net proceeds, or approximately HK$33.6 million, will be used to fund the expansion of our production capacity and post-press finishing capability by, (a) as to approximately 32.8% of the net proceeds (or approximately HK$29.4 million), acquiring totally 11 sets of new machines and equipment (comprising two sets of new printing machines, one set of the platesetter for undertaking computer-to-plate process and eight sets of post-press finishing equipment); and (b) as to approximately 4.7% of the net proceeds (or approximately HK$4.2 million), setting up new workshops by leasing new premises to house such new machineries and equipment and hiring additional production staff. After the new workshops with the new machines and equipment have come into full operation, we expect that our aggregate annual production capacity will increase by approximately 75.3 million impressions;

- approximately 34.7% of the net proceeds, or approximately HK$31.1 million, will be used for repayment of banking facilities in respect of our production machinery held under finance lease to safeguard the financial position of our Group. Such bank facilities shall be repaid between one to four years after the Listing, and the applicable interest rates for outstanding loan under the banking facilities ranged from 3.25% to 3.75% per annum. The remaining balance of the banking facilities (if any) will be settled by our internal resources;

- approximately 18.0% of the net proceeds, or approximately HK$16.2 million, will be used to fund the expansion of our store network by opening totally three "e-print" stores in Kowloon, one "e-print" store in the New Territories and one "Invoice" store on Hong Kong Island in 2013 and 2014, and extending our presence in four existing locations by relocating four stores upon expiry of the respective lease term in 2014; and

- approximately 5.7% of the net proceeds, or approximately HK$5.1 million, will be used for (a) upgrading our information technology infrastructure to enhance our eprint management system and adopting VoIP system to facilitate our internal operations and communications; (b) upgrading existing servers and acquiring additional servers and leasing premises for our new data centre; and (c) enhancement of our online self-service ordering platforms, including developing and launching a new mobile application which contains features of our online self-service ordering platform.

- approximately 4.1% of the net proceeds, or approximately HK$3.7 million, will be used as our Group's working capital.

If the Offer Price is finally determined at the low-end of the indicative Offer Price range, being HK$0.78 per Offer Share, the net proceeds from the Share Offer will be decreased by approximately HK$18.1 million, as compared with the above computation (which is based on the mid-point of the indicative Offer Price range and assuming the Over-allotment Option is not exercised). In such case, we will not allocate any of the net proceeds towards working capital of the Group, and will decrease the allocation towards the above other purposes on a pro-rata basis.

If the Offer Price is finally determined at the high-end of the indicative Offer Price range, being HK$1.08 per Offer Share, the net proceeds of the Share Offer will be increased by approximately HK$18.0 million, as compared with the above computation (which is based on the mid-point of the indicative Offer Price range and assuming the Over-allotment Option is not exercised). In such case, we will increase the allocation of the net proceeds towards the above purposes on a pro-rata basis, save for repayment of finance lease where the additional funding will be used as working capital of our Group.

If the Over-allotment Option is exercised in full, we would receive additional net proceeds from the Share Offer of approximately HK$16.8 million, assuming an Offer Price of HK$0.93 per Share, being the mid-point of the Offer Price range stated in this prospectus. We intend to apply the additional net proceeds towards the above uses in the proportion as stated above, save for repayment of finance lease where the additional funding will be used as working capital of our Group.

To the extent that the net proceeds from the Share Offer are not immediately used for the above purposes and to the extent permitted by the relevant laws and regulations, we intend to deposit such net proceeds into interest-bearing bank accounts with licensed banks and/or financial institutions.

PUBLIC OFFER UNDERWRITERS

Cinda International Securities Limited

Convoy Investment Services Limited

RHB OSK Securities Hong Kong Limited

VC Brokerage Limited

PUBLIC OFFER UNDERWRITING ARRANGEMENTS

Public Offer

Pursuant to the Public Offer Underwriting Agreement, our Company is offering initially 12,500,000 Public Offer Shares (subject to adjustment and Over-allotment Option) for subscription by way of the Public Offer at the Offer Price on and subject to the terms and conditions of this prospectus and the Application Forms.

Subject to the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares in issue and to be issued, and to certain other conditions described in the Public Offer Underwriting Agreement (including the Sole Lead Manager, on behalf of the Underwriters, and us agreeing to the Offer Price), the Public Offer Underwriters have agreed severally to subscribe, or procure subscribers to subscribe, for the Public Offer Shares which are being offered but are not taken up under the Public Offer on the terms and subject to the conditions of this prospectus and the Application Forms. The Public Offer Underwriting Agreement is conditional upon and subject to the Placing Underwriting Agreement having been signed and becoming unconditional.

Grounds for termination

The obligations of the Public Offer Underwriters to subscribe or procure subscriptions for the Public Offer Shares under the Public Offer Underwriting Agreement are subject to termination if, at any time prior to 8:00 a.m. on the Listing Date:

(a) either (i) there has been a breach of any of the representations, warranties, undertakings or provisions of either the Public Offer Underwriting Agreement or the Placing Underwriting Agreement by our Company or the Controlling Shareholders; or (ii) any of the representations, warranties and undertakings given by our Company or the Controlling Shareholders in the Public Offer Underwriting Agreement or the Placing Underwriting Agreement, as applicable, is (or would when repeated be) untrue, incorrect or misleading in any respect; or

(b) any statement contained in this prospectus, the Application Forms or the formal notice or any announcement or document issued by our Company in connection with the Public Offer (including any supplement or amendment thereto) was or has become or been discovered to be untrue, incorrect or misleading in any material respect, or any forecasts, expressions of opinion, intention or expectation expressed in this prospectus, the Application Forms or the formal notice are not, in all material respects, fair and honest and made on reasonable grounds or, where appropriate, based on reasonable assumptions, when taken as a whole; or

(c) any of our reporting accountant or professional surveyor or any of our counsels has withdrawn its respective consent to the issue of this prospectus with the inclusion of its reports, letters, summaries of valuations and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears; or

(d) our Company withdraws any of this prospectus, the Application Forms, the preliminary offering circular (if any), the final offering circular or the Share Offer (if any); or

(e) any litigation or claim being threatened or instigated against any member of our Group or any Director, any executive Director being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management of a company or the commencement by any governmental, political or regulatory body of any action against any executive Director in his or her capacity as such or an announcement by any governmental, political or regulatory body that it intends to take any such action; or

(f) any contravention by any member of our Group of the Companies Ordinance, the SFO or any of the Listing Rules; or

(g) any event, act or omission which gives or is likely to give rise to any liability of any of our Company or the Controlling Shareholders pursuant to the indemnities given by them under the Public Offer Underwriting Agreement or the Placing Underwriting Agreement, as applicable which in the opinion of the Sole Lead Manager, will or may make it impracticable or inadvisable for any part of the Public Offer Underwriting Agreement or the Placing Underwriting Agreement or the Share Offer to be performed or implemented as envisaged; or

(h) any breach of any of the obligations of our Company or the Controlling Shareholders under the Public Offer Underwriting Agreement or the Placing Underwriting Agreement, as applicable, which in the opinion of the Sole Lead Manager, will or may make it impracticable or inadvisable for any part of the Public Offer Underwriting Agreement or the Placing Underwriting Agreement or the Share Offer to be performed or implemented as envisaged; or

(i) the issue or requirement to issue by our Company of a supplementary prospectus, Application Form, preliminary or final offering circular (if any) pursuant to the Companies Ordinance or the Listing Rules in circumstances where the matter to be disclosed is, in the sole opinion of the Sole Lead Manager, materially adverse to the marketing for or implementation of the Share Offer and such termination right to expire upon the Sole Lead Manager consent to issuance of the relevant supplementary prospectus, Application Form, preliminary or final offering circular (if any); or

(j) any change or development involving a prospective change in the business, assets, liabilities, conditions, business affairs, prospects, profits, losses or the financial or trading position or performance or management of our Company and its subsidiaries taken as a whole; or

(k) any matter that has arisen or has been discovered which would, had it arisen immediately before the date of this prospectus, not having been disclosed in this prospectus, constitute a material omission therefrom; or

(l) there will have developed, occurred, happened or come into effect any change or development involving a prospective change or development, or any event or series of events, matters or circumstances likely to result in or representing a change or development, or prospective change or development, concerning or relating to:

(i) any local, national, regional or international financial, political, economic, legal, military, industrial, fiscal, regulatory, currency or market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets and interbank markets, a change in the system under which the value of the Hong Kong currency is linked to that of the currency of the United States or a devaluation of the Hong Kong dollar or the Renminbi against any foreign currencies) in or affecting Hong Kong, the PRC, the United States, the United Kingdom, British Virgin Islands or the Cayman Islands (each a "**Relevant Jurisdiction**"); or

(ii) any new law or regulation or any change in any existing law or regulation, or any change in the interpretation or application thereof by any court or other competent authority in or affecting a Relevant Jurisdiction; or

(iii) (A) any event or series of events in the nature of force majeure (including, without limitation, acts of government, economic sanctions, strikes or lock-outs (whether or not covered by insurance), riots, fire, explosion, flooding, civil commotion, acts of war, acts of terrorism (whether or not responsibility has been claimed), acts of God, epidemic, outbreak of infectious disease, accident or interruption or delay in transportation), or (B) any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared) or other declaration of a national or international state of emergency or calamity or crisis, in the case of either (A) or (B), in or affecting a Relevant Jurisdiction; or

(iv) (A) any suspension or limitation on trading in shares or securities generally on the Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the Shanghai Stock Exchange or the Shenzhen Stock Exchanges or (B) a general moratorium on commercial banking activities in a Relevant Jurisdiction or any other relevant jurisdiction, declared by the relevant authorities, or a disruption in commercial banking activities or foreign exchange trading or securities settlement or clearance services, in the case of either (A) or (B), in or affecting a Relevant Jurisdiction; or

(v) any taxation or any exchange control (or the implementation of any exchange control, currency exchange rates or foreign investment regulations) in a Relevant Jurisdiction adversely affecting an investment in the Shares; or

(vi) a petition is presented for the winding-up or liquidation of any member of our Group or any member of our Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of our Group or anything analogous thereto occurs in respect of any member of our Group,

and which in each case in the sole and absolute opinion of the Sole Lead Manager (for itself and on behalf of the Public Offer Underwriters):

(A) is, will or could be expected to have an adverse effect on the general affairs, management, business, financial, trading or other condition or prospects or risks of our Company or our Group as a whole or any member of our Group or to any present or prospective Shareholders of our Company in its capacity as such; or

(B) has, will have or may have an adverse effect on the success, marketability or pricing of the Share Offer or the level of Offer Shares being applied for or accepted or subscribed for or purchased or the distribution of Offer Shares, and/or make it impracticable, inadvisable or inexpedient for any material part of the Public Offer Underwriting Agreement, the Placing Underwriting Agreement, the Public Offer or the Share Offer to be performed or implemented as envisaged; or

(C) makes or may make it impracticable, inadvisable or inexpedient to proceed with or to market the Public Offer and/or the Share Offer or the delivery of the Offer Shares on the terms and in the manner contemplated by this prospectus, the Application Forms, the formal notice or the offering circulars (if any) or shall otherwise result in an interruption to or delay thereof;

then the Sole Lead Manager, in its sole and absolute discretion, may, on behalf of the Public Offer Underwriters, terminate the Public Offer Underwriting Agreement with immediate effect.

UNDERTAKINGS GIVEN TO THE STOCK EXCHANGE PURSUANT TO THE LISTING RULES

Undertaking by our Company

Pursuant to Rule 10.08 of the Listing Rules, we have undertaken to the Stock Exchange that no further Shares or securities convertible into our equity securities (whether or not of a class already listed) may be issued by us or form the subject of any agreement to such an issue by us within six months from the Listing Date (whether or not such issue of Shares or our securities will be completed within six months from the commencement of dealing), except in certain circumstances prescribed by Rule 10.08 of the Listing Rules.

Undertaking by the Controlling Shareholders

Pursuant to Rule 10.07(1) of the Listing Rules, each of the Controlling Shareholders (as defined under the Listing Rules) immediately before the completion of the Share Offer, has undertaken to the Stock Exchange that except pursuant to the Share Offer or permitted by the Listing Rules, it or he will not, and will procure that any other registered holder (if any) of our Shares in which it or he has a beneficial interest will not, without the prior written consent of the Stock Exchange or unless otherwise in compliance with the requirements of the Listing Rules:

(a) in the period commencing on the date by reference to which disclosure of his shareholding is made in this prospectus and ending on the date which is six months from the date on which dealings in our Shares commence on the Stock Exchange ("**First Six-month Period**"), dispose of, or enter into any agreement to dispose of, or otherwise create any options, rights, interests or encumbrances in respect of any of our Shares in respect of which it or he is shown in this prospectus to be the beneficial owner, or the Controlling Shareholders' Shares; and

(b) in the six month period commencing from the expiry of the First Six-month Period ("**Second Six-month Period**") dispose of, or enter into any agreement to dispose of, or otherwise create any options, rights, interests or encumbrances in respect of any of the Controlling Shareholders' Shares and to such extent that immediately following such disposal, or upon the exercise or enforcement of such options, rights, interests or encumbrances, it or he would then cease to be a controlling shareholder of our Company.

UNDERTAKINGS PURSUANT TO THE PUBLIC OFFER UNDERWRITING AGREEMENT

Undertaking by our Company

We have undertaken to each of the Sole Lead Manager, Sole Bookrunner, Sole Sponsor and the Public Offer Underwriters pursuant to the Public Offer Underwriting Agreement that, except pursuant to the Share Offer or grant of options or issue of our Shares upon exercise of such options pursuant to the Share Option Scheme or the Pre-IPO Share Option Scheme, we will not without the prior written consent of the Sole Lead Manager (on behalf of the Public Offer Underwriters) and unless in compliance with the requirements of the Listing Rules, at any time during the First Six-Month Period, offer, accept subscription for, pledge, charge, allot, issue, sell, lend, mortgage, assign, contract to allot, issue or sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, make any short sale, lend or otherwise transfer or dispose of, either directly or indirectly, conditionally or unconditionally, or repurchase, any of our share capital, debt capital or other securities or any interest therein, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such share capital or securities or any interest therein, whether any of the foregoing transactions is to be settled by delivery of share capital or such other securities, in cash or otherwise.

Undertaking by the Controlling Shareholders

Each of the Controlling Shareholders, pursuant to the Public Offer Underwriting Agreement, has agreed and undertake to the Sole Lead Manager and the Public Offer Underwriters that, except pursuant to (A) the Share Offer, (B) the Over-allotment Option or (C) if applicable, the Stock Borrowing Agreement, or (D) note 2 to Rule 10.07 of the Listing Rules, it or he will not, without the prior written consent of the Sole Lead Manager,

(a) at any time during the First Six-Month Period:

(i) offer, pledge, charge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend, make any short sale or otherwise transfer or dispose of (nor enter into any agreement to transfer or dispose of or otherwise create any options, rights, interests or encumbrances in respect of), either directly or indirectly, conditionally or unconditionally, cause our Company to repurchase, any of the share or debt capital or other securities of our Company or any interest therein (including, but not limited to any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive, any such capital or securities or any interest therein whether now owned or hereinafter acquired, owned directly by the Controlling Shareholders (including holding as a custodian) or with respect to which the Controlling Shareholders have beneficial ownership (collectively the "**Lock-up Shares**") (the foregoing restriction is expressly agreed to preclude the Controlling Shareholders from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead to or result in a sale or disposition of the Lock-up Shares even if such Shares would be disposed of by someone other than the Controlling Shareholders, respectively;

Such prohibited hedging or other transactions would include without limitation any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to any of the Lock-up Shares or with respect to any security that includes, relates to, or derives any significant part of its value from such Shares; or

(ii) enter into any swap or other arrangement that transfers to another, in whole or in part, directly or indirectly, any of the economic consequences of ownership of any such capital or securities or any interest therein; or

(iii) enter into any transaction with the same economic effect as any transaction described in (i) or (ii) above; or

(iv) agree or contract to, or publicly announce any intention to enter into, any transaction described in paragraph (i) or (ii) or (iii) above, whether any such transaction described in paragraph (i) or (ii) or (iii) above is to be settled by delivery of Shares or such other securities, in cash or otherwise;

(b) at any time during the Second Six-Month Period, he will not enter into any of the foregoing transactions in paragraphs (a)(i) or (a)(ii) or (a)(iii) above or agree or contract to or publicly announce any intention to enter into any such transactions if, immediately following such transfer or disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances or any other transactions, the Controlling Shareholders will cease to be a controlling shareholder (as the term is defined in the Listing Rules) of our Company;

(c) until the expiry of the Second Six-Month Period, in the event that he enters into any such transactions or agrees or contracts to, or publicly announces an intention to enter into any such transactions, he will take all reasonable steps to ensure that he will not create a disorderly or false market in the securities of our Company; and

(d) at any time during the First Six-Month Period or the Second Six-Month Period (where applicable), (i) the Controlling Shareholders will, if he pledges or charges any Shares or other securities of our Company in respect of which he is the beneficial owner, immediately inform our Company, the Sole Lead Manager and, if required, the Stock Exchange of any such pledges or charges and the number of Shares or other securities of our Company so pledged or charged; and (ii) the Controlling Shareholders will, if he receives any indication, either verbal or written, from any such pledgee or chargee of Shares or other securities of our Company that such Shares or other securities of our Company will be disposed of, immediately inform us, the Sole Lead Manager and, if required, the Stock Exchange of any such indication.

PLACING

In connection with the Placing, our Company expects to enter into the Placing Underwriting Agreement with, among others, the Placing Underwriters and other parties named therein. Under the Placing Underwriting Agreement, the Placing Underwriters will, subject to certain conditions, severally agree to purchase the Placing Shares being offered pursuant to the Placing or procure purchasers for such Placing Shares.

Our Company will grant to the Placing Underwriters the Over-allotment Option, exercisable by the Sole Bookrunner on behalf of the Placing Underwriters at any time from the day on which trading of our Shares commences on the Stock Exchange until 30 days after the last day for lodging of applications under the Public Offer, to require the Company to sell up to an aggregate of 18,750,000 Shares at the Offer Price to cover over-allocation in the Placing.

COMMISSION AND EXPENSES

The Underwriters will receive an underwriting commission of 3% of the aggregate Offer Price payable for the Offer Shares initially offered under the Share Offer. We will bear the underwriting commissions, SFC transaction levy and Stock Exchange trading fee payable by us in connection with the issue of the New Shares together with any applicable fees relating to the Share Offer. In addition, we may, at our sole discretion, pay the Sole Lead Manager an additional incentive fee for all the Shares offered and sold in the Share Offer.

The aggregate commissions and fees, together with the listing fees, SFC transaction levy, the Stock Exchange trading fee, legal and other professional fees, printing and other expenses payable by us relating to the Share Offer are estimated to amount to approximately HK$26.6 million in total (based on the mid-point of our indicative price range for the Share Offer).

PUBLIC OFFER UNDERWRITERS' INTERESTS IN OUR COMPANY

Save as disclosed in this prospectus and other than pursuant to the Public Offer Underwriting Agreement, none of the Public Offer Underwriters has any shareholding in any member of our Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

Following the completion of the Share Offer, the Public Offer Underwriters and their affiliated companies may hold a certain portion of the Shares as a result of fulfilling their obligations under the Public Offer Underwriting Agreement.

STAMP TAXES

Buyers of Offer Shares sold by the Underwriters may be required to pay stamp taxes and other charges in accordance with the laws and practice of the country of purchase in addition to the Offer Price.

INDEMNITY

Our Company and the Controlling Shareholders have agreed to severally indemnify the Public Offer Underwriters against certain losses which they may suffer, including losses arising from their performance of their obligations under the Public Offer Underwriting Agreement and any breach by us or the Controlling Shareholders of the Public Offer Underwriting Agreement as the case may be.

SOLE SPONSOR'S INDEPENDENCE

The independence criteria applicable to Sole Sponsor set out in Rule 3A.07 of the Listing Rules is satisfied by Cinda International Capital Limited.

OVER-ALLOTMENT AND STABILISATION

Stabilisation is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilise, the underwriters may bid for, or purchase, the newly issued securities in the secondary market, during a specified period of time, to retard, and if possible, prevent any decline in the market price of the securities below the Offer Price. In Hong Kong and certain other jurisdictions, the price at which stabilisation is effected is not permitted to exceed the Offer Price.

In connection with the Share Offer, Cinda International Securities Limited, as the Stabilising Manager, or any person acting for it, on behalf of the Underwriters, may over-allocate or effect any other transactions with a view to stabilising or maintaining the market price of the Shares at a level higher than that which might otherwise prevail in the open market for a limited period after the commencement of trading in the Shares on the Stock Exchange. Such market purchases of Offer Shares will be effected in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the stabilising manager or any person acting for them to conduct any such stabilising activity, which if commenced, will be done at the absolute discretion of the Stabilising Manager and may be discontinued at any time. Any such stabilising activity is required to be brought to an end within 30 days of the last day for the lodging of applications under the Public Offer.

Stabilising action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilising) Rules (Chapter 571 of the Laws of Hong Kong) includes (i) over-allocation for the purpose of preventing or minimising any reduction in the market price; (ii) selling or agreeing to sell Offer Shares so as to establish a short position in them for the purpose of preventing or minimising any reduction in the market price; (iii) subscribing, or agreeing to subscribe, for Shares pursuant to the Over-allotment Option in order to close out any position established under (i) or (ii) above; (iv) purchasing, or agreeing to purchase, Offer Shares for the sole purpose of preventing or minimising any reduction in the market price; (v) selling Offer Shares to liquidate a long position held as a result of those purchases; and (vi) offering or attempting to do anything described in (ii), (iii), (iv) or (v). The number of Shares that may be over-allocated will not exceed the number of Shares that may be sold under the Over-allotment Option, namely 18,750,000 Shares, which is 15% of the Offer Shares initially available under the Share Offer.

Stabilising actions by the Stabilising Manager, or any person acting for it, will be entered into in accordance with the laws, rules and regulations in Hong Kong on stabilisation.

As a result of effecting transactions to stabilise or maintain the market price of our Shares, the Stabilising Manager, or any person acting for it, may maintain a long position in our Shares. The size of the long position, and the period for which the stabilising manager, or any person acting for them, will maintain the long position is at the discretion of the Stabilising Manager and is uncertain. Investors should be warned that, in the event that the stabilising manager liquidates this long position by making sales in the open market, this may lead to a decline in the market price of our Shares.

Stabilising action by the Stabilising Manager, or any person acting for it, is not permitted to support the price of the Shares for longer than the stabilising period, which begins on the Listing Date and ends on the 30th day after the last day for the lodging of applications under the Public Offer. The stabilising period is expected to end on 25 December 2013. As a result, demand for the Shares, and their market price, may fall after the end of the stabilising period.

Any stabilising action taken by the Stabilising Manager, or any person acting for them, may not necessarily result in the market price of the Shares staying at or above the Offer Price either during or after the stabilising period. Stabilising bids for or market purchases of the Shares by the Stabilising Manager, or any person acting for them, may be made at or below the Offer Price and can therefore be made at or below the price paid for the Offer Shares by applicants for, or investors in, the Offer Shares.

In connection with the Share Offer, the Stabilising Manager may over-allocate up to and not more than an aggregate of 18,750,000 additional Shares and cover such over-allocations by exercising the Over-allotment Option or by making purchases in the secondary market at prices that do not exceed the Offer Price or through stock borrowing arrangements or a combination of these means.

THE SHARE OFFER

This prospectus is published in connection with the Public Offer as part of the Share Offer. The Share Offer consists of (subject to adjustment and the Over-allotment Option):

- the Public Offer of initially 12,500,000 Shares (subject to re-allocation as mentioned below) in Hong Kong as described below in the paragraph headed "The Public Offer"; and

- the Placing of initially 112,500,000 (subject to adjustment and the Over-allotment Option as mentioned below).

Investors may apply for our Shares under the Public Offer or indicate an interest, if qualified to do so, for our Shares under the Placing, but may not do both. The Public Offer is open to members of the public in Hong Kong as well as to institutional and professional investors in Hong Kong. The Placing will involve selective marketing of our Shares to institutional and professional investors and other investors expected to have a sizeable demand for our Shares. Prospective investors will be required to specify the number of our Shares under the Placing they would be prepared to acquire either at different prices or at a particular price. The number of Shares to be offered under the Public Offer and the Placing respectively may be subject to re-allocation as described in the paragraph headed "The Public Offer" in this section.

The Offer Shares will represent 25% of our enlarged share capital immediately after the completion of the Share Offer.

Allocation of the Placing Shares to investors under the Placing will be determined by the Sole Lead Manager and will be based on a number of factors including the level and timing of demand, total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not the relevant investor is likely to buy further, and/or hold or sell its Placing Shares after the listing of the Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the Placing Shares on a basis which would lead to the establishment of an appropriate shareholder base to our benefit and the benefit of our Shareholders as a whole.

Allocation of Public Offer Shares to investors under the Public Offer will be based on the level of valid applications received under the Public Offer. The basis of allocation may vary depending on the number of Public Offer Shares validly applied for by applicants. Although we may, if necessary, allocate the Public Offer Shares on the basis of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Public Offer Shares and that those applicants who are not successful in the ballot may not receive any Public Offer Shares.

In connection with the Share Offer, our Company intends to grant the Over-allotment Option to the Placing Underwriters, exercisable by the Sole Lead Manager. The Over-allotment Option will give the Sole Lead Manager the right, exercisable at any time from the day on which trading of the Shares commences on the Stock Exchange until 30 days after the last day for lodging of applications under the Public Offer, to sell up to an aggregate of 18,750,000 additional Shares, representing in aggregate 15% of the initial size of the Share Offer at the Offer Price to cover over-allocation in the Placing, if any. The Sole Lead Manager may also cover any over-allocation by purchasing Shares in the secondary market or by a combination of purchases in the secondary market and a partial exercise of the Over-allotment Option. Any such secondary market purchase will be made in compliance with all applicable laws, rules and regulations. In the event that the Over-allotment Option is exercised, we will make an announcement.

In order to facilitate the settlement of over-allocation in connection with the Share Offer, the Stabilising Manager may choose to borrow, whether on its own or through its affiliates, up to 18,750,000 Shares pursuant to the Stock Borrowing Agreement (being the maximum number of Shares which may be sold upon exercise of the Over-allotment Option), or acquire Shares from other sources, including the exercising the Over-allotment Option.

If the Stock Borrowing Agreement is entered into, it will only be effected by the Stabilising Manager or its agent for settlement of over-allocation in the Placing. The same number of Shares so borrowed must be returned to eprint Limited or their nominees on or before the third business day following the earlier of (i) the last day on which the Over-allotment Option may be exercised; or (ii) the day on which the Over-allotment Option is exercised in full. The Stock Borrowing Agreement will be effected in compliance with all applicable laws, rules and regulatory requirements. No payment will be made to eprint Limited by the Stabilising Manager or its agent in relation to such stock.

The Public Offer is fully underwritten by the Public Offer Underwriters, subject to agreement on the Offer Price to be determined between the Sole Lead Manager (on behalf of the Underwriters) and us under the Price Determination Agreement on the Price Determination Date. The Placing is expected to be fully underwritten by the Placing Underwriters. The Public Offer and the Placing are subject to the conditions described in the paragraph headed "The Share Offer – Conditions of the Share Offer" in this section. In particular, we and the Sole Lead Manager, on behalf of the Underwriters, must agree on the Offer Price for the Share Offer. The Public Offer Underwriting Agreement was subject to an agreement on the Offer Price between the Sole Lead Manager, on behalf of the Public Offer Underwriters, and us for purposes of the Public Offer. The Placing Underwriting Agreement (including the agreement on the Offer Price between us and the Sole Lead Manager, on behalf of the Placing Underwriters for purposes of the Placing) is expected to be entered into on the Price Determination Date, which is expected to be on or around 26 November 2013. The Public Offer Underwriting Agreement and the Placing Underwriting Agreement are inter-conditional upon each other.

Price payable on application

The Offer Price will not be more than HK$1.08 and is expected to be not less than HK$0.78, unless otherwise announced by no later than the morning of the last day for lodging applications under the Public Offer as further explained below. If you apply for the Offer Shares under the Public Offer, you must pay the maximum Offer Price of HK$1.08 per Offer Share plus a 1.0% brokerage fee, 0.005% Stock Exchange trading fee and 0.003% SFC transaction levy. This means that, for every board lot of 4,000 Offer Shares, you should pay HK$4,363.55 at the time of your application.

If the Offer Price, as finally determined in the manner described below, is lower than HK$1.08, we will refund the respective difference, including the brokerage fee, Stock Exchange trading fee and SFC transaction levy attributable to the surplus application monies. We will not pay interest on any refunded amounts. Please refer to the section headed "How to Apply for the Public Offer Shares" in this prospectus for further details.

Determination of the Offer Price

We expect the Offer Price to be fixed by agreement among us and the Sole Lead Manager, on behalf of the Underwriters, on the Price Determination Date when market demand for the Offer Shares will be determined. We expect the Price Determination Date to be on or around Tuesday, 26 November 2013 and in any event, no later than Sunday, 1 December 2013. The Offer Price will not be more than HK$1.08 per Offer Share and is expected to be not less than HK$0.78 per Offer Share. You should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative offer price range stated in this prospectus.

The Sole Lead Manager, on behalf of the Underwriters, may, where considered appropriate based on the level of interest expressed by prospective professional, institutional and other investors during the book-building process, and with our consents, reduce the number of Offer Shares and/or the indicative offer price range below that described in this prospectus prior to the morning of the last day for lodging applications under the Public Offer. In such a case, we will as soon as practicable following the decision to make such reduction and in any event not later than the morning of the last day for lodging applications under the Public Offer publish a notice in the South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) of the reduction in the number of Offer Shares and/or the indicative offer price range.

Upon issue of such a notice, the revised number of Offer Shares and/or Offer Price range will be final and conclusive and the Offer Price, if agreed upon among the Sole Lead Manager, on behalf of the Underwriters and us, will be fixed within such revised offer price range. In this notice, we will also confirm or revise, as appropriate, the working capital statement as currently disclosed in the section headed "Financial Information – Working capital" in this prospectus, the offering statistics as currently disclosed in the section headed "Summary" in this prospectus, the use of proceeds in the section headed "Future Plans and Use of Proceeds" in this prospectus and any other financial information which may change as a result of such reduction.

If you have already submitted an application for Public Offer Shares before the last day for lodging applications under the Public Offer, you will be allowed to subsequently withdraw your application, if the number of Offer Shares and/or the offer price range is reduced. If we do not publish a notice in the South China Morning Post (in English) or Hong Kong Economic Times (in Chinese) of a reduction in the number of Offer Shares and/or the indicative offer price range stated in this prospectus on or before the morning of the last day for lodging applications under the Public Offer, the Offer Price, if agreed upon by us, will be within the offer price range as stated in this prospectus.

If we are unable to reach an agreement with the Sole Lead Manager, on behalf of the Underwriters, on the Offer Price by Sunday, 1 December 2013, the Share Offer will not proceed and will lapse. We expect to publish an announcement of the Offer Price, together with the level of interest in the Placing and the application results and basis of allotment of the Public Offer Shares on Monday, 2 December 2013.

Conditions of the Share Offer

Acceptance of all applications for the Offer Shares will be conditional on, among other things:

- the Listing Committee granting the listing of and permission to deal in the Shares in issue and to be issued as described in this prospectus, and such listing and permission not having been subsequently revoked prior to the commencement of dealings in the Shares on the Stock Exchange;

- the Offer Price having been duly determined and the execution and delivery of the Placing Underwriting Agreement on or about the Price Determination Date; and

- the obligations of the Underwriters under the Underwriting Agreements becoming and remaining unconditional (including, if relevant, as a result of the waiver of any conditions by the Sole Lead Manager, on behalf of the Underwriters) and such obligations not being terminated in accordance with the terms of the respective agreements,

in each case, on or before the dates and times specified in the Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than the date that is 30 days after the date of this prospectus.

The consummation of each of the Public Offer and the Placing is conditional upon, among other things, the other becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Share Offer will not proceed and will lapse and the Stock Exchange will be notified immediately. We will publish a notice of the lapse of the Share Offer in the South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) on the day after such lapse.

In the above situation, we will return all application monies to the applicants, without interest and on the terms described in the sections headed "How to Apply for the Public Offer Shares – Publication of results; Refund of application monies; Despatch/collection of share certificates and refund monies" in this prospectus. In the meantime, we will hold all application monies in a separate bank account or separate bank accounts with the receiving bank or other banks licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

We expect to despatch share certificates for the Offer Shares on Monday, 2 December 2013. However, these share certificates will only become valid certificates of title on 8:00 a.m. on Tuesday, 3 December 2013 provided that (i) the Share Offer has become unconditional in all respects; and (ii) the right of termination as described in the section headed "Underwriting" in this prospectus has not been exercised.

THE PUBLIC OFFER

The Public Offer is a fully underwritten public offer (subject to agreement as to pricing and satisfaction or waiver of the other conditions provided in the Public Offer Underwriting Agreement and described in the paragraph headed "The Share Offer – Conditions of the Share Offer" above) for the subscription in Hong Kong of, initially, 12,500,000 Offer Shares at the Offer Price (representing 10% of the total number of the Offer Shares initially available under the Share Offer). Subject to the reallocation of Offer Shares between the Placing and the Public Offer described below, the Public Offer Shares will represent 10% of our enlarged issued share capital immediately after completion of the Share Offer.

The total number of the Offer Shares available under the Public Offer is to be divided into two pools for allocation purposes: Pool A and Pool B with any odd board lots being allocated to Pool A. Accordingly, the maximum number of Public Offer Shares initially in Pool A and Pool B will be 6,252,000 and 6,248,000, respectively.

- Pool A: The Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for Public Offer Shares with an aggregate subscription price of HK$5,000,000 (excluding the brokerage, the Stock Exchange trading fee and the SFC transaction levy payable) or less; and

- Pool B: The Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for Public Offer Shares with an aggregate subscription price of more than HK$5,000,000 (excluding the brokerage, the Stock Exchange trading fee and the SFC transaction levy payable) and up to the value of pool B.

Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If the Offer Shares in one (but not both) of the pools are under-subscribed, the surplus Offer Shares will be transferred to the other pool to satisfy demand in that pool and be allocated accordingly. For the purpose of this sub-section only, the "subscription price" for the Offer Shares means the price payable on application therefore (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Public Offer Shares from either pool A or pool B but not from both pools. We will reject multiple applications between the two pools and reject multiple applications within pool A or pool B. In addition, any application for more than 6,248,000 Public Offer Shares (being approximately 50% of the 12,500,000 Offer Shares initially available under the Public Offer) are liable to be rejected. Each applicant under the Public Offer will also be required to give an undertaking and confirmation in the Application Form submitted by him or her that he or she and any person(s) for whose benefit he or she is making the application have not indicated an interest for or taken up and will not indicate an interest for or take up any Offer Shares under the Placing, and such applicant's application will be rejected if the said undertaking and/or confirmation is breached and/or untrue, as the case may be. We and the Public Offer Underwriters will take reasonable steps to identify and reject applications under the Public Offer from investors who have indicated interest in or have received Offer Shares in the Placing, and to identify and reject indications of interest in the Placing from investors who have applied for or have received Offer Shares in the Public Offer.

The allocation of the Offer Shares between the Public Offer and the Placing is subject to the following adjustments in the event of over-subscription under the Public Offer:

- If the number of the Offer Shares validly applied for under the Public Offer represents 15 times or more but less than 50 times the number of the Offer Shares initially available for subscription under the Public Offer, then Placing Shares will be reallocated to the Public Offer from the Placing, so that the total number of the Public Offer Shares available under the Public Offer will be 37,500,000 Offer Shares, representing 30% of the Offer Shares initially available under the Share Offer;

- If the number of the Offer Shares validly applied for under the Public Offer represents 50 times or more but less than 100 times the number of the Offer Shares initially available for subscription under the Public Offer, then the number of Placing Shares to be reallocated to the Public Offer from the Placing will be increased so that the total number of the Public Offer Shares available under the Public Offer will be 50,000,000 Offer Shares, representing 40% of the Offer Shares initially available under the Share Offer; and

- If the number of the Offer Shares validly applied for under the Public Offer represents 100 times or more the number of the Offer Shares initially available for subscription under the Public Offer, then the number of Placing Shares to be reallocated to the Public Offer from the Placing will be increased, so that the total number of the Public Offer Shares available under the Public Offer will be 62,500,000 Offer Shares, representing 50% of the Offer Shares initially available under the Share Offer.

If the Public Offer is not fully subscribed, however, the Sole Lead Manager may reallocate to the Placing all or any unsubscribed Public Offer Shares in such numbers as they deem appropriate.

References in this prospectus to applications, Application Forms, application or subscription monies or the procedure for application relate solely to the Public Offer.

THE PLACING

The number of the Offer Shares to be initially offered for sale under the Placing will be 112,500,000 Offer Shares, representing approximately 90% of the Offer Shares initially available under the Share Offer and 22.5% of our enlarged issued share capital immediately after completion of the Share Offer.

Pursuant to the Placing, the Placing Shares will be conditionally placed on our behalf by the Placing Underwriters or through selling agents appointed by them. Placing Shares will be placed with certain professional and institutional investors and other investors anticipated to have a sizeable demand for the Placing Shares. The Placing is subject to the Public Offer becoming unconditional.

The Sole Lead Manager, on behalf of the Underwriters, may require any investor who has been offered Offer Shares under the Placing and who has made an application under the Public Offer to provide sufficient information to the Sole Lead Manager so as to allow them to identify the relevant applications under the Public Offer and to ensure that such investor is excluded from any application of Public Offer Shares under the Public Offer.

1. HOW TO APPLY

If you apply for Public Offer Shares, then you may not apply for or indicate an interest for Placing Shares.

To apply for Public Offer Shares, you may:

- use a **WHITE** or **YELLOW** Application Form;
- apply online via the HK eIPO White Form service at **www.hkeipo.hk**; or
- electronically cause HKSCC Nominees to apply on your behalf.

None of you or your joint applicant(s) may make more than one application, except where you are a nominee and provide the required information in your application.

The Company, the Sole Lead Manager, the HK eIPO White Form Service Provider and their respective agents may reject or accept any application in full or in part for any reason at their discretion.

2. WHO CAN APPLY

You can apply for Public Offer Shares on a **WHITE** or **YELLOW** Application Form if you or the person(s) for whose benefit you are applying:

- are 18 years of age or older;
- have a Hong Kong address;
- are outside the United States, and are not a United States Person (as defined in Regulation S under the U.S. Securities Act); and
- are not a legal or natural person of the PRC.

If you apply online through the HK eIPO White Form service, in addition to the above, you must also: (i) have a valid Hong Kong identity card number and (ii) provide a valid e-mail address and a contact telephone number.

If you are a firm, the application must be in the individual members' names. If you are a body corporate, the application form must be signed by a duly authorised officer, who must state his representative capacity, and stamped with your corporation's chop.

If an application is made by a person under a power of attorney, the Sole Lead Manager may accept it at their discretion and on any conditions they think fit, including evidence of the attorney's authority.

The number of joint applicants may not exceed four and they may not apply by means of HK eIPO White Form service for the Public Offer Shares.

Unless permitted by the Listing Rules, you cannot apply for any Public Offer Shares if you are:

- an existing beneficial owner of Shares in the Company and/or any its subsidiaries;
- a Director or chief executive officer of the Company and/or any of its subsidiaries;
- an associate (as defined in the Listing Rules) of any of the above;
- a connected person (as defined in the Listing Rules) of the Company or will become a connected person of the Company immediately upon completion of the Share Offer; and
- have been allocated or have applied for any Placing Shares or otherwise participate in the Placing.

3. APPLYING FOR PUBLIC OFFER SHARES

Which Application Channel to Use

For Public Offer Shares to be issued in your own name, use a **WHITE** Application Form or apply online through **www.hkeipo.hk**.

For Public Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your or a designated CCASS Participant's stock account, use a **YELLOW** Application Form or electronically instruct HKSCC via CCASS to cause HKSCC Nominees to apply for you.

Where to Collect the Application Forms

You can collect a **WHITE** Application Form and a prospectus during normal business hours from 9:00 a.m. on Wednesday, 20 November 2013 to 12:00 noon on Monday, 25 November 2013 from:

(i) any of the following offices of the Public Offer Underwriters:

Cinda International Securities Limited	45th Floor, COSCO Tower, 183 Queen's Road Central, Hong Kong
Convoy Investment Services Limited	Ground and First Floors, Li Po Chun Chambers, 189 Des Voeux Road Central, Sheung Wan, Hong Kong
RHB OSK Securities Hong Kong Limited	12th Floor, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong
VC Brokerage Limited	28th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong

(ii) any of the branches of the following receiving bank:

Bank of China (Hong Kong) Limited

District	Branch Name	Address
Hong Kong Island	Bank of China Tower Branch	3/F, 1 Garden Road
	Connaught Road Central Branch	13-14 Connaught Road Central
	Johnston Road Branch	152-158 Johnston Road, Wan Chai
	King's Road Branch	131-133 King's Road, North Point
Kowloon	Wong Tai Sin Branch	Shop G13, Wong Tai Sin Plaza, Wong Tai Sin
	Shanghai Street (Mong Kok) Branch	611-617 Shanghai Street, Mong Kok
	Tsim Sha Tsui East Branch	Shop G02-03, Inter-Continental Plaza, 94 Granville Road, Tsim Sha Tsui
	Mei Foo Mount Sterling Mall Branch	Shop N47-49 Mount Sterling Mall, Mei Foo Sun Chuen
	Hoi Yuen Road Branch	55 Hoi Yuen Road, Kwun Tong
New Territories	Castle Peak Road (Yuen Long) Branch	162 Castle Peak Road, Yuen Long
	Sheung Shui Branch Securities Services Centre	136 San Fung Avenue, Sheung Shui
	Tseung Kwan O Plaza Branch	Shop 112-125, Level 1, Tseung Kwan O Plaza, Tseung Kwan O

You can collect a **YELLOW** Application Form and a prospectus during normal business hours from 9:00 a.m. on Wednesday, 20 November 2013 until 12:00 noon on Monday, 25 November 2013 from the Depository Counter of HKSCC at 2nd Floor, Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong or from your stockbroker.

Time for Lodging Application Forms

Your completed **WHITE** or **YELLOW** Application Form, together with a cheque or a banker's cashier order attached and marked payable to "Bank of China (Hong Kong) Nominees Limited – eprint Public Offer" for the payment, should be deposited in the special collection boxes provided at any of the branches of the receiving bank listed above, at the following times:

- Wednesday, 20 November 2013 – 9:00 a.m. to 5:00 p.m.
- Thursday, 21 November 2013 – 9:00 a.m. to 5:00 p.m.
- Friday, 22 November 2013 – 9:00 a.m. to 5:00 p.m.
- Saturday, 23 November 2013 – 9:00 a.m. to 1:00 p.m.
- Monday, 25 November 2013 – 9:00 a.m. to 12:00 noon

The application lists will be open from 11:45 a.m. to 12:00 noon on Monday, 25 November 2013, the last application day or such later time as described in "Effect of bad weather conditions on the opening of the applications lists" in this section.

4. TERMS AND CONDITIONS OF AN APPLICATION

Follow the detailed instructions in the Application Form carefully; otherwise, your application may be rejected.

By submitting an Application Form or applying through the HK eIPO White Form service, among other things, you:

(i) undertake to execute all relevant documents and instruct and authorise the Company and/or the Sole Lead Manager (or their agents or nominees), as agents of the Company, to execute any documents for you and to do on your behalf all things necessary to register any Public Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association;

(ii) agree to comply with the Hong Kong Companies Ordinance and the Articles of Association;

(iii) confirm that you have read the terms and conditions and application procedures set out in this prospectus and in the Application Form and agree to be bound by them;

(iv) confirm that you have received and read this prospectus and have only relied on the information and representations contained in this prospectus in making your application and will not rely on any other information or representations except those in any supplement to this prospectus;

(v) confirm that you are aware of the restrictions on the Share Offer in this prospectus;

(vi) agree that none of the Company, the Sole Lead Manager, the Underwriters, their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Share Offer is or will be liable for any information and representations not in this prospectus (and any supplement to it);

(vii) undertake and confirm that you or the person(s) for whose benefit you have made the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Placing Shares under the Placing nor participated in the Placing;

(viii) agree to disclose to the Company, our Hong Kong Share Registrar, receiving bank, the Sole Lead Manager, the Underwriters and/or their respective advisers and agents any personal data which they may require about you and the person(s) for whose benefit you have made the application;

(ix) if the laws of any place outside Hong Kong apply to your application, agree and warrant that you have complied with all such laws and none of the Company, the Sole Lead Manager and the Underwriters nor any of their respective officers or advisers will breach any law outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this prospectus and the Application Form;

(x) agree that once your application has been accepted, you may not rescind it because of an innocent misrepresentation;

(xi) agree that your application will be governed by the laws of Hong Kong;

(xii) represent, warrant and undertake that (i) you understand that the Public Offer Shares have not been and will not be registered under the U.S. Securities Act; and (ii) you and any person for whose benefit you are applying for the Public Offer Shares are outside the United States (as defined in Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S;

(xiii) warrant that the information you have provided is true and accurate;

(xiv) agree to accept the Public Offer Shares applied for, or any lesser number allocated to you under the application;

(xv) authorise the Company to place your name(s) or the name of the HKSCC Nominees, on the Company's register of members as the holder(s) of any Public Offer Shares allocated to you, and the Company and/or its agents to send any share certificate(s) and/or any e-Auto Refund payment instructions and/or any refund cheque(s) to you or the first-named applicant for joint application by ordinary post at your own risk to the address stated on the application, unless you have chosen to collect the share certificate(s) and/or refund cheque(s) in person;

(xvi) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xvii) understand that the Company and the Sole Lead Manager will rely on your declarations and representations in deciding whether or not to make any allotment of any of the Public Offer Shares to you and that you may be prosecuted for making a false declaration;

(xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit on a **WHITE** or **YELLOW** Application Form or by giving electronic application instructions to HKSCC or to the HK eIPO White Form Service Provider by you or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (i) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person on a **WHITE** or **YELLOW** Application Form or by giving electronic application instructions to HKSCC; and (ii) you have due authority to sign the Application Form or give electronic application instructions on behalf of that other person as their agent.

Additional Instructions for Yellow Application Form

You may refer to the **YELLOW** Application Form for details.

5. APPLYING THROUGH HK eIPO WHITE FORM SERVICE

General

Individuals who meet the criteria in "Who can apply" section, may apply through the HK eIPO White Form service for the Offer Shares to be allotted and registered in their own names through the designated website at **www.hkeipo.hk**.

Detailed instructions for application through the HK eIPO White Form service are on the designated website. If you do not follow the instructions, your application may be rejected and may not be submitted to the Company. If you apply through the designated website, you authorise the HK eIPO White Form service to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the HK eIPO White Form service.

Time for Submitting Applications under the HK eIPO White Form

You may submit your application to the HK eIPO White Form service at **www.hkeipo.hk** (24 hours daily, except on the last application day) from 9:00 a.m. on Wednesday, 20 November 2013 until 11:30 a.m. on Monday, 25 November 2013 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Monday, 25 November 2013 or such later time under the "Effect of bad weather conditions on the opening of the applications lists" in this section.

No Multiple Applications

If you apply by means of **HK eIPO White Form**, once you complete payment in respect of any electronic application instruction given by you or for your benefit through the HK eIPO White Form service to make an application for Public Offer Shares, an actual application shall be deemed to have been made. For the avoidance of doubt, giving an electronic application instruction under **HK eIPO White Form** more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you are suspected of submitting more than one application through the HK eIPO White Form service or by any other means, all of your applications are liable to be rejected.

Section 40 of the Hong Kong Companies Ordinance

For the avoidance of doubt, the Company and all other parties involved in the preparation of this prospectus acknowledge that each applicant who gives or causes to give electronic application instructions is a person who may be entitled to compensation under Section 40 of the Hong Kong Companies Ordinance (as applied by Section 342E of the Companies Ordinance).

6. APPLYING BY GIVING ELECTRONIC APPLICATION INSTRUCTIONS TO HKSCC VIA CCASS

General

CCASS Participants may give electronic application instructions to apply for the Public Offer Shares and to arrange payment of the money due on application and payment of refunds under their participant agreements with HKSCC and the General Rules of CCASS and the CCASS Operational Procedures.

If you are a CCASS Investor Participant, you may give these electronic application instructions through the CCASS Phone System by calling 2979 7888 or through the CCASS Internet System (https://ip.ccass.com) (using the procedures in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time).

HKSCC can also input electronic application instructions for you if you go to:

Hong Kong Securities Clearing Company Limited
Customer Service Centre
2/F, Infinitus Plaza
199 Des Voeux Road Central
Hong Kong

and complete an input request form.

You can also collect a prospectus from this address.

If you are not a CCASS Investor Participant, you may instruct your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give electronic application instructions via CCASS terminals to apply for the Public Offer Shares on your behalf.

You will be deemed to have authorised HKSCC and/or HKSCC Nominees to transfer the details of your application to the Company, the Sole Lead Manager and our Hong Kong Share Registrar.

Giving Electronic Application Instructions to HKSCC via CCASS

Where you have given electronic application instructions to apply for the Public Offer Shares and a **WHITE** Application Form is signed by HKSCC Nominees on your behalf:

(i) HKSCC Nominees will only be acting as a nominee for you and is not liable for any breach of the terms and conditions of the **WHITE** Application Form or this prospectus;

(ii) HKSCC Nominees will do the following things on your behalf:

- agree that the Public Offer Shares to be allotted shall be issued in the name of HKSCC Nominees and deposited directly into CCASS for the credit of the CCASS Participant's stock account on your behalf or your CCASS Investor Participant's stock account;

- agree to accept the Public Offer Shares applied for or any lesser number allocated;

- undertake and confirm that you have not applied for or taken up, will not apply for or take up, or indicate an interest for, any Placing Shares under the Placing;

- declare that only one set of electronic application instructions has been given for your benefit;

- (if you are an agent for another person) declare that you have only given one set of electronic application instructions for the other person's benefit and are duly authorised to give those instructions as their agent;

- confirm that you understand that the Company, the Directors and the Sole Lead Manager will rely on your declarations and representations in deciding whether or not to make any allotment of any of the Public Offer Shares to you and that you may be prosecuted if you make a false declaration;

- authorise the Company to place HKSCC Nominees' name on the Company's register of members as the holder of the Public Offer Shares allocated to you and to send share certificate(s) and/or refund monies under the arrangements separately agreed between us and HKSCC;

- confirm that you have read the terms and conditions and application procedures set out in this prospectus and agree to be bound by them;

- confirm that you have received and/or read a copy of this prospectus and have relied only on the information and representations in this prospectus in causing the application to be made, save as set out in any supplement to this prospectus;

- agree that none of the Company, the Sole Lead Manager, the Underwriters, their respective directors, officers, employees, partners, agents, advisers and any other parties involved in the Share Offer, is or will be liable for any information and representations not contained in this prospectus (and any supplement to it);

- agree to disclose your personal data to the Company, our Hong Kong Share Registrar, receiving bank, the Sole Lead Manager, the Underwriters and/or its respective advisers and agents;

- agree (without prejudice to any other rights which you may have) that once HKSCC Nominees' application has been accepted, it cannot be rescinded for innocent misrepresentation;

- agree that any application made by HKSCC Nominees on your behalf is irrevocable before the fifth day after the time of the opening of the application lists (excluding any day which is Saturday, Sunday or public holiday in Hong Kong), such agreement to take effect as a collateral contract with us and to become binding when you give the instructions and such collateral contract to be in consideration of the Company agreeing that it will not offer any Public Offer Shares to any person before the fifth day after the time of the opening of the application lists (excluding any day which is Saturday, Sunday or public holiday in Hong Kong), except by means of one of the procedures referred to in this prospectus. However, HKSCC Nominees may revoke the application before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is a Saturday, Sunday or public holiday in Hong Kong) if a person responsible for this prospectus under Section 40 of the Hong Kong Companies Ordinance gives a public notice under that section which excludes or limits that person's responsibility for this prospectus;

- agree that once HKSCC Nominees' application is accepted, neither that application nor your electronic application instructions can be revoked, and that acceptance of that application will be evidenced by the Company's announcement of the Public Offer results;

- agree to the arrangements, undertakings and warranties under the participant agreement between you and HKSCC, read with the General Rules of CCASS and the CCASS Operational Procedures, for the giving electronic application instructions to apply for Public Offer Shares;

- agree with the Company, for itself and for the benefit of each Shareholder (and so that the Company will be deemed by its acceptance in whole or in part of the application by HKSCC Nominees to have agreed, for itself and on behalf of each of the Shareholders, with each CCASS Participant giving electronic application instructions) to observe and comply with the Hong Kong Companies Ordinance and the Articles of Association; and

- agree that your application, any acceptance of it and the resulting contract will be governed by the Laws of Hong Kong.

Effect of Giving Electronic Application Instructions to HKSCC via CCASS

By giving electronic application instructions to HKSCC or instructing your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give such instructions to HKSCC, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have done the following things. Neither HKSCC nor HKSCC Nominees shall be liable to the Company or any other person in respect of the things mentioned below:

- instructed and authorised HKSCC to cause HKSCC Nominees (acting as nominee for the relevant CCASS Participants) to apply for the Public Offer Shares on your behalf;
- instructed and authorised HKSCC to arrange payment of the maximum Offer Price, brokerage, SFC transaction levy and the Stock Exchange trading fee by debiting your designated bank account and, in the case of a wholly or partially unsuccessful application and/or if the Offer Price is less than the maximum Offer Price per Offer Share initially paid on application, refund of the application monies (including brokerage, SFC transaction levy and the Stock Exchange trading fee) by crediting your designated bank account; and
- instructed and authorised HKSCC to cause HKSCC Nominees to do on your behalf all the things stated in the **WHITE** Application Form and in this prospectus.

Minimum Purchase Amount and Permitted Numbers

You may give or cause your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give electronic application instructions for a minimum of 4,000 Public Offer Shares. Instructions for more than 4,000 Public Offer Shares must be in one of the numbers set out in the table in the Application Forms. No application for any other number of Public Offer Shares will be considered and any such application is liable to be rejected.

Time for Inputting Electronic Application Instructions

CCASS Clearing/Custodian Participants can input electronic application instructions at the following times on the following dates:

- Wednesday, 20 November 2013 – 9:00 a.m. to 8:30 p.m. [(1)]
- Thursday, 21 November 2013 – 8:00 a.m. to 8:30 p.m. [(1)]
- Friday, 22 November 2013 – 8:00 a.m. to 8:30 p.m. [(1)]
- Saturday, 23 November 2013 – 8:00 a.m. to 1:00 p.m. [(1)]
- Monday, 25 November 2013 – 8:00 a.m.[(1)] to 12:00 noon

Note:

(1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants.

CCASS Investor Participants can input electronic application instructions from 9:00 a.m. on Wednesday, 20 November 2013 until 12:00 noon on Monday, 25 November 2013, (24 hours daily, except on the last application day).

The latest time for inputting your electronic application instructions will be 12:00 noon on Monday, 25 November 2013, the last application day or such later time as described in "Effect of bad weather conditions on the opening of the application lists" in this section.

No Multiple Applications

If you are suspected of having made multiple applications or if more than one application is made for your benefit, the number of Public Offer Shares applied for by HKSCC Nominees will be automatically reduced by the number of Public Offer Shares for which you have given such instructions and/or for which such instructions have been given for your benefit. Any electronic application instructions to make an application for the Public Offer Shares given by you or for your benefit to HKSCC shall be deemed to be an actual application for the purposes of considering whether multiple applications have been made.

Section 40 of the Hong Kong Companies Ordinance

For the avoidance of doubt, the Company and all other parties involved in the preparation of this prospectus acknowledge that each CCASS Participant who gives or causes to give electronic application instructions is a person who may be entitled to compensation under Section 40 of the Hong Kong Companies Ordinance (as applied by Section 342E of the Companies Ordinance).

Personal Data

The section of the Application Form headed "Personal Data" applies to any personal data held by the Company, the Hong Kong Share Registrar, the receiving bank, the Sole Lead Manager, the Underwriters and any of their respective advisers and agents about you in the same way as it applies to personal data about applicants other than HKSCC Nominees.

7. WARNING FOR ELECTRONIC APPLICATIONS

The subscription of the Public Offer Shares by giving electronic application instructions to HKSCC is only a facility provided to CCASS Participants. Similarly, the application for Public Offer Shares through the HK eIPO White Form service is also only a facility provided by the HK eIPO White Form Service Provider to public investors. Such facilities are subject to capacity limitations and potential service interruptions and you are advised not to wait until the last application day in making your electronic applications. The Company, the Directors, the Sole Lead Manager, the Sole Sponsor and the Underwriters take no responsibility for such applications and provide no assurance that any CCASS Participant or person applying through the HK eIPO White Form service will be allotted any Public Offer Shares.

To ensure that CCASS Investor Participants can give their electronic application instructions, they are advised not to wait until the last minute to input their instructions to the systems. In the event that CCASS Investor Participants have problems in the connection to CCASS Phone System/CCASS Internet System for submission of electronic application instructions, they should either (i) submit a **WHITE** or **YELLOW** Application Form, or (ii) go to HKSCC's Customer Service Centre to complete an input request form for electronic application instructions before 12:00 noon on Monday, 25 November 2013.

8. HOW MANY APPLICATIONS CAN YOU MAKE

Multiple applications for the Public Offer Shares are not allowed except by nominees. If you are a nominee, in the box on the Application Form marked "For nominees" you must include:

- an account number; or
- some other identification code,

for each beneficial owner or, in the case of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

All of your applications will be rejected if more than one application on a **WHITE** or **YELLOW** Application Form or by giving electronic application instructions to HKSCC or through HK eIPO White Form service is made for your benefit (including the part of the application made by HKSCC Nominees acting on electronic application instructions). If an application is made by an unlisted company and:

- the principal business of that company is dealing in securities; and
- you exercise statutory control over that company,

then the application will be treated as being for your benefit.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange.

"Statutory control" means you:

- control the composition of the board of directors of the company;
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

9. HOW MUCH ARE THE PUBLIC OFFER SHARES

The **WHITE** and **YELLOW** Application Forms have tables showing the exact amount payable for Shares.

You must pay the maximum Offer Price, brokerage, SFC transaction levy and the Stock Exchange trading fee in full upon application for Shares under the terms set out in the Application Forms.

You may submit an application using a **WHITE** or **YELLOW** Application Form or through the HK eIPO White Form service in respect of a minimum of 4,000 Public Offer Shares. Each application or electronic application instruction in respect of more than 4,000 Public Offer Shares must be in one of the numbers set out in the table in the Application Form, or as otherwise specified on the designated website at **www.hkeipo.hk**.

If your application is successful, brokerage will be paid to the Exchange Participants, and the SFC transaction levy and the Stock Exchange trading fee are paid to the Stock Exchange (in the case of the SFC transaction levy, collected by the Stock Exchange on behalf of the SFC).

For further details on the Offer Price, see the section headed "Structure and Conditions of the Share Offer – Determination of the Offer Price".

10. EFFECT OF BAD WEATHER CONDITIONS ON THE OPENING OF THE APPLICATION LISTS

The application lists will not open if there is:

- a tropical cyclone warming signal number 8 or above; or

- a "black" rainstorm warning,

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Monday, 25 November 2013. Instead they will open between 11:45 a.m. and 12:00 noon on the next business day which does not have either of those warnings in Hong Kong in force at any time between 9:00 a.m. and 12:00 noon.

If the application lists do not open and close on Monday, 25 November 2013 or if there is a tropical cyclone warning signal number 8 or above or a "black" rainstorm warning signal in force in Hong Kong that may affect the dates mentioned in the section headed "Expected Timetable", an announcement will be made in such event.

11. PUBLICATION OF RESULTS

The Company expects to announce the final Offer Price, the level of indication of interest in the Placing, the level of applications in the Public Offer and the basis of allocation of the Public Offer Shares on Monday, 2 December 2013 in the South China Morning Post (in English) and Hong Kong Economic Times (in Chinese), on the Company's website at **www.eprintgroup.com.hk** and the website of the Stock Exchange at **www.hkexnews.hk**.

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Public Offer will be available at the times and date and in the manner specified below:

- in the announcement to be posted on the Company's website at **www.eprintgroup.com.hk** and the Stock Exchange's website at **www.hkexnews.hk** by no later than 9:00 a.m. on Monday, 2 December 2013;

- from the designated results of allocations website at **www.tricor.com.hk/ipo/result** with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Monday, 2

December 2013 to 12:00 midnight on Sunday, 8 December 2013. The user will be required to key in the Hong Kong identity card/passport/Hong Kong business registration number provided in his/her/its application to search for his/her/its own allocation result;

- by telephone enquiry line by calling 3691 8488 between 9:00 a.m. and 6:00 p.m. from Monday, 2 December 2013 to Thursday, 5 December 2013 on a business day;
- in the special allocation results booklets which will be available for inspection during opening hours from Monday, 2 December 2013 to Wednesday, 4 December 2013 at all the receiving bank's branches and sub-branches.

If the Company accepts your offer to purchase (in whole or in part), which it may do by announcing the basis of allocations and/or making available the results of allocations publicly, there will be a binding contract under which you will be required to purchase the Public Offer Shares if the conditions of the Share Offer are satisfied and the Share Offer is not otherwise terminated. Further details are contained in the section headed "Structure and Conditions of the Share Offer".

You will not be entitled to exercise any remedy of rescission for innocent misrepresentation at any time after acceptance of your application. This does not affect any other right you may have.

12. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOTTED PUBLIC OFFER SHARES

You should note the following situations in which the Public Offer Shares will not be allotted to you:

(i) If your application is revoked:

By completing and submitting an Application Form or giving electronic application instructions to HKSCC or to the HK eIPO White Form Service Provider, you agree that your application or the application made by HKSCC Nominees on your behalf cannot be revoked on or before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is Saturday, Sunday or public holiday in Hong Kong). This agreement will take effect as a collateral contract with the Company.

Your application or the application made by HKSCC Nominees on your behalf may only be revoked on or before such fifth day if a person responsible for this prospectus under Section 40 of the Hong Kong Companies Ordinance (as applied by Section 342E of the Hong Kong Companies Ordinance) gives a public notice under that section which excludes or limits that person's responsibility for this prospectus.

If any supplement to this prospectus is issued, applicants who have already submitted an application will be notified that they are required to confirm their applications. If applicants have been so notified but have not confirmed their applications in accordance with the procedure to be notified, all unconfirmed applications will be deemed revoked.

If your application or the application made by HKSCC Nominees on your behalf has been accepted, it cannot be revoked. For this purpose, acceptance of applications which are not rejected will be constituted by notification in the press of the results of allocation, and where such basis of allocation is subject to certain conditions or provides for allocation by ballot, such acceptance will be subject to the satisfaction of such conditions or results of the ballot respectively.

(ii) If the Company or its agents exercise their discretion to reject your application:

The Company, the Sole Lead Manager, the HK eIPO White Form Service Provider and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

(iii) If the allotment of Public Offer Shares is void:

The allotment of Public Offer Shares will be void if the Listing Committee of the Stock Exchange does not grant permission to list the Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Listing Committee notifies the Company of that longer period within three weeks of the closing date of the application lists.

(iv) If:

- you make multiple applications or suspected multiple applications;
- you or the person for whose benefit you are applying have applied for or taken up, or indicated an interest for, or have been or will be placed or allocated (including conditionally and/or provisionally) Public Offer Shares and Placing Shares;
- your Application Form is not completed in accordance with the stated instructions;
- your electronic application instructions through the HK eIPO White Form service are not completed in accordance with the instructions, terms and conditions on the designated website;
- your payment is not made correctly or the cheque or banker's cashier order paid by you is dishonoured upon its first presentation;
- the Underwriting Agreements do not become unconditional or are terminated;
- the Company or the Sole Lead Manager believe that by accepting your application, it or they would violate applicable securities or other laws, rules or regulations; or
- your application is for more than 50% of the Public Offer Shares initially offered under the Public Offer.

13. REFUND OF APPLICATION MONIES

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the maximum Offer Price of HK$1.08 per Offer Share (excluding brokerage, SFC transaction levy and the Stock Exchange trading fee thereon), or if the conditions of the Public Offer are not fulfilled in accordance with "Structure and Conditions of the Share Offer – The Share Offer – Conditions of the Share Offer" in this prospectus or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy and the Stock Exchange trading fee, will be refunded, without interest or the cheque or banker's cashier order will not be cleared.

Any refund of your application monies will be made on Monday, 2 December 2013.

14. DESPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND MONIES

You will receive one share certificate for all Public Offer Shares allotted to you under the Public Offer (except pursuant to applications made on **YELLOW** Application Forms or by electronic application instructions to HKSCC via CCASS where the share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of the Shares. No receipt will be issued for sums paid on application. If you apply by **WHITE** or **YELLOW** Application Form, subject to personal collection as mentioned below, the following will be sent to you (or, in the case of joint applicants, to the first-named applicant) by ordinary post, at your own risk, to the address specified on the Application Form:

- share certificate(s) for all the Public Offer Shares allotted to you (for **YELLOW** Application Forms, share certificates will be deposited into CCASS as described below); and

- refund cheque(s) crossed "Account Payee Only" in favour of the applicant (or, in the case of joint applicants, the first-named applicant) for (i) all or the surplus application monies for the Public Offer Shares, wholly or partially unsuccessfully applied for; and/or (ii) the difference between the Offer Price and the maximum Offer Price per Offer Share paid on application in the event that the Offer Price is less than the maximum Offer Price (including brokerage, SFC transaction levy and the Stock Exchange trading fee but without interest).

Part of the Hong Kong identity card number/passport number, provided by you or the first-named applicant (if you are joint applicants), may be printed on your refund cheque, if any. Your banker may require verification of your Hong Kong identity card number/passport number before encashment of your refund cheque(s). Inaccurate completion of your Hong Kong identity card number/passport number may invalidate or delay encashment of your refund cheque(s).

Subject to arrangement on despatch/collection of share certificates and refund monies as mentioned below, any refund cheques and share certificates are expected to be posted on or around Monday, 2 December 2013. The right is reserved to retain any share certificate(s) and any surplus application monies pending clearance of cheque(s) or banker's cashier's order(s).

Share certificates will only become valid at 8:00 a.m. on the Listing Date provided that the Share Offer has become unconditional and the right of termination described in the "Underwriting" section in this prospectus has not been exercised. Investors who trade shares prior to the receipt of Share certificates or the Share certificates becoming valid do so at their own risk.

Personal Collection

(i) If you apply using a WHITE Application Form

If you apply for 1,000,000 or more Public Offer Shares and have provided all information required by your Application Form, you may collect your refund cheque(s) and/or share certificate(s) from Tricor Investor Services Limited, from 9:00 a.m. to 1:00 p.m. on Monday, 2 December 2013 or such other date as notified by us in the newspapers.

If you are an individual who is eligible for personal collection, you must not authorise any other person to collect for you. If you are a corporate applicant which is eligible for personal collection, your authorised representative must bear a letter of authorisation from your corporation stamped with your corporation's chop. Both individuals and authorised representatives must produce, at the time of collection, evidence of identity acceptable to the Hong Kong Share Registrar.

If you do not collect your refund cheque(s) and/or share certificate(s) personally within the time specified for collection, they will be despatched promptly to the address specified in your Application Form by ordinary post at your own risk.

If you apply for less than 1,000,000 Public Offer Shares, your refund cheque(s) and/or share certificate(s) will be sent to the address on the relevant Application Form on Monday, 2 December 2013, by ordinary post and at your own risk.

(ii) If you apply using a YELLOW Application Form

If you apply for 1,000,000 Public Offer Shares or more, please follow the same instructions as described above. If you have applied for less than 1,000,000 Public Offer Shares, your refund cheque(s) will be sent to the address on the relevant Application Form on Monday, 2 December 2013, by ordinary post and at your own risk.

If you apply by using a **YELLOW** Application Form and your application is wholly or partially successful, your share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for credit to your or the designated CCASS Participant's stock account as stated in your Application Form on Monday, 2 December 2013, or upon contingency, on any other date determined by HKSCC or HKSCC Nominees.

- **If you apply through a designated CCASS participant (other than a CCASS investor participant)**

  For Public Offer Shares credited to your designated CCASS participant's stock account (other than CCASS Investor Participant), you can check the number of Public Offer Shares allotted to you with that CCASS participant.

- **If you are applying as a CCASS investor participant**

  The Company will publish the results of CCASS Investor Participants' applications together with the results of the Public Offer in the manner described in the paragraph headed "Publication of results" in this section. You should check the announcement published by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Monday, 2 December 2013 or any other date as determined by HKSCC or HKSCC Nominees. Immediately after the credit of the Public Offer Shares to your stock account, you can check your new account balance via the CCASS Phone System and CCASS Internet System.

(iii) If you apply through the HK eIPO White Form service

If you apply for 1,000,000 Public Offer Shares or more and your application is wholly or partially successful, you may collect your Share certificate(s) from Tricor Investor Services Limited, from 9:00 a.m. to 1:00 p.m. on Monday, 2 December 2013, or such other date as notified by the Company in the newspapers as the date of despatch/collection of Share certificates/e-Auto Refund payment instructions/refund cheques.

If you do not collect your Share certificate(s) personally within the time specified for collection, they will be sent to the address specified in your application instructions by ordinary post at your own risk.

If you apply for less than 1,000,000 Public Offer Shares, your Share certificate(s) (where applicable) will be sent to the address specified in your application instructions on Monday, 2 December 2013 by ordinary post at your own risk.

If you apply and pay the application monies from a single bank account, any refund monies will be despatched to that bank account in the form of e-Auto Refund payment instructions. If you apply and pay the application monies from multiple bank accounts, any refund monies will be despatched to the address as specified in your application instructions in the form of refund cheque(s) by ordinary post at your own risk.

(iv) If you apply via Electronic Application Instructions to HKSCC

Allocation of Public Offer Shares

For the purposes of allocating Public Offer Shares, HKSCC Nominees will not be treated as an applicant. Instead, each CCASS Participant who gives electronic application instructions or each person for whose benefit instructions are given will be treated as an applicant.

Deposit of Share Certificates into CCASS and Refund of Application Monies

- If your application is wholly or partially successful, your share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for the credit of your designated CCASS Participant's stock account or your CCASS Investor Participant stock account on Monday, 2 December 2013, or, on any other date determined by HKSCC or HKSCC Nominees.

- The Company expects to publish the application results of CCASS Participants (and where the CCASS Participant is a broker or custodian, the Company will include information relating to the relevant beneficial owner), your Hong Kong identity card number/passport number or other identification code (Hong Kong business registration number for corporations) and the basis of allotment of the Public Offer in the manner specified in the paragraph headed "Publication of results" in this section on Monday, 2 December 2013. You should check the announcement published by the Company and report any discrepancies to HKSCC before 5:00 p.m. on Monday, 2 December 2013 or such other date as determined by HKSCC or HKSCC Nominees.

- If you have instructed your broker or custodian to give electronic application instructions on your behalf, you can also check the number of Public Offer Shares allotted to you and the amount of refund monies (if any) payable to you with that broker or custodian.

- If you have applied as a CCASS Investor Participant, you can also check the number of Public Offer Shares allotted to you and the amount of refund monies (if any) payable to you via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) on Monday, 2 December 2013. Immediately following the credit of the Public Offer Shares to your stock account and the credit of refund monies to your bank account, HKSCC will also make available to you an activity statement showing the number of Public Offer Shares credited to your CCASS Investor Participant stock account and the amount of refund monies (if any) credited to your designated bank account.

- Refund of your application monies (if any) in respect of wholly and partially unsuccessful applications and/or difference between the Offer Price and the maximum Offer Price per Offer Share initially paid on application (including brokerage, SFC transaction levy and the Stock Exchange trading fee but without interest) will be credited to your designated bank account or the designated bank account of your broker or custodian on Monday, 2 December 2013.

15. ADMISSION OF THE SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, the Shares and we comply 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 or any other date HKSCC chooses. Settlement of transactions between Exchange Participants (as defined in the Listing Rules) 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.

Investors should seek the advice of their stockbroker or other professional adviser for details of the settlement arrangement as such arrangements may affect their rights and interests.

All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

The following is the text of a report received from the Company's reporting accountant, PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus. It is prepared and addressed to the directors of the Company and to the Sole Sponsor pursuant to the requirements of Auditing Guideline 3.340 "Prospectuses and the Reporting Accountant" issued by the Hong Kong Institute of Certified Public Accountants.

pwc 羅兵咸永道

20 November 2013

The Directors
eprint Group Limited

Cinda International Capital Limited

Dear Sirs,

We report on the financial information of eprint Group Limited (the "**Company**") and its subsidiaries (together, the "**Group**"), which comprises the consolidated statements of financial position as at 31 March 2011, 2012 and 2013 and 31 July 2013, the statements of financial position of the Company as at 31 March 2013 and 31 July 2013, and the consolidated statements of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013 (the "**Relevant Periods**"), and a summary of significant accounting policies and other explanatory information. This financial information has been prepared by the directors of the Company and is set out in Sections I to III below for inclusion in Appendix I to the prospectus of the Company dated 20 November 2013 (the "**Prospectus**") in connection with the initial listing of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

The Company was incorporated in the Cayman Islands on 10 January 2013 as an exempted company with limited liability under the Companies Law (as revised) of the Cayman Islands. Pursuant to a group reorganisation as described in Note 1.2 of Section II headed "General information, group reorganisation and basis of presentation" below, which was completed on 3 June 2013, the Company became the holding company of the subsidiaries now comprising the Group (the "**Reorganisation**").

As at the date of this report, the Company has direct and indirect interests in the subsidiaries and joint ventures as set out in Notes 1.2 and 8 of Section II below. All of these companies are private companies.

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No audited financial statements have been prepared by the Company as it is newly incorporated and has not involved in any significant business transactions since its date of incorporation, other than the Reorganisation. The audited financial statements of the other companies comprising the Group as at the date of this report for which there are statutory audit requirements have been prepared in accordance with the relevant accounting principles generally accepted in their places of incorporation. The details of the statutory auditors of these companies are set out in Note 1.2 of Section II below.

The directors of the Company have prepared the consolidated financial statements of the Company for the Relevant Periods, in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") (the "**Underlying Financial Statements**"). The directors of the Company are responsible for the preparation of the Underlying Financial Statements that gives a true and fair view in accordance with HKFRSs. We have audited the Underlying Financial Statements in accordance with Hong Kong Standards on Auditing ("**HKSAs**") issued by the HKICPA pursuant to separate terms of engagement with the Company.

The financial information has been prepared based on the Underlying Financial Statements, with no adjustment made thereon.

Directors' Responsibility for the Financial Information

The directors of the Company are responsible for the preparation of the financial information that gives a true and fair view in accordance with HKFRSs, and for such internal control as the directors determine is necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

Reporting Accountant's Responsibility

Our responsibility is to express an opinion on the financial information and to report our opinion to you. We carried out our procedures in accordance with the Auditing Guideline 3.340 "Prospectuses and the Reporting Accountant" issued by the HKICPA.

Opinion

In our opinion, the financial information gives, for the purpose of this report, a true and fair view of the state of affairs of the Company as at 31 March 2013 and 31 July 2013 and of the state of affairs of the Group as at 31 March 2011, 2012 and 2013 and 31 July 2013 and of the Group's results and cash flows for the Relevant Periods then ended.

Review of Stub Period Comparative Financial Information

We have reviewed the stub period comparative financial information set out in Sections I to II below included in Appendix I to the Prospectus which comprises the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the four months ended 31 July 2012 and a summary of significant accounting policies and other explanatory information (the "**Stub Period Comparative Financial Information**").

The directors of the Company are responsible for the preparation and presentation of the Stub Period Comparative Financial Information in accordance with the accounting policies set out in Note 2 of Section II below.

Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review 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 of the Stub Period Comparative Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with HKSAs and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purpose of this report, is not prepared, in all material respects, in accordance with the accounting policies set out in Note 2 of Section II below.

I. FINANCIAL INFORMATION OF THE GROUP

The following is the financial information of the Group prepared by the directors of the Company as at 31 March 2011, 2012 and 2013 and 31 July 2013 and for each of the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2012 and 2013 (the "**Financial Information**").

(a) Consolidated statements of financial position

	Section II Note	As at 31 March			As at 31 July
		2011	**2012**	**2013**	**2013**
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
ASSETS					
Non-current assets					
Property, plant and equipment	*6*	72,624	86,458	101,974	105,237
Investment properties	*7*	10,340	–	–	–
Investments in joint ventures	*8*	–	220	1,235	2,074
Deposits for purchase of plant and machinery	*11*	1,381	944	2,261	93
		84,345	87,622	105,470	107,404
Current assets					
Inventories	*9*	2,049	2,848	3,736	3,259
Trade receivables	*10*	2,265	2,945	1,803	2,230
Other receivables and prepayments	*11*	3,941	9,340	9,565	8,609
Amounts due from non-controlling interests	*29*	–	414	–	–
Amounts due from related companies	*29*	34,943	48,608	296	518
Bank deposit	*12*	–	–	–	17,951
Cash and cash equivalents	*13*	16,923	23,717	71,086	60,390
		60,121	87,872	86,486	92,957
Total assets		144,466	175,494	191,956	200,361

	Section II Note	As at 31 March 2011 HK$'000	As at 31 March 2012 HK$'000	As at 31 March 2013 HK$'000	As at 31 July 2013 HK$'000
EQUITY					
Capital and reserves attributable to the equity holders of the Company					
Share capital	15	–	–	1	1
Reserves	16	37,961	65,047	69,720	66,969
		37,961	65,047	69,721	66,970
Non-controlling interests		830	2,968	2,204	2,163
Total equity		38,791	68,015	71,925	69,133
LIABILITIES					
Non-current liabilities					
Borrowings	18	–	–	16,217	14,932
Obligations under finance leases	19	5,148	9,206	18,564	19,718
Deferred income tax liabilities	20	6,213	7,772	9,380	9,572
		11,361	16,978	44,161	44,222
Current liabilities					
Trade payables	17	20,813	24,140	24,531	28,439
Accruals and other payables	17	5,690	11,987	14,474	21,657
Amounts due to shareholders	29	2,312	303	–	400
Amounts due to non-controlling interests	29	4,464	–	–	–
Amounts due to related companies	29	2,148	477	–	–
Borrowings	18	41,684	27,680	21,013	19,198
Obligations under finance leases	19	13,885	17,156	13,415	13,465
Current income tax payable		3,318	8,758	2,437	3,847
		94,314	90,501	75,870	87,006
Total liabilities		105,675	107,479	120,031	131,228
Total equity and liabilities		144,466	175,494	191,956	200,361
Net current (liabilities)/assets		(34,193)	(2,629)	10,616	5,951
Total assets less current liabilities		50,152	84,993	116,086	113,355

(b) Statements of financial position

	Section II Note	As at 31 March 2013 HK$'000	As at 31 July 2013 HK$'000
ASSETS			
Non-current asset			
Investments in subsidiaries	*(a)*	–	73,897
Current assets			
Prepayments	*11*	4,240	3,656
Amount due from a related company	*29*	1	1
		4,241	3,657
Total assets		4,241	77,554
EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital	*15*	1	1
Reserves	*16*	(1,321)	62,539
Total equity		(1,320)	62,540
LIABILITIES			
Current liabilities			
Accruals and other payables	*17*	46	7,442
Amount due to a subsidiary	*29*	5,515	7,183
Amounts due to shareholders	*29*	–	389
Total liabilities		5,561	15,014
Total equity and liabilities		4,241	77,554
Net current liabilities		(1,320)	(11,357)
Total assets less current liabilities		(1,320)	62,540

Note (a): The details of the subsidiaries are included in Note 1.2 (a).

(c) Consolidated statements of comprehensive income

	Section II Note	Year ended 31 March			Four months ended 31 July	
		2011	2012	2013	2012	2013
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
					(Unaudited)	
Revenue	*21*	213,536	254,146	284,498	93,138	101,569
Cost of sales	*22*	(149,751)	(163,877)	(181,583)	(58,878)	(64,033)
Gross profit		63,785	90,269	102,915	34,260	37,536
Other income	*21*	4,731	5,797	6,238	1,857	1,902
Other (losses)/gains – net	*21*	(1,919)	6,176	(1,198)	(29)	(193)
Selling and distribution expenses	*22*	(8,403)	(12,995)	(15,821)	(5,009)	(5,905)
Administrative expenses	*22*	(28,898)	(39,992)	(41,583)	(13,679)	(26,036)
Operating profit		29,296	49,255	50,551	17,400	7,304
Finance income		1,252	2,022	976	356	142
Finance costs		(2,639)	(2,146)	(1,724)	(562)	(700)
Finance costs – net	*24*	(1,387)	(124)	(748)	(206)	(558)
Share of (losses)/profits of joint ventures	*8*	(271)	(160)	1,022	514	921
Profit before income tax		27,638	48,971	50,825	17,708	7,667
Income tax expense	*25*	(4,750)	(7,060)	(8,207)	(2,900)	(2,989)
Profit for the year/period		22,888	41,911	42,618	14,808	4,678
Other comprehensive income:						
Item that may be subsequently reclassified to profit or loss						
Currency translation differences		4	11	(5)	(8)	(71)
Total comprehensive income for the year/period		22,892	41,922	42,613	14,800	4,607

	Section II Note	Year ended 31 March			Four months ended 31 July	
		2011	2012	2013	2012	2013
		HK$'000	HK$'000	HK$'000	HK$'000 (Unaudited)	HK$'000
Profit for the year/period attributable to:						
Equity holders of the Company		22,912	39,773	42,438	14,718	4,719
Non-controlling interests		(24)	2,138	180	90	(41)
		22,888	41,911	42,618	14,808	4,678
Earnings per share – basic and diluted (expressed in HK$ per share)	31	229	398	424	147	47
Total comprehensive income attributable to:						
Equity holders of the Company		22,916	39,784	42,433	14,710	4,648
Non-controlling interests		(24)	2,138	180	90	(41)
		22,892	41,922	42,613	14,800	4,607
Dividends	26	16,175	12,698	38,704	–	6,999

Note: The earnings per share as presented above has not taken into account the proposed capitalisation issue pursuant to the shareholders' resolution dated 13 November 2013 (Note 33) because the proposed capitalisation issue has not become effective as of the date of this report.

(d) Consolidated statements of changes in equity

	Attributable to equity holders of the Company						
	Share capital HK$'000	Capital reserve HK$'000	Exchange reserve HK$'000	Retained earnings HK$'000	Sub-total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
Balance at 1 April 2010	–	6,993	27	24,200	31,220	854	32,074
Comprehensive income							
Profit for the year	–	–	–	22,912	22,912	(24)	22,888
Other comprehensive income							
Currency translation differences	–	–	4	–	4	–	4
Total comprehensive income for the year	–	–	4	22,912	22,916	(24)	22,892
Total distributions to owners of the Company recognised directly in entity							
Dividends *(Section II Note 26)*	–	–	–	(16,175)	(16,175)	–	(16,175)
Total distributions to owners of the Company	–	–	–	(16,175)	(16,175)	–	(16,175)
Balance at 31 March 2011	–	6,993	31	30,937	37,961	830	38,791
Balance at 1 April 2011	–	6,993	31	30,937	37,961	830	38,791
Comprehensive income							
Profit for the year	–	–	–	39,773	39,773	2,138	41,911
Other comprehensive income							
Currency translation differences	–	–	11	–	11	–	11
Total comprehensive income for the year	–	–	11	39,773	39,784	2,138	41,922
Total distributions to owners of the Company recognised directly in entity							
Dividends *(Section II Note 26)*	–	–	–	(12,698)	(12,698)	–	(12,698)
Total distributions to owners of the Company	–	–	–	(12,698)	(12,698)	–	(12,698)
Balance at 31 March 2012	–	6,993	42	58,012	65,047	2,968	68,015

	Attributable to equity holders of the Company						
	Share capital *HK$'000*	Capital reserve *HK$'000*	Exchange reserve *HK$'000*	Retained earnings *HK$'000*	Sub-total *HK$'000*	Non-controlling interests *HK$'000*	Total equity *HK$'000*
Balance at 1 April 2012	–	6,993	42	58,012	65,047	2,968	68,015
Comprehensive income							
Profit for the year	–	–	–	42,438	42,438	180	42,618
Other comprehensive income							
Currency translation differences	–	–	(5)	–	(5)	–	(5)
Total comprehensive income for the year	–	–	(5)	42,438	42,433	180	42,613
Total contributions by and distributions to owners of the Company recognised directly in entity							
Issuance of shares	1	–	–	–	1	–	1
Dividends *(Section II Note 26)*	–	–	–	(37,760)	(37,760)	(944)	(38,704)
Total contributions by and distributions to owners of the Company	1	–	–	(37,760)	(37,759)	(944)	(38,703)
Balance at 31 March 2013	1	6,993	37	62,690	69,721	2,204	71,925

	Attributable to equity holders of the Company						
	Share capital *HK$'000*	Capital reserve *HK$'000*	Exchange reserve *HK$'000*	Retained earnings *HK$'000*	Sub-total *HK$'000*	Non-controlling interests *HK$'000*	Total equity *HK$'000*
Unaudited:							
Balance at 1 April 2012	–	6,993	42	58,012	65,047	2,968	68,015
Comprehensive income							
Profit for the period	–	–	–	14,718	14,718	90	14,808
Other comprehensive income							
Currency translation differences	–	–	(8)	–	(8)	–	(8)
Total comprehensive income	–	–	(8)	14,718	14,710	90	14,800
Balance at 31 July 2012	–	6,993	34	72,730	79,757	3,058	82,815
Balance at 1 April 2013	1	6,993	37	62,690	69,721	2,204	71,925
Comprehensive income							
Profit for the period	–	–	–	4,719	4,719	(41)	4,678
Other comprehensive income							
Currency translation differences	–	–	(71)	–	(71)	–	(71)
Total comprehensive income	–	–	(71)	4,719	4,648	(41)	4,607
Total contributions by and distributions to owners of the Company recognised directly in entity							
Deemed distributions to the Controlling Shareholders	–	(400)	–	–	(400)	–	(400)
Dividends *(Section II Note 26)*	–	–	–	(6,999)	(6,999)	–	(6,999)
Total contributions by and distributions to owners of the Company	–	(400)	–	(6,999)	(7,399)	–	(7,399)
Balance at 31 July 2013	1	6,593	(34)	60,410	66,970	2,163	69,133

(e) Consolidated statements of cash flows

	Section II Note	Year ended 31 March 2011 HK$'000	2012 HK$'000	2013 HK$'000	Four months ended 31 July 2012 HK$'000 (Unaudited)	2013 HK$'000
Cash flows from operating activities						
Cash generated from operations	27	41,794	58,909	60,980	19,258	23,616
Interest paid		(2,639)	(2,146)	(1,724)	(562)	(700)
Income tax paid		(5)	(54)	(12,920)	–	(1,387)
Net cash generated from operating activities		39,150	56,709	46,336	18,696	21,529
Cash flows from investing activities						
Interest received		1,252	2,022	976	356	142
Purchase of property, plant and equipment		(5,431)	(10,064)	(13,163)	(2,720)	(113)
Purchase of investment properties	7	(10,051)	(11)	–	–	–
Investment in joint ventures	8	–	(374)	–	–	–
Proceeds from disposal of property, plant and equipment	27	3,035	6,247	3,130	1	3
Proceeds from disposal of investment properties		5,680	5,001	–	–	–
(Loan to)/repayment of loan to a third party		–	(5,000)	5,000	5,000	–
(Advances to)/repayment of advances to related companies		(1,370)	(4,863)	47,835	8,410	(222)
Cash and cash equivalents of subsidiaries disposed of	30	–	(76)	–	–	–
Increase in bank deposit	12	–	–	–	–	(17,951)
Net cash (used in)/generated from investing activities		(6,885)	(7,118)	43,778	11,047	(18,141)
Cash flows from financing activities						
Proceeds from borrowings		22,581	24,289	20,000	–	–
Repayments of borrowings		(20,386)	(35,473)	(10,450)	(8,524)	(3,100)
Repayments of obligations under finance leases		(14,821)	(12,419)	(12,324)	(4,499)	(3,572)
(Repayments of advances)/advances from related companies		(893)	(1,671)	–	–	–
Advances/(repayments of advances) from shareholders		8,346	50	(303)	1,157	–
Advances/(repayments of advances) from non-controlling interests		3,677	(4,878)	414	(1,601)	–
Issue of share capital		–	–	1	–	–
Professional expenses paid in connection with the Company's Listing		–	–	(1,379)	–	(422)
Dividends paid		(16,175)	(12,698)	(38,704)	–	(6,999)
Net cash used in financing activities		(17,671)	(42,800)	(42,745)	(13,467)	(14,093)

	Section II Note	Year ended 31 March 2011 HK$'000	2012 HK$'000	2013 HK$'000	Four months ended 31 July 2012 HK$'000 (Unaudited)	2013 HK$'000
Net increase/(decrease) in cash and cash equivalents		14,594	6,791	47,369	16,276	(10,705)
Cash and cash equivalents at beginning of year/period		2,320	16,923	23,717	23,717	71,086
Effect of change in exchange rate		9	3	–	6	9
Cash and cash equivalents at end of year/period	*13*	16,923	23,717	71,086	39,999	60,390

Non-cash transactions:

(1) The Group entered into finance lease arrangements in respect of machinery with a total capital amount at the inception of the lease of HK$800,000, HK$19,748,000, HK$17,941,000, HK$8,270,000 and HK$4,776,000 for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2012 and 2013 respectively.

(2) Considerations of HK$3,200,000 and HK$10,000 for the disposal of subsidiaries of Invoice Limited which have been settled through current accounts with the related company and the shareholder of the Group, respectively (Note 30).

II. NOTES TO THE FINANCIAL INFORMATION

1 GENERAL INFORMATION, GROUP REORGANISATION AND BASIS OF PRESENTATION

1.1 General information

eprint Group Limited (the "**Company**") was incorporated in the Cayman Islands on 10 January 2013 as an exempted company with limited liability under the Companies Law (Revised) of the Cayman Islands. The Company's address of its registered office is 4th Floor, Harbour Place, 103 South Church Street, George Town, PO Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company is an investment holding company. The Company and the companies now comprising the group (the "**Group**") are principally engaged in the provision of printing services and solutions on advertisement, bound book and stationery, to a diversified customer base in Hong Kong (the "**Listing Business**").

The Financial Information is presented in thousand unit of Hong Kong dollars ("**HK$**"), unless otherwise stated.

Prior to the incorporation of the Company and the completion of the reorganisation as described below in Note 1.2 (the "**Reorganisation**"), the Listing Business was carried out by companies now comprising the Group, which were collectively controlled by Mr. She Siu Kee William ("**Mr. She**"), Mr. Chong Cheuk Ki ("**Mr. Chong**"), Mr. Lam Shing Kai ("**Mr. Lam**"), Mr. Leung Wai Ming, and Mr. Leung Yat Pang (collectively, the "**Controlling Shareholders**") throughout the Relevant Periods.

1.2 Group reorganisation

The Group underwent the following reorganisation steps in preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Listing**").

Procedures of the Reorganisation are as follows:

- On 9 January 2013, eprint Limited was incorporated in the British Virgin Islands (the "**BVI**").
- On 9 January 2013, 2,162, 2,162, 2,162, 2,162 and 1,352 shares of eprint Limited were allotted and issued to Mr. She, Mr. Chong, Mr. Lam, Mr. Leung Wai Ming and Mr. Leung Yat Pang, respectively for a consideration of US$1.0 each per share. Accordingly, eprint Limited was owned as to 21.62% by Mr. She, 21.62% by Mr. Chong, 21.62% by Mr. Lam, 21.62% by Mr. Leung Wai Ming and 13.52% by Mr. Leung Yat Pang, respectively since its incorporation.
- On 10 January 2013, the Company was incorporated in the Cayman Islands with one share allotted and issued at its par value of HK$0.01 to Harneys Services (Cayman) Limited, a secretarial service company. On 18 February 2013, Harneys Services (Cayman) Limited transferred the one share to Mr. Lam. On the same date, 78,000, 4,760, 4,760, 4,759, 4,760 and 2,960 shares were allotted and issued at its par value of HK$0.01 to eprint Limited, Mr. She, Mr. Chong, Mr. Lam, Mr. Leung Wai Ming and Mr. Leung Yat Pang, respectively.
- On 15 January 2013, Promise Network Holding Limited ("**Promise Network Holding**"), eprint Digital Holding Limited ("**eprint Digital Holding**"), eprint Bannershop Group Limited ("**eprint Group (BVI)**") were all incorporated in the BVI with one share allotted and issued at its par value of US$1.00 to the Company. Since then, Promise Network Holding, eprint Digital Holding and eprint Group (BVI) became wholly owned subsidiaries of the Company.

- On 13 February 2013, pursuant to the instruction of E-Print Group Limited ("**E-Print Group**") which is controlled by the Controlling Shareholders, Mr. Cheang Ngai Wang, as a nominee shareholder of E-Print Solutions Sdn. Bhd. ("**E-Print Solutions**") on behalf of E-Print Group, transferred the 30% equity interest of E-Print Solutions to E-Print Group, for a nominal consideration of MYR$10, equivalent to approximately HK$25.

- On 3 June 2013, all the 2,886 issued shares in Promise Network Printing Limited ("**Promise Network**") held by the Controlling Shareholders were transferred to Promise Network Holding for a consideration of allotting and issuing 2,886 shares in Promise Network Holding to the Company. Since then, Promise Network became a wholly owned subsidiary of the Company through Promise Network Holding.

- On 3 June 2013, pursuant to the instructions of Mr. She and Mr. Chong, Mr. Yip Chi Man ("**Mr. Yip**"), a nominee shareholder of Invoice Limited, transferred 700 issued shares in Invoice Limited to eprint Digital Holding for a nominal consideration of HK$700. Since then, Invoice Limited was owned as to 70% by the Company through eprint Digital Holding.

- On 3 June 2013, all the 2,775 issued shares in Kimley Technology (HK) Limited ("**Kimley Technology**") held by the Controlling Shareholders were transferred to eprint Digital Holding for a nominal consideration of HK$2,775. Since then, Kimley Technology and its subsidiary, Dajinlai Technology (Shenzhen) Limited, became wholly owned subsidiaries of the Company through eprint Digital Holding.

- On 3 June 2013, all the 2 issued shares in Lucky Gainer Limited ("**Lucky Gainer**") held by Mr. She were transferred to eprint Digital Holding for a nominal consideration of HK$2. Since then, Lucky Gainer Limited became a wholly owned subsidiary of the Company through eprint Digital Holding.

- On 3 June 2013, pursuant to the instruction of the Controlling Shareholders, Mr. Yip, a nominee shareholder of Design Easy Limited ("**Design Easy**"), transferred 2,775 issued shares in Design Easy to eprint Digital Holding for a nominal consideration of HK$2,775. Since then, Design Easy became a wholly owned subsidiary of the Company through eprint Digital Holding.

- On 3 June 2013, pursuant to the instructions of Mr. She and Mr. Chong, Mr. Yip, a nominee shareholder of Digital Printing Centre Limited ("**Digital Printing**"), transferred 10,000 issued shares in Digital Printing to eprint Digital Holding for a nominal consideration of HK$10,000. Since then, Digital Printing became a wholly owned subsidiary of the Company through eprint Digital Holding.

- On 3 June 2013, E-Print Group transferred one issued share in E-Print Bannershop Limited to eprint Group (BVI) for a consideration of HK$1. Since then, E-Print Bannershop Limited was owned as to 50% by the Company through eprint Group (BVI) and 50% by Bannershop Investment Limited, an independent third party.

- On 3 June 2013, all the 50,000 issued shares in E-Print Group held by the Controlling Shareholders were transferred to the Company for a nominal consideration of US$50,000. Since then, E-Print Group became a wholly owned subsidiary of the Company.

- After the completion of the Reorganisation steps as described above, the Company became the holding company of the subsidiaries now comprising the Group.

(a) Upon completion of the Reorganisation and as of 31 July 2013, the Company had direct and indirect interests in the following subsidiaries:

Name of company	Place and date of incorporation/ establishment	Issued and fully paid up/ registered share capital	Effective interest held as at 31 March 2011	31 March 2012	31 March 2013	31 July 2013	Principal activities
Directly held:							
eprint Digital Holding	BVI 15 January 2013	Authorised US$50,000 ordinary shares and fully paid up 1 ordinary shares of US$1.0 each	–	–	100%	100%	Investment holding
eprint Group (BVI)	BVI 15 January 2013	Authorised US$50,000 ordinary shares and fully paid up 1 ordinary shares of US$1.0 each	–	–	100%	100%	Investment holding
Promise Network Holding	BVI 15 January 2013	Authorised US$50,000 ordinary shares and fully paid up 1 ordinary shares of US$1.0 each	–	–	100%	100%	Investment holding
E-Print Group	BVI 11 June 2008	Authorised US$50,000 ordinary shares and fully paid up 50,000 ordinary shares of US$1.0 each	100%	100%	100%	100%	Investment holding
Indirectly held:							
Promise Network	Hong Kong 3 October 2001	Authorised 10,000 ordinary shares and fully paid up 2,886 ordinary shares of HK$1 each	100%	100%	100%	100%	Provision of printing services
Invoice Limited	Hong Kong 3 October 2005	Authorised 10,000 ordinary shares and fully paid up 1,000 ordinary shares of HK$1 each	70%	70%	70%	70%	Provision of printing services and investment holding
Kimley Technology	Hong Kong 19 March 2009	Authorised 10,000 ordinary shares and fully paid up 2,775 ordinary shares of HK$1 each	100%	100%	100%	100%	Investment holding
大金來科技(深圳)有限公司(Dajinlai Technology (Shenzhen) Limited)*	The People's Republic of China ("**PRC**") 11 November 2009	Registered share capital of RMB1,000,000 (2011 and 2012: RMB500,000)	100%	100%	100%	100%	Provision of information technology services ("**I.T. services**")

Name of company	Place and date of incorporation/ establishment	Issued and fully paid up/ registered share capital	Effective interest held as at 31 March 2011	31 March 2012	31 March 2013	31 July 2013	Principal activities
Lucky Gainer	Hong Kong 15 October 2004	Authorised 10,000 ordinary shares and fully paid up 2 ordinary shares of HK$1 each	100%	100%	100%	100%	Provision of management service
Design Easy	Hong Kong 20 June 2007	Authorised 10,000 ordinary shares and fully paid up 2,775 ordinary shares of HK$1 each	100%	100%	100%	100%	Provision of printing services
Digital Printing	Hong Kong 18 September 2008	Authorised 10,000 ordinary shares and fully paid up 10,000 ordinary shares of HK$1 each	100%	100%	100%	100%	Provision of printing services

(b) The statutory financial statements of the Company's subsidiaries were audited by the respective certified public accountants as follows:

Name of subsidiary	For the years ended	Name of statutory auditors
Indirectly held:		
Promise Network	31 March 2011, 2012 and 2013	PricewaterhouseCoopers
Invoice Limited	31 March 2011, 2012 and 2013	PricewaterhouseCoopers
Kimley Technology	31 March 2011, 2012 and 2013	PricewaterhouseCoopers
Dajinlai Technology (Shenzhen) Limited* (大金來科技(深圳)有限公司)	31 December 2010, 2011 and 2012	Shenzhen Tianda United Certified Public Accountants* (深圳天大聯合會計事務所)
Lucky Gainer	31 March 2011, 2012 and 2013	PricewaterhouseCoopers
Design Easy	31 March 2011, 2012 and 2013	PricewaterhouseCoopers
Digital Printing	31 March 2011, 2012 and 2013	PricewaterhouseCoopers

The company established in the PRC has adopted 31 December as its financial year end date for statutory reporting purpose.

Except for the above mentioned companies, no audited statutory financial statements were prepared for the remaining subsidiaries as it is not required to issue audited financial statements under the statutory requirements of their respective places of incorporation.

* The English names of a subsidiary and an auditor mentioned above represent the best efforts by management of the Company in translating the Chinese names as they do not have official English names.

1.3 Basis of presentation

Immediately prior to and after the Reorganisation, the Listing Business is controlled by the Controlling Shareholders. The Listing Business is conducted through Promise Network, Invoice Limited, Lucky Gainer, Design Easy, Digital Printing, Kimley Technology and its subsidiary which are ultimately controlled by the Controlling Shareholders and are the only operating entities of the Group. Pursuant to the Reorganisation, the Listing Business is transferred to and held by the Company. The Company and intermediate holding entities have not been involved in any other business prior to the Reorgainsation and do not meet the definition of a business. The transactions as described in Note 1.2 above is merely a reorganisation of the Listing Business with no change in management and the ultimate owners of the Listing Business remain the same. Accordingly, the consolidated financial information of the Company and the Listing Business is prepared in accordance with HKAS 27, Consolidated and Separate Financial Statements, issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), using the carrying values of the Listing Business under the Controlling Shareholders for all periods presented, or since the respective dates of incorporation/establishment of the subsidiaries, or since the date when the subsidiaries first came under the control of the Controlling Shareholders, whichever is earlier.

For companies acquired from or disposed of during each of the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2012 and 2013, they are included in or excluded from the Financial Information of the Group from the date of the acquisition or disposal.

Inter-company transactions, balances and unrealised gains/losses on transactions between Group companies are eliminated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the Financial Information are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The principal accounting policies applied in preparation of the Financial Information of eprint Group Limited have been prepared in accordance with HKFRSs issued by the HKICPA and are set out below. The Financial Information has been prepared under the historical cost convention, as modified by the revaluation of investment properties, which are carried at fair values.

The preparation of Financial Information in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Information are disclosed in Note 4.

(i) Up to the date of this report, the HKICPA has issued the following new standards, amendments and interpretation to existing standards that are not yet effective and have not been early adopted by the Group:

		Effective for annual period beginning on or after
HKAS 36 (Amendment)	Recoverable amount disclosures for non-financial assets	1 January 2014
HKAS 39 (Amendment)	Novation of derivatives and continuation of hedge accounting	1 January 2014
HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Amendment Investment entities	1 January 2014

		Effective for annual period beginning on or after
HKAS 32 (Amendment)	Offsetting financial assets and financial liabilities	1 January 2014
HKFRS 7 and HKFRS 9 (Amendment)	Mandatory effective date and transition disclosures	1 January 2015
HKFRS 9	Financial instruments	1 January 2015
HKIFRIC 21	Levies	1 January 2014

The directors of the Company are in the process of assessing of the impact of these standards, amendments, and interpretations on the Financial Information of the Group. The adoption of the above is not expected to have a material impact on Financial Information of the Group.

2.2 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Except for the Reorganisation, the Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interests in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.4 Joint arrangements

The Group has applied HKFRS 11 to all joint arrangements. Under HKFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments during the Relevant Periods, has been identified as the chairman and executive directors of the Group.

2.6 Foreign currency translation

(a) Functional and presentation currency

Items included in the Financial Information of the Group are measured using the currency of the primary economic environment in which the Group operates (the "**functional currency**"). The Financial Information are presented in Hong Kong dollars, which is the Group's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statements of comprehensive income.

All foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statements of comprehensive income.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(ii) income and expenses for each statements 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 rate on the dates of the transactions); and

(iii) all resulting exchange differences are recognised in other comprehensive income.

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. Exchange differences arising are recognised in other comprehensive income.

2.7 Property, plant and equipment

Land and buildings comprise mainly factories and offices. Leasehold land classified as finance lease and all other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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 Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are expensed in the consolidated statements of comprehensive income during the period in which they are incurred.

Leasehold land classified as finance lease commences amortisation from the time when the land interest becomes available for its intended use. Amortisation on leasehold land classified as finance lease and depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, or the remaining lease term, whichever is shorter.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Buildings	2% per annum
Plant and machinery	6.7% per annum
Leasehold improvements	20% per annum
Computer, furniture and equipment	20% per annum
Motor vehicles	20% per annum

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised in the consolidated statements of comprehensive income.

2.8 Investment property

Investment property is defined as property (land or a building – or part of a building – or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for: (a) use in the production of supply of goods or services or for administrative purposes; or (b) sale in the ordinary course of business.

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. It also includes properties that are being constructed or developed for future use as investment properties. Land held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair values, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the consolidated statements of comprehensive income.

2.9 Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2.10 Financial assets

The Group classifies its financial assets in the following category: loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'trade receivables' (Note 10), 'other receivables' (Note 11), 'amounts due from non-controlling interests and related companies' (Note 29), 'bank deposit' (Note 12) and 'cash and cash equivalents' (Note 13) in the consolidated statements of financial position.

Loans and receivables are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest method.

2.11 Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated statements of comprehensive income. If a loan or held-to-maturity investment has a floating interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statements of comprehensive income.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of inventories comprises materials to be consumed in the rendering of services. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.13 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

2.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

2.17 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statements of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.18 Borrowing costs

General and specific 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 added to 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.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.19 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statements of comprehensive income, except to the extent that it relates to items recognised directly in equity. In this case the tax is also recognised directly in equity.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the companies now comprising the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Inside basis differences

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated statements of financial position. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.20 Provisions

Provisions for restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.21 Financial guarantee contracts

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks on behalf of subsidiaries or related parties to secure loans and other banking facilities.

Financial guarantees are initially recognised in the financial statements at fair value on the date the guarantee was given. The fair value of a financial guarantee at the time of signature is zero because all guarantees are agreed on arm's length terms and the value of the premium agreed corresponds to the value of the guarantee obligation. No receivable for the future premiums is recognised. Subsequent to initial recognition, the Group's liabilities under such guarantees are measured at the higher of the initial amount, less amortisation of fees recognised in accordance with HKAS 18, and the best estimate of the amount required to settle the guarantee. These estimates are determined based on experience of similar transactions and history of past losses, supplemented by management's judgement. The fee income earned is recognised on a straight-line basis over the life of the guarantee. Any increase in the liability relating to guarantees is reported in the consolidated statements of comprehensive income.

2.22 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the render of services in the ordinary course of the Group's activities. Revenue is shown, net of returns, rebates and discounts.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(i) Revenue from the provision of printing services is recognised when services are rendered.

(ii) Interest income is recognised on a time-proportion basis using the effective interest method.

(iii) Rental income is recognised on a straight-line basis over the terms of the respective leases.

(iv) Management fee income and I.T. training services income are recognised when the related service are rendered.

(v) Scrap sale income is recognised when the scrap materials are delivered to the customers.

2.23 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Bonus plans

The expected cost of bonus payments is recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

(c) Pension obligations

The Group operates defined contribution retirement benefits schemes for its employees. Contributions are made based on certain percentage of the employees' basic salaries and are recognised as employee benefit expense as they become payable in accordance with the rules of the schemes. The Group has no further payment obligations once the contributions have been paid. The assets of the schemes are held separately from those of the Group in independently administered funds.

(d) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2.24 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statements of comprehensive income on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the consolidated statements of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2.25 Dividend distribution

Dividend distribution to the then shareholders of the companies now comprising the Group is recognised as a liability in the Group's consolidated statements of financial position in the period in which the dividends are approved by the directors.

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange risk, credit risk, liquidity risk and cash flow and fair value interest rate risk.

Management regularly monitors the financial risks of the Group. Because of the simplicity of the financial structure and the current operations of the Group, no hedging activities are undertaken by management.

(a) Foreign exchange risk

The Group operates principally in Hong Kong and its business is supported by an I.T. support services centre located in the PRC. The Group is exposed to foreign exchange risk arising from the exposure of Renminbi ("**RMB**") against Hong Kong dollars. The Group does not hedge its foreign exchange risk as its exposure to foreign exchange risk is low as the Group's cash flows mainly denominated in Hong Kong dollars.

At 31 July 2013, if Hong Kong dollar had weakened/strengthened by 3% (31 March 2011, 2012, 2013: 3%) against RMB with all other variables held constant, profit before income tax would have been HK$535,000 lower/higher (2011: Nil, 2012: Nil, 2013: HK$8,000 higher/lower), mainly as a result of net foreign exchange losses/gains on translation of RMB-denominated bank deposit, other receivables and other payables.

(b) Credit risk

The credit risk of the Group mainly arises from bank deposit, cash and cash equivalents, trade receivables, other receivables and amounts due from related companies and non-controlling interests. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets.

As at 31 March 2011, 2012 and 2013 and 31 July 2013, all the bank deposits are deposited at reputable financial institutions. Management does not expect any losses from non-performance by these institutions.

Most of the Group's sales are settled by cash or credit cards. Trade receivables of the Group are mainly due from credit sales. The Group's exposure of concentration risk is insignificant as no external customers contributed over 10% of the Group's trade receivables.

Based on the Group's historical experiences in collection of trade receivables, other receivables and amounts due from related companies and non-controlling interests, the directors consider the Group's credit risk of these receivables to be low.

The Group considers that adequate provision for unrecoverable trade receivables and amounts due from related companies has been made in the relevant accounting periods after considering the Group's experience in collection of trade receivables and amounts due from related companies.

Management does not expect any losses from non-performance by these counterparties.

(c) ***Liquidity risk***

The liquidity risk of the Group is controlled by maintaining sufficient cash flows of banking facilities, bank deposit and cash and cash equivalents, which are generated from the financing activities and the operating activities, respectively.

The table below analyses the Group's financial liabilities into relevant maturity groups based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances, as the impact of the discounting is not significant.

Taking into account the Group's financial position, the directors do not consider that it is probable that the banks will exercise their discretion to demand immediate repayment.

The directors believe that such borrowings and obligations under finance leases will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

The table below analyses the Group's financial liabilities into relevant maturity groups based on the scheduled repayment dates set out in the loan agreements with the consideration of the effect of repayment on demand clause.

	Within 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
As at 31 July 2013					
Borrowings and interest expenses	19,665	4,286	11,429	–	35,380
Obligations under finance leases and interest expenses	14,152	8,108	13,806	–	36,066
Trade payables	28,439	–	–	–	28,439
Other payables*	1,553	–	–	–	1,553
Amounts due to shareholders	398	–	–	–	398

	Within 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
As at 31 March 2013					
Borrowings and interest expenses	21,516	4,286	12,857	–	38,659
Obligations under finance leases and interest expenses	14,041	6,436	13,204	–	33,681
Trade payables	24,531	–	–	–	24,531
Other payables*	3,302	–	–	–	3,302

	Within 1 year HK$'000	Between 1 and 2 years HK$'000	Between 2 and 5 years HK$'000	Over 5 years HK$'000	Total HK$'000
As at 31 March 2012					
Borrowings and interest expenses	27,680	–	–	–	27,680
Obligations under finance leases and interest expenses	17,581	3,155	6,591	–	27,327
Trade payables	24,140	–	–	–	24,140
Other payables*	1,222	–	–	–	1,222
Amounts due to related parties	477	–	–	–	477
Amounts due to shareholders	303	–	–	–	303
As at 31 March 2011					
Borrowings and interest expenses	41,684	–	–	–	41,684
Obligations under finance leases and interest expenses	14,340	4,499	693	–	19,532
Trade payables	20,813	–	–	–	20,813
Other payables*	560	–	–	–	560
Amounts due to related companies	2,148	–	–	–	2,148
Amounts due to shareholders	2,312	–	–	–	2,312
Amounts due to non-controlling interests	4,464	–	–	–	4,464

* Excluding advanced receipt from customers and accrued expenses.

The table below analyses the Group's financial liabilities into relevant maturity groups based on the scheduled repayment dates set out in the loan agreements and the effect of any repayment on demand clause is ignored.

	Within 1 year HK$'000	Between 1 and 2 years HK$'000	Between 2 and 5 years HK$'000	Over 5 years HK$'000	Total HK$'000
As at 31 July 2013					
Borrowings and interest expenses	14,699	7,073	14,106	–	35,878
Obligations under finance leases and interest expenses	10,897	10,114	15,322	–	36,333
Trade payables	28,439	–	–	–	28,439
Other payables*	1,553	–	–	–	1,553
Amounts due to shareholders	398	–	–	–	398

	Within 1 year HK$'000	Between 1 and 2 years HK$'000	Between 2 and 5 years HK$'000	Over 5 years HK$'000	Total HK$'000
As at 31 March 2013					
Borrowings and interest expenses	15,284	7,587	16,426	–	39,297
Obligations under finance leases and interest expenses	10,193	8,442	15,388	–	34,023
Trade payables	24,531	–	–	–	24,531
Other payables*	3,302	–	–	–	3,302

	Within 1 year HK$'000	Between 1 and 2 years HK$'000	Between 2 and 5 years HK$'000	Over 5 years HK$'000	Total HK$'000
As at 31 March 2012					
Borrowings and interest expenses	14,621	5,174	7,886	2,370	30,051
Obligations under finance leases and interest expenses	10,880	6,220	10,781	–	27,881
Trade payables	24,140	–	–	–	24,140
Other payables*	1,222	–	–	–	1,222
Amounts due to related parties	477	–	–	–	477
Amounts due to shareholders	303	–	–	–	303

	Within 1 year HK$'000	Between 1 and 2 years HK$'000	Between 2 and 5 years HK$'000	Over 5 years HK$'000	Total HK$'000
As at 31 March 2011					
Borrowings and interest expenses	27,350	3,153	5,300	8,356	44,159
Obligations under finance leases and interest expenses	10,987	6,755	2,041	–	19,783
Trade payables	20,813	–	–	–	20,813
Other payables*	560	–	–	–	560
Amounts due to related companies	2,148	–	–	–	2,148
Amounts due to shareholders	2,312	–	–	–	2,312
Amounts due to non-controlling interests	4,464	–	–	–	4,464

* Excluding advanced receipt from customers and accrued expenses.

(d) Cash flow and fair value interest rate risk

The Group's interest rate risk arises from borrowings, obligations under finance leases, amounts due from the related companies, a loan to third party, bank deposit and cash at banks.

As at 31 March 2011 and 2012, the Group's significant interest-bearing assets were certain amounts due from related companies as at 31 March 2011 and 2012 (Note 29) and a loan to a third party as at 31 March 2012 (Note 11), which are of fixed interest rates, and cash at banks, which bears variable interest rates. As at 31 March 2013 and 31 July 2013, the Group's interest-bearing assets were bank deposit, which is of fixed interest rates and cash at banks, which bears variable interest rates.

The Group's income and cash flows from operations were substantially independent of changes in market interest rates as the significant interest-bearing assets were either fixed or not expected to fluctuate significantly.

As at 31 March 2011, 2012 and 2013 and 31 July 2013, borrowings at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates.

For the year ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, if interest rates on borrowings had been 100 basis points higher/lower with all other variables held constant, the Group's profit before income tax would have been approximately HK$414,000 lower/higher, HK$347,000 lower/higher, and HK$325,000 lower/higher and HK$357,000 lower/higher respectively. The sensitivity analysis has been determined assuming that the change in interest rates had occurred at the balance sheet date. The 100 basis point increase/decrease represents management's assessment of reasonable possible change in the interest rate which has the most impact on the Group over the period until the next annual balance sheet date.

As at 31 March 2011, 2012 and 2013 and 31 July 2013, obligations under finance leases at fixed rates expose the Group to insignificant fair value interest rate risk as the fixed rates approximate market interest rates.

3.2 Capital risk management

The Group's objectives on managing capital are to finance its operations with its owned capital and to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders and return capital to shareholders.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total debt divided by total equity. Total debt is calculated as borrowings and obligations under finance leases.

The gearing ratios as at 31 March 2011, 2012 and 2013 and 31 July 2013 were as follows:

		As at 31 March		**As at 31 July**
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Borrowings *(Note 18)*	41,684	27,680	37,230	34,130
Obligations under finance leases *(Note 19)*	19,033	26,362	31,979	33,183
Total debt	60,717	54,042	69,209	67,313
Total equity	38,791	68,015	71,925	69,133
Gearing ratio	157%	79%	96%	97%

The decrease in the gearing ratio during the Relevant Periods resulted primarily from the cash generated from operations (Note 27).

3.3 Fair value estimation

The carrying amounts of the Group's current financial assets, including bank deposit, cash and cash equivalents, trade receivables, other receivables and amounts due from related companies and non-controlling interests, current financial liabilities, including trade payables, other payables, amounts due to related companies and non-controlling interests and shareholders, obligations under finance leases and borrowings approximate their fair values due to their short maturities, and non-current liabilities, including obligations under finance leases and borrowings as their interest rates approximate market interest rates.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Estimated provision for impairment of receivables from third parties and related parties

The Group makes provision for impairment of receivables from third parties and related parties based on an assessment of the recoverability of these receivables. Provisions for impairment are applied to these receivables where events or changes in circumstances indicate that the balances may not be recoverable. The identification of doubtful debts requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying amounts of receivables and doubtful debt expense in the period in which such estimate is changed.

For the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2012 and 2013, the total amount of the provision which has been made were HK$402,000, Nil, HK$48,000, Nil and HK$1,000 respectively. If the financial conditions of customers and related parties of the Group were to change, resulting in an impairment of their abilities to make payments, additional provision may be required.

(b) Useful lives of property, plant and equipment

Management determines the estimated lives and related depreciation charges for its property, plant and equipment. Management will revise the depreciation charge where useful lives are different from those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(c) Income taxes

The Group is principally subject to income taxes in Hong Kong. Significant judgement is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

5 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the chairman and executive directors of the Group. As the Group is principally engaged in the provision of printing services, which are subject to similar business risk, and resources are allocated based on what is beneficial to the Group in enhancing the value as a whole rather than any specific unit, the Board of Directors considers the performance assessment of the Group should be based on the profit before income tax of the Group as a whole and regards the Group's business as a single operating segment and reviews financial information accordingly. Therefore, the Board of Directors considers there to be only one operating segment under the requirements of Hong Kong Financial Reporting Standard 8 – Operating Segments.

The subsidiary incorporated in the PRC provides I.T. support services within the Group. Since the Group only operates in Hong Kong and the Group's assets are mainly located in Hong Kong, no geographical segment information is presented.

During each of the years ended 31 March 2011, 2012 and 2013 and for the four months ended 31 July 2012 and 2013, no external customers contributed over 10% of the Group's revenue.

6 PROPERTY, PLANT AND EQUIPMENT

	Leasehold land and buildings *HK$'000*	Plant and machinery *HK$'000*	Leasehold improvements *HK$'000*	Computer, furniture and equipment *HK$'000*	Motor vehicles *HK$'000*	Total *HK$'000*
At 1 April 2010						
Cost	7,918	83,821	5,232	5,367	–	102,338
Accumulated depreciation	(357)	(14,596)	(3,386)	(3,604)	–	(21,943)
Net book amount	7,561	69,225	1,846	1,763	–	80,395
Year ended 31 March 2011						
Opening net book amount	7,561	69,225	1,846	1,763	–	80,395
Additions	–	2,010	996	1,227	617	4,850
Disposals *(Note 27)*	–	(5,243)	–	–	–	(5,243)
Depreciation *(Note 22)*	(158)	(5,538)	(936)	(747)	–	(7,379)
Exchange realignment	–	–	–	1	–	1
Closing net book amount	7,403	60,454	1,906	2,244	617	72,624
At 31 March 2011						
Cost	7,918	77,281	6,228	6,595	617	98,639
Accumulated depreciation	(515)	(16,827)	(4,322)	(4,351)	–	(26,015)
Net book amount	7,403	60,454	1,906	2,244	617	72,624
Year ended 31 March 2012						
Opening net book amount	7,403	60,454	1,906	2,244	617	72,624
Additions	–	24,993	2,782	1,684	790	30,249
Disposals *(Note 27)*	(2,139)	(866)	–	(113)	(33)	(3,151)
Disposal of subsidiaries *(Note 30)*	(5,106)	–	–	(36)	–	(5,142)
Depreciation *(Note 22)*	(158)	(6,017)	(964)	(802)	(183)	(8,124)
Exchange realignment	–	–	–	2	–	2
Closing net book amount	–	78,564	3,724	2,979	1,191	86,458
At 31 March 2012						
Cost	–	101,217	9,010	6,445	1,374	118,046
Accumulated depreciation	–	(22,653)	(5,286)	(3,466)	(183)	(31,588)
Net book amount	–	78,564	3,724	2,979	1,191	86,458

	Leasehold land and buildings	Plant and machinery	Leasehold improvements	Computer, furniture and equipment	Motor vehicles	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Year ended 31 March 2013						
Opening net book amount	–	78,564	3,724	2,979	1,191	86,458
Additions	–	27,290	1,202	601	694	29,787
Disposals *(Note 27)*	–	(2,769)	(837)	(106)	(616)	(4,328)
Depreciation *(Note 22)*	–	(7,699)	(1,062)	(899)	(285)	(9,945)
Exchange realignment	–	–	–	2	–	2
Closing net book amount	–	95,386	3,027	2,577	984	101,974
At 31 March 2013						
Cost	–	125,317	8,121	6,264	1,278	140,980
Accumulated depreciation	–	(29,931)	(5,094)	(3,687)	(294)	(39,006)
Net book amount	–	95,386	3,027	2,577	984	101,974
Four months ended 31 July 2013						
Opening net book amount	–	95,386	3,027	2,577	984	101,974
Additions	–	5,098	799	1,160	–	7,057
Disposals *(Note 27)*	–	(81)	(83)	(32)	–	(196)
Depreciation *(Note 22)*	–	(2,851)	(377)	(287)	(85)	(3,600)
Exchange realignment	–	–	–	2	–	2
Closing net book amount	–	97,552	3,366	3,420	899	105,237
At 31 July 2013						
Cost	–	130,292	8,516	7,269	1,278	147,355
Accumulated depreciation	–	(32,740)	(5,150)	(3,849)	(379)	(42,118)
Net book amount	–	97,552	3,366	3,420	899	105,237

Certain borrowings were secured by the leasehold land and buildings with carrying values of HK$7,403,000 as at 31 March 2011 (Note 18).

The net book amount of the Group's interests in leasehold land classified as finance lease is analysed as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
In Hong Kong, held on:				
– Leases of between 10 to 50 years	5,551	–	–	–

Depreciation of the Group's property, plant and equipment has been charged to the consolidated statements of comprehensive income as follows:

	Year ended 31 March			Four months ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Cost of sales	5,688	6,746	8,459	2,642	3,159
Administrative expenses	1,691	1,378	1,486	510	441
	7,379	8,124	9,945	3,152	3,600

Machinery includes the following amounts where the Group is a lessee under finance leases:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Cost – capitalised finance leases	52,111	62,851	59,819	65,789
Accumulated depreciation	(11,788)	(11,761)	(7,783)	(9,203)
	40,323	51,090	52,036	56,586

The Group leases various machinery under non-cancellable finance lease agreements. The lease terms are three to five years, and ownership of the assets lie within the Group.

7 INVESTMENT PROPERTIES

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At beginning of year/period	5,680	10,340	–	–
Additions	10,051	11	–	–
Disposal	(5,680)	(5,001)	–	–
Disposal of subsidiaries *(Note 30)*	–	(5,171)	–	–
Fair value gain/(loss) *(Note 21)*	289	(179)	–	–
At end of year/period	10,340	–	–	–

As at 31 March 2011, investment properties of the Group were located in Hong Kong under medium-term leases.

The Group's properties held to earn rental purposes were measured using the fair value model and were classified and accounted for as investment properties.

Investment properties were revalued at 31 March 2011 by independent professionally qualified valuer, Ascent Partners Transaction Limited. Valuations were based on current prices in an active market.

As at 31 March 2011, the Group's investment property with a carrying amount of HK$5,180,000 was pledged to secure banking facilities granted to Promise Network. During the year ended 31 March 2012, the investment property was disposed of to an independent third party and hence the pledge was removed.

As at 31 March 2011, the Group's investment property with a carrying amount of HK$5,160,000 was pledged to secure banking facilities granted to Invoice Limited and Gain More. During the year ended 31 March 2012, Gain More was disposed of (Note 30) and hence the pledge was removed.

8 INVESTMENTS IN JOINT VENTURES

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At beginning of year/period	277	–	220	1,235
Investment in a joint venture	–	374	–	–
Share of (losses)/profits of joint ventures	(271)	(160)	1,022	921
Exchange differences	(6)	6	(7)	(82)
At end of year/period	–	220	1,235	2,074

Details of the Group's joint ventures which are held by the companies now comprising the Group as at 31 March 2011, 2012 and 2013 and 31 July 2013 are as follows:

Name of joint ventures	Form of business and structure	Place of incorporation	Effective interest held as at 31 March 2011	2012	2013	as at 31 July 2013	Principal activities
E-Print Solutions Sdn. Bhd.	Incorporated with limited liability	Malaysia	30%	30%	30%	30%	Provision of printing services
E-Print Bannershop Limited	Incorporated with limited liability	Hong Kong	Nil	50%	50%	50%	Leasing of premises

(a) Summarised financial information for joint venture

Set out below is the summarised financial information for E-print Solutions. The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture, and not the reporting entity's share of the amount. It has been amended to reflect adjustments made by the reporting entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

Summarised statements of financial position

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Current assets				
Cash and cash equivalents	1,458	746	3,662	6,691
Other current assets	2,243	945	1,469	1,396
	3,701	1,691	5,131	8,087
Current liabilities				
Financial liabilities (exclude trade payables)	(597)	(1,929)	(2,669)	(2,263)
Other current liabilities (include trade payables)	(5,494)	(4,383)	(6,156)	(6,727)
	(6,091)	(6,312)	(8,825)	(8,990)
Non-current assets				
Assets	5,602	13,614	21,631	20,453
Non-current liabilities				
Financial liabilities	(3,460)	(8,503)	(14,062)	(12,868)
Other liabilities	–	–	–	–
	(3,460)	(8,503)	(14,062)	(12,868)
Net (liabilities)/assets	(248)	490	3,875	6,682

Summarised statements of comprehensive income

	Year ended 31 March			Four months ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	21,866	31,747	42,131	5,269	7,629
Depreciation	(339)	(703)	(1,009)	(300)	(187)
Finance income	–	39	–	–	–
Finance cost	(249)	(295)	(639)	(216)	(335)
(Loss)/profit before tax	(903)	(533)	3,412	1,720	3,071
Income tax expense	–	–	(6)	(6)	–
Total comprehensive (loss)/income	(903)	(533)	3,406	1,714	3,071

Reconciliation of summarised financial information

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Opening net assets/(liabilities) as at 1 April	679	(248)	490	3,875
Issuance of share capital	–	1,266	–	–
(Loss)/profit for the year/period	(903)	(533)	3,406	3,071
Foreign exchange differences	(24)	5	(21)	(264)
Closing net (liabilities)/assets	(248)	490	3,875	6,682
Interest in joint ventures at percentages set out above	(74)	147	1,163	2,005
Goodwill	74	73	72	69
Carrying value	–	220	1,235	2,074

(b) Individually immaterial joint venture

In addition to the interests in joint venture disclosed above, the Group has an individually immaterial joint venture, E-Print Bannershop Limited, that are accounted for using the equity method.

The carrying amount of E-Print Bannershop Limited is Nil as at 31 March 2011, 2012 and 2013 and 31 July 2013 respectively.

The Group did not recognised the share of losses of individually immaterial joint venture of Nil, HK$12,000, HK$18,000 and HK$1,000 for the year ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013. The cumulative unrecognised share of losses for the Group are Nil, HK$12,000, HK$30,000 and HK$31,000 as at 31 March 2011, 2012 and 2013 and 31 July 2013.

There are no contingent liabilities relating to the Group's investments in the joint ventures, and no contingent liabilities of the ventures themselves.

9 INVENTORIES

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Inventories	2,049	2,848	3,736	3,259

The cost of materials recognised as an expense and included in "cost of sales" amounted to HK$90,460,000, HK$97,964,000, HK$106,674,000, HK$35,377,000 and HK$37,834,000 for each of the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2012 and 2013, respectively.

10 TRADE RECEIVABLES

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Trade receivables	2,529	2,945	1,803	2,230
Less: Provision for impairment	(264)	–	–	–
Trade receivables – net	2,265	2,945	1,803	2,230

The directors of the Company consider that the carrying amounts of trade receivables approximate their fair values as at 31 March 2011, 2012 and 2013 and 31 July 2013.

Payment terms granted to customers are mainly cash on delivery and on credit. The average credit period ranges from 30 days to 60 days. As at 31 March 2011, 2012 and 2013 and 31 July 2013, the ageing analysis of the trade receivables based on invoice date were as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
1 – 30 days	1,897	2,190	1,405	1,918
31 – 60 days	222	465	266	246
Over 60 days	410	290	132	66
	2,529	2,945	1,803	2,230

As at 31 March 2011, 2012 and 2013 and 31 July 2013, trade receivables of HK$827,000, HK$1,465,000, HK$736,000 and HK$1,009,000 respectively, were past due but not impaired. These relate to certain customers with no recent history of default. Based on historic low default rate, the Group believes that no impairment provision is necessary. The ageing analysis of these receivables is as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
1 – 30 days	663	1,073	567	940
31 – 60 days	110	103	96	15
Over 60 days	54	289	73	54
	827	1,465	736	1,009

As at 31 March 2011, 2012 and 2013 and 31 July 2013, trade receivables of HK$264,000, Nil, HK$48,000 and HK$1,000, respectively were considered to be impaired and have been fully provided for respectively. These trade receivables were past due for over 90 days.

Movements on the provision for impairment of trade receivables are as follows:

	Year ended 31 March			Four months ended 31 July	
	2011	2012	2013	2012	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
At beginning of year/period	–	264	–	–	–
Provision for/(reversal of provision for) impairment of trade receivables *(Note 22)*	264	(16)	48	11	1
Written off as uncollectable	–	(248)	(48)	(11)	(1)
At end of year/period	264	–	–	–	–

The creation and release of provision for impaired receivables have been included in administrative expenses in the consolidated statements of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The maximum exposures of the Group to credit risk as at 31 March 2011, 2012 and 2013 and 31 July 2013 are the carrying value of trade receivables mentioned above.

All trade receivables of the Group are denominated in Hong Kong dollars.

The Group does not hold any collateral as security for trade receivables.

11 OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 March			As at 31 July
	2011	2012	2013	2013
The Group	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Other receivables	1,625	1,557	260	474
Loan to a third party *(Note a)*	–	5,000	–	–
Deposits and prepayments *(Note b)*	3,697	3,727	11,141	4,578
Deferred expenses to be recognised as deduction in equity *(Note c)*	–	–	425	3,650
	5,322	10,284	11,826	8,702
Less: non-current portion				
Deposits for purchase of plant and machinery	(1,381)	(944)	(2,261)	(93)
Other receivables and prepayments – current portion	3,941	9,340	9,565	8,609

Notes:

(a) Loan to a third party was interest-bearing at 5% per annum which was not past due as at 31 March 2012 and had been fully settled during the year ended 31 March 2013.

(b) Amount mainly represents rental deposits, deposits for purchase of plant and machinery, prepayments for utility, advertising and professional expenses in connection with the Company's Listing.

(c) Deferred expenses represent capitalised listing expenses which will be deducted from the share premium upon the Listing.

Other receivables were neither past due nor impaired and they were interest-free and repayable on demand as at 31 March 2011, 2012 and 2013 and 31 July 2013.

The directors of the Company consider that the carrying amounts of other receivables, loan to a third party and prepayments approximate their fair values as at 31 March 2011, 2012 and 2013 and 31 July 2013.

Except for other receivables of HK$32,000 which is denominated in Renminbi as at 31 March 2013 and other receivables of HK$194,000 which is denominated in RMB as at 31 July 2013. Other receivables and loan to a third party were denominated in Hong Kong dollars.

	As at 31 March			**As at 31 July**
	2011	**2012**	**2013**	**2013**
The Company	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Deposits and prepayments *(Note)*	–	–	3,815	6
Deferred expenses to be recognised as deduction in equity	–	–	425	3,650
	–	–	4,240	3,656

Note: Deposits and prepayments were made for professional expenses in connection with the Company's Listing.

12 BANK DEPOSIT

As at 31 July 2013, the effective interest rate of bank deposit was 2.52% per annum. This deposit has a maturity of 250 days and was denominated in RMB.

13 CASH AND CASH EQUIVALENTS

As at 31 March 2011, 2012 and 2013 and 31 July 2013, cash and cash equivalents are denominated in the following currencies:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Cash on hand				
Denominated in HK$	45	513	372	160
Denominated in RMB	3	–	55	162
	48	513	427	322
Cash at banks				
Denominated in HK$	16,692	22,700	70,268	59,769
Denominated in RMB	183	504	391	299
	16,875	23,204	70,659	60,068
	16,923	23,717	71,086	60,390

Cash at banks earn interest at floating rates based on daily bank deposits rate.

Conversion of bank and cash balances denominated in RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC Government.

14 PLEDGE OF ASSETS

The Group had the following pledge of assets as collaterals to secure the Group's borrowings (Note 18) and obligations under finance leases (Note 19):

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At net book amount:				
Leasehold land and buildings in Hong Kong *(Note 6)*	7,403	–	–	–
Investment properties in Hong Kong *(Note 7)*	10,340	–	–	–
Plant and machinery under finance leases *(Note 6)*	40,323	51,090	52,036	56,586
	58,066	51,090	52,036	56,586

15 SHARE CAPITAL

	Number of ordinary shares	Equivalent nominal value of ordinary shares *HK$'000*
Authorised:		
Ordinary shares of HK$0.01 each as at 10 January 2013 (date of incorporation), 31 March 2013 and 31 July 2013 *(Note)*	10,000,000,000	100,000
Issued:		
Ordinary shares of HK$0.01 each issued as at 10 January 2013 (date of incorporation)	1	–
Issue of new shares on 18 February 2013	99,999	1
As at 31 March 2013 and 31 July 2013 *(Note)*	100,000	1

Note: The Company was incorporated in the Cayman Islands on 10 January 2013 with an authorised share capital of HK$100,000,000 divided into 10,000,000,000 shares of HK$0.01 each. On the same date and 18 February 2013, the Company allotted and issued 1 and 99,999 shares at HK$0.01 per share, respectively.

16 RESERVES

The Group

	Capital reserve *HK$'000* *(Note i)*	Exchange reserve *HK$'000*	Retained earnings *HK$'000*	Total *HK$'000*
At 1 April 2010	6,993	27	24,200	31,220
Profit for the year	–	–	22,912	22,912
Currency translation differences	–	4	–	4
Dividends	–	–	(16,175)	(16,175)
At 31 March 2011	6,993	31	30,937	37,961
At 1 April 2011	6,993	31	30,937	37,961
Profit for the year	–	–	39,773	39,773
Currency translation differences	–	11	–	11
Dividends	–	–	(12,698)	(12,698)
At 31 March 2012	6,993	42	58,012	65,047
At 1 April 2012	6,993	42	58,012	65,047
Profit for the year	–	–	42,438	42,438
Currency translation differences	–	(5)	–	(5)
Dividends	–	–	(37,760)	(37,760)
At 31 March 2013	6,993	37	62,690	69,720
At 1 April 2012	6,993	42	58,012	65,047
Profit for the period	–	–	14,718	14,718
Currency translation differences	–	(8)	–	(8)
At 31 July 2012 (Unaudited)	6,993	34	72,730	79,757
At 1 April 2013	6,993	37	62,690	69,720
Profit for the period	–	–	4,719	4,719
Currency translation differences	–	(71)	–	(71)
Deemed distributions to the Controlling Shareholders	(400)	–	–	(400)
Dividends	–	–	(6,999)	(6,999)
At 31 July 2013	6,593	(34)	60,410	66,969

The Company

	Capital reserve *HK$'000* *(Note ii)*	Accumulated losses *HK$'000*	Total *HK$'000*
At 10 January 2013 (date of incorporation)	–	–	–
Loss for the period	–	(1,321)	(1,321)
At 31 March 2013	–	(1,321)	(1,321)
At 1 April 2013	–	(1,321)	(1,321)
Loss for the period	–	(9,648)	(9,648)
Contribution surplus	73,508	–	73,508
At 31 July 2013	73,508	(10,969)	62,539

Notes:

(i) As at 31 March 2011, 2012 and 2013, capital reserve of the Group represents the aggregate values of share capital and share premium of certain subsidiaries comprising the Group. During the four months ended 31 July 2013, as part of the Reorganisation, the Company paid a consideration of HK$400,000 to the Controlling Shareholders for transfer of equity interests in certain subsidiaries as set out in Note 1.2. Such payment of such consideration in cash was accounted for as the Group's deemed distributions to the Controlling Shareholders.

(ii) As at 31 July 2013, capital reserve of the Company represents the excess of the aggregate net assets values of the subsidiaries acquired by the Company over the nominal consideration payable by the Group for the acquisition of subsidiaries pursuant to the Reorganisation as described in Note 1.2.

17 TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

	As at 31 March			As at 31 July
	2011	2012	2013	2013
The Group	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Trade payables	20,813	24,140	24,531	28,439
Accruals and other payables				
Accrued expenses *(Note a)*	3,967	9,219	7,517	17,322
Advanced receipt from customers *(Note b)*	1,163	1,546	3,655	2,783
Other payables *(Note c)*	560	1,222	3,302	1,552
	5,690	11,987	14,474	21,657
Trade payables, accruals and other payables	26,503	36,127	39,005	50,096

Notes:

(a) Accrued expenses are mainly relating to employee benefits expenses and professional expenses in connection with the Company's Listing.

(b) Advanced receipt from customers represent payments received from customers for printing services.

(c) Other payables are mainly relating to selling and distribution expenses and purchase of plant and machinery.

Payment terms granted by suppliers are mainly on credit. The credit period ranges from 30 to 90 days.

As at 31 March 2011, 2012 and 2013 and 31 July 2013, the ageing analysis of the trade payables based on invoice dates are as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
1 – 30 days	6,945	9,416	9,241	10,194
31 – 60 days	3,311	5,265	3,746	6,428
61 – 90 days	5,444	4,190	6,331	6,514
Over 90 days	5,113	5,269	5,213	5,303
	20,813	24,140	24,531	28,439

Except for other payable of HK$302,000 which is denominated in RMB as at 31 March 2013 and other payable of HK$307,000 which is denominated in RMB as at 31 July 2013, all trade and other payables of the Group are denominated in Hong Kong dollars.

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
The Company	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Accrued expenses	–	–	46	7,442

18 BORROWINGS

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Current				
Bank loans	28,377	20,391	16,857	13,418
Trust receipt loans	13,307	7,289	4,156	5,780
	41,684	27,680	21,013	19,198
Non-current				
Bank loans	–	–	16,217	14,932
Total borrowings	41,684	27,680	37,230	34,130

At 31 March 2011, 2012 and 2013 and 31 July 2013, the Group's bank loans and trust receipt loans were repayable as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Bank loans *(Note)*				
Within one year	13,450	6,628	10,269	8,157
Between one to two years	2,744	4,661	7,002	6,562
Between two to five years	4,614	7,186	15,803	13,631
Over five years	7,569	1,916	–	–
	28,377	20,391	33,074	28,350

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Trust receipt loans				
Within one year	13,307	7,289	4,156	5,780

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Wholly repayable within 5 years	31,030	24,827	37,230	34,130
Wholly repayable after 5 years	10,654	2,853	–	–

Note: The amounts due are based on the scheduled repayment dates set out in the loan agreements and ignore the effect of any repayment on demand clause. The carrying amounts of bank loans and trust receipt loans are denominated in Hong Kong dollars.

The weighted average effective interest rates (per annum) were as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
Bank loans	3.35%	4.19%	3.14%	3.13%
Trust receipt loans	4.09%	3.89%	2.57%	2.57%

The fair values of the borrowings approximate to their carrying amounts as at 31 March 2011, 2012 and 2013 and 31 July 2013 as all the borrowings carry interests which are benchmarked against Hong Kong Dollar prime rate and Hong Kong Interbank Offered Rate ("**HIBOR**"), where relevant.

As at 31 March 2011, the Group's borrowings are secured by leasehold land and buildings (Note 6), investment properties (Note 7), personal guarantees provided by the Controlling Shareholders and non-controlling interests of the Group, corporate guarantee provided by Promise Network, a subsidiary of the Group, CTP Limited and Promise Properties Limited, related companies of the Group and properties extended from CTP Limited and Promise Properties Limited, related companies of the Group.

As at 31 March 2012 and 2013 and 31 July 2013, the borrowings of the Group are secured by personal and corporate guarantee provided by related parties of the Group (Note 29 (c)).

Such personal guarantee provided by directors of the Company will be released before the Listing.

19 OBLIGATIONS UNDER FINANCE LEASES

Certain plant and machinery of the Group were held under finance leases. No arrangements have been entered into for contingent rental payments. As at 31 March 2011, 2012 and 2013 and 31 July 2013, the Group's obligations under finance leases were repayable as follows:

	Minimum lease payments				**Present value of minimum lease payments**			
	As at 31 March			**As at 31 July**	**As at 31 March**			**As at 31 July**
	2011	**2012**	**2013**	**2013**	**2011**	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Amounts payable under finance leases:								
Within one year	10,987	10,880	14,383	14,418	10,402	10,229	13,326	13,376
Later than one year but not more than five years	8,796	17,001	19,639	21,915	8,631	16,133	18,653	19,807
	19,783	27,881	34,022	36,333	19,033	26,362	31,979	33,183
Less: Future finance charges	(750)	(1,519)	(2,043)	(3,150)	–	–	–	–
Present value of lease obligations	19,033	26,362	31,979	33,183	19,033	26,362	31,979	33,183
Less: Amount due within twelve months shown under current liabilities					(13,885)	(17,156)	(13,415)	(13,465)
Amount due after twelve months					5,148	9,206	18,564	19,718
Wholly repayable within 5 years					19,033	26,362	31,979	33,183

The Group's obligations under finance leases are secured by the lessor's charge over the leased assets with net carrying amount of HK$40,323,000, HK$51,090,000, HK$52,036,000 and HK$56,586,000 as at 31 March 2011, 2012 and 2013 and 31 July 2013 respectively.

The weighted average effective interest rates (per annum) were as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
Obligations under finance leases	3.99%	3.56%	3.30%	3.29%

20 DEFERRED INCOME TAX LIABILITIES

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Deferred income tax liabilities to be recovered after more than 12 months	(7,584)	(9,264)	(10,913)	(11,070)
Deferred income tax liabilities to be recovered within 12 months	–	(4)	–	–
	(7,584)	(9,268)	(10,913)	(11,070)
Deferred income tax assets to be recovered after more than 12 months	1,371	1,496	1,533	1,498
Deferred income tax liabilities, net	(6,213)	(7,772)	(9,380)	(9,572)

The gross movement on the deferred income tax liabilities is as follows:

	As at 31 March			As at 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At beginning of year/period	(4,784)	(6,213)	(7,772)	(7,772)	(9,380)
Recognised in the consolidated statements of comprehensive income *(Note 25)*	(1,429)	(1,566)	(1,608)	(74)	(192)
Disposal of subsidiaries *(Note 30)*	–	7	–	–	–
At end of year/period	(6,213)	(7,772)	(9,380)	(7,846)	(9,572)

The movement in deferred income tax assets and liabilities during the year/period, without taking into consideration the offsetting of balances with the same tax jurisdiction, is as follows:

	Accelerated tax depreciation				
	As at 31 March			As at 31 July	
	2011	2012	2013	2012	2013
Deferred income tax liabilities	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At beginning of year/period	(6,942)	(7,584)	(9,269)	(9,269)	(10,913)
Recognised in the consolidated statements of comprehensive income	(642)	(1,770)	(1,644)	(74)	(157)
Disposal of subsidiaries *(Note 30)*	–	85	–	–	–
At end of year/period	(7,584)	(9,269)	(10,913)	(9,343)	(11,070)

	Tax losses				
	As at 31 March			As at 31 July	
	2011	2012	2013	2012	2013
Deferred income tax assets	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At beginning of year/period	2,158	1,371	1,497	1,497	1,533
Recognised in the consolidated statements of comprehensive income	(787)	204	36	–	(35)
Disposal of subsidiaries *(Note 30)*	–	(78)	–	–	–
At end of year/period	1,371	1,497	1,533	1,497	1,498

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax losses through future taxable profits is probable. The Group did not recognise deferred income tax assets of HK$385,000, HK$425,000 and HK$470,000 and HK$523,000 in respect of losses amounting to HK$2,334,000, HK$2,578,000, HK$2,846,000 and HK$3,172,000 as at 31 March 2011, 2012 and 2013 and 31 July 2013 respectively. These unrecognised tax losses can be carried forward to offset against future assessable profits and have no expiry date.

21 REVENUE, OTHER INCOME AND OTHER (LOSSES)/GAINS – NET

	Year ended 31 March			Four months ended 31 July	
	2011	2012	2013	2012	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Revenue					
Provision of printing services	213,536	254,146	284,498	93,138	101,569
Other income					
Rental income	231	178	–	–	–
Management fee income *(Note 29)*	1,080	1,080	1,080	360	270
Scrap sales	3,401	4,356	4,426	1,451	1,606
I.T. training services income *(Note 29)*	–	–	675	–	–
Sundry income	19	183	57	46	26
	4,731	5,797	6,238	1,857	1,902
Other (losses)/gains – net					
Fair value gain/(loss) on investment properties *(Note 7)*	289	(179)	–	–	–
Gain on disposal of subsidiaries *(Note 30)*	–	3,259	–	–	–
(Loss)/gain on disposal of property, plant and equipment *(Note 27)*	(2,208)	3,096	(1,198)	(29)	(193)
	(1,919)	6,176	(1,198)	(29)	(193)

22 EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses and administrative expenses are analysed as follows:

	Year ended 31 March			Four months ended 31 July	
	2011	2012	2013	2012	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Cost of materials *(Note 9)*	90,460	97,964	106,674	35,377	37,834
Auditor's remuneration	348	620	547	194	196
Employee benefit expenses *(Note 23)*	38,816	49,038	59,146	18,966	22,178
Depreciation of property, plant and equipment *(Note 6)*	7,379	8,124	9,945	3,152	3,600
Subcontracting fee	16,895	16,210	14,041	4,486	2,649
Outsourced customer support expenses	2,345	4,019	5,141	2,379	4,108
I.T. support services expenses *(Note 29)*	3,234	3,951	–	–	–
Provision for/(reversal of provision for) impairment of trade receivables *(Note 10)*	264	(16)	48	11	1
Provision for/(reversal of provision for) impairment of amount due from a related company *(Note 29)*	138	(88)	–	–	–
Recovery of trade receivables previously written off	–	–	(24)	–	–
Recovery of amount due from a related company previously written off	–	–	(36)	–	–
Operating lease rental of premises and equipment	7,722	11,259	15,538	4,453	5,580
Repairs and maintenance	1,837	3,533	3,281	1,056	1,373
Distribution costs	4,397	5,317	6,536	2,041	2,473
Utility expenses	4,192	4,613	5,422	1,953	2,449
Professional expenses incurred in connection with the Company's Listing	–	–	1,275	–	9,650
Others	9,025	12,320	11,453	3,498	3,883
Total cost of sales, selling and distribution expenses and administrative expenses	187,052	216,864	238,987	77,566	95,974

Others mainly represent credit card handling charges, advertising and promotion expenses and telecommunication costs.

23 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS AND SENIOR MANAGEMENT'S EMOLUMENTS)

	Year ended 31 March			Four months ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Salaries and allowances	36,148	43,476	53,744	16,953	19,582
Discretionary bonuses	85	3,105	1,302	327	370
Pension costs – contributions to defined contribution plans *(Note a)*	1,740	1,952	3,096	876	1,435
Welfare and other benefits	843	505	1,004	810	791
	38,816	49,038	59,146	18,966	22,178

Notes:

(a) *Pension – defined contribution plans*

The Group has arranged for its employees to join the Mandatory Provident Fund Scheme (the "**MPF Scheme**"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Group's subsidiaries (the employer) and its employees make monthly contributions to the scheme generally at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. The monthly contributions of each of the employer and the employees are subject to a maximum contribution of HK$1,250 (2011 and 2012: HK$1,000) per month and thereafter contributions are voluntary. The Group has no further obligation for post-retirement benefits beyond the contributions.

As stipulated by rules and regulations in the PRC, the Group contributes to state-administered retirement plans for employees in the PRC. For the PRC, the employees contribute up to 8% of their basic salaries, while the Group contributes approximately 17% to 22% of such salaries. The Group has no further obligations for the actual payment of pensions or post-retirements benefits beyond these contributions. The state-administrated retirement plans are responsible for the entire pension obligations payable to the retired employees.

During the year ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2012 and 2013, the amount of the Group's employer contributions to defined contribution plans was HK$1,740,000, HK$1,952,000, HK$3,096,000, HK$876,000 and HK$1,435,000 respectively. Forfeited contributions to the MPF Scheme totalling HK$193,000, Nil, HK$73,000, Nil and Nil were utilised for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2012 and 2013. As at 31 March 2011, 2012, 2013 and 31 July 2013, there are HK$290,000, HK$309,000, HK$381,000 and HK$422,000 contributions payable to the MPF Scheme respectively.

(b) Directors' emoluments

The aggregate amounts of emoluments paid/payable to the directors of the Company by the companies now comprising the Group during the Relevant Periods are as follows:

	Year ended 31 March			Four months ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
– Fees	–	–	–	–	–
– Salaries and allowances	675	2,235	1,275	425	425
– Discretionary bonuses	–	–	–	–	–
– Pension costs – contributions to defined contribution plans	12	12	15	4	5
	687	2,247	1,290	429	430

Mr. She is the chief executive officer of the Group. The emoluments of each director of the Company during the Relevant Periods are as follows:

	Year ended 31 March 2011				
	Fees	**Salaries and allowance**	**Discretionary bonuses**	**Pension costs – contribution to defined contribution plans**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Executive Director					
Mr. She	–	675	–	12	687
Non-executive Directors					
Mr. Chong	–	–	–	–	–
Mr. Lam	–	–	–	–	–
Mr. Leung Wai Ming	–	–	–	–	–
Mr. Leung Yat Pang	–	–	–	–	–
	–	675	–	12	687

Year ended 31 March 2012

	Fees	Salaries and allowance	Discretionary bonuses	Pension costs – contribution to defined contribution plans	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Executive Director					
Mr. She	–	1,275	–	12	1,287
Non-executive Directors					
Mr. Chong	–	240	–	–	240
Mr. Lam	–	240	–	–	240
Mr. Leung Wai Ming	–	240	–	–	240
Mr. Leung Yat Pang	–	240	–	–	240
	–	2,235	–	12	2,247

Year ended 31 March 2013

	Fees	Salaries and allowance	Discretionary bonuses	Pension costs – contribution to defined contribution plans	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Executive Director					
Mr. She	–	1,275	–	15	1,290
Non-executive Directors					
Mr. Chong	–	–	–	–	–
Mr. Lam	–	–	–	–	–
Mr. Leung Wai Ming	–	–	–	–	–
Mr. Leung Yat Pang	–	–	–	–	–
	–	1,275	–	15	1,290

	Four months ended 31 July 2012 (Unaudited)				
	Fees	Salaries and allowance	Discretionary bonuses	Pension costs – contribution to defined contribution plans	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Executive Director					
Mr. She	–	425	–	4	429
Non-executive Directors					
Mr. Chong	–	–	–	–	–
Mr. Lam	–	–	–	–	–
Mr. Leung Wai Ming	–	–	–	–	–
Mr. Leung Yat Pang	–	–	–	–	–
	–	425	–	4	429

	Four months ended 31 July 2013				
	Fees	Salaries and allowance	Discretionary bonuses	Pension costs – contribution to defined contribution plans	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Executive Director					
Mr. She	–	425	–	5	430
Non-executive Directors					
Mr. Chong	–	–	–	–	–
Mr. Lam	–	–	–	–	–
Mr. Leung Wai Ming	–	–	–	–	–
Mr. Leung Yat Pang	–	–	–	–	–
	–	425	–	5	430

The remuneration shown above represents remuneration received and receivable from the Group by these directors in their capacity as employees to the Group and/or in their capacity as directors of the Company during the Relevant Periods. No directors waived or agreed to waive any emoluments during the Relevant Periods.

(c) *Five highest paid individuals*

The five individuals whose emoluments were the highest in the Group in each of the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2012 and 2013 included 1, 1, 1, 1 and 1 director, whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining 4, 4, 4, 4 and 4 individuals are as follows:

	Year ended 31 March			Four months ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
– Fees	–	–	–	–	–
– Salaries and allowances	1,276	1,617	2,211	649	726
– Discretionary bonuses	–	79	111	–	–
– Pension costs – contributions to defined contribution plans	47	48	55	16	20
	1,323	1,744	2,377	665	746

The emoluments of these individuals fell within the following bands:

	Year ended 31 March			Four months ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
Nil to HK$1,000,000	4	4	4	4	4

During the Relevant Periods, no emoluments were paid by the Group to any of the directors or other members of the five highest paid individuals as an inducement to join, upon joining the Group, leave the Group or as compensation for loss of office.

24 FINANCE COSTS – NET

	Year ended 31 March			Four months ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Finance income					
– Interest income from bank deposits	–	1	31	1	142
– Interest income from amounts due from related companies *(Note 29)*	1,252	1,596	801	267	–
– Interest income from loans to third parties	–	425	144	88	–
	1,252	2,022	976	356	142
Finance costs					
– Finance charge on obligations under finance lease	(1,045)	(952)	(1,012)	(282)	(338)
– Interest expenses on borrowings	(1,594)	(1,194)	(712)	(280)	(362)
	(2,639)	(2,146)	(1,724)	(562)	(700)
Finance costs – net	(1,387)	(124)	(748)	(206)	(558)

25 INCOME TAX EXPENSE

	Year ended 31 March			Four months ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Hong Kong profits tax					
– Current income tax	3,321	5,624	6,599	2,826	2,797
– Over-provision in prior year	–	(130)	–	–	–
	3,321	5,494	6,599	2,826	2,797
Deferred income tax *(Note 20)*	1,429	1,566	1,608	74	192
Income tax expense – total	4,750	7,060	8,207	2,900	2,989

Subsidiaries incorporated in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% on the estimated assessable profits for the years ended 31 March 2011, 2012 and 2013 and for the four months ended 31 July 2012 and 2013. Subsidiary incorporated in the PRC is subjected to PRC corporate income tax ("**CIT**") based on the statutory income tax rate of 25% for the Relevant Periods as determined in accordance with the relevant PRC income tax rules and regulations. No CIT has been provided as the subsidiary incorporated in the PRC has no taxable income. The Company has not been subject to any taxation in the Cayman Islands as it does not have any assessable profit for the Relevant Periods since its incorporation.

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities in the respective jurisdictions as follows:

	Year ended 31 March			Four months ended 31 July	
	2011	2012	2013	2012	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Profit before income tax	27,638	48,971	50,825	17,708	7,667
Tax calculated at a tax rate of 16.5%	4,560	8,080	8,386	2,922	1,265
Tax effects of:					
– Share of losses/(profit) of joint ventures	45	26	(169)	(85)	(152)
– Income not subject to tax	(74)	(1,138)	(359)	(80)	(23)
– Expenses not deductible for tax purposes	128	151	374	45	1,592
– Utilisation of previously unrecognised tax losses	(17)	(42)	(94)	(50)	–
– Tax losses and other temporary differences for which no deferred income tax was recognised	147	110	71	184	310
– Effect of different tax rate of the PRC subsidiary	(39)	3	(2)	(36)	(3)
– Overprovision in prior year	–	(130)	–	–	–
	4,750	7,060	8,207	2,900	2,989

26 DIVIDENDS

No dividend has been paid or declared by the Company since its date of incorporation.

During the years ended 31 March 2011, 2012 and 2013, the board of directors of Promise Network Printing Limited declared the payment of an interim dividend of HK$5,604.59, HK$4,399.99 and HK$12,321.47 per ordinary share to its then shareholders totalling HK$16,175,000, HK$12,698,000 and HK$35,560,000 respectively. All dividends were paid during the years ended 31 March 2011, 2012 and 2013 respectively.

During the year ended 31 March 2013, the board of directors of Invoice Limited declared the payment of an interim dividend of HK$3,144.66 per ordinary share totalling HK$3,144,000 to its then shareholders. The dividends was paid during the year ended 31 March 2013.

During the four months ended 31 July 2013, the board of directors of Promise Network Printing Limited declared the payment of a second interim dividend in respect of the year ended 31 March 2013 of HK$2,425 per ordinary share, totalling HK$6,998,550 to its then shareholders. All dividends were paid during the four months ended 31 July 2013.

On 11 November 2013, the board of directors of the Company approved to declare an interim dividend of HK$80 per ordinary share, totalling HK$8,000,000 to its then shareholders. All dividends were paid on the same date.

27 CASH GENERATED FROM OPERATIONS

		Year ended 31 March			Four months ended 31 July	
	Note	**2011**	**2012**	**2013**	**2012**	**2013**
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
					(Unaudited)	
Profit before income tax		27,638	48,971	50,825	17,708	7,667
Adjustments for:						
Depreciation	*6*	7,379	8,124	9,945	3,152	3,600
Loss/(gain) on disposal of property, plant and equipment	*21*	2,208	(3,096)	1,198	29	193
Fair value (gain)/loss on investment properties	*7*	(289)	179	–	–	–
Gain on disposal of subsidiaries	*30*	–	(3,259)	–	–	–
Share of losses/(profits) of joint ventures	*8*	271	160	(1,022)	(520)	(921)
Provision for/(reversal of provision for) impairment of trade receivables	*10*	264	(16)	48	11	1
Provision for/(reversal of provision for) impairment of an amount due from a related company	*29*	138	(88)	–	–	–
Finance income	*24*	(1,252)	(2,022)	(976)	(356)	(142)
Finance costs	*24*	2,639	2,146	1,724	562	700
Changes in working capital:						
– Inventories		2,060	(799)	(888)	(809)	477
– Trade receivables		1,453	(664)	1,094	(882)	(428)
– Other receivables and prepayments		4,498	(404)	(3,846)	(5,408)	3,227
– Trade payables		(1,462)	3,327	391	3,554	3,908
– Accruals and other payables		(3,751)	6,350	2,487	2,217	5,334
Cash generated from operations		41,794	58,909	60,980	19,258	23,616

In the consolidated statements of cash flows, proceeds from disposal of property, plant and equipment comprise:

	Year ended 31 March			Four months ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Net book amount *(Note 6)*	5,243	3,151	4,328	30	196
(Loss)/gain on disposal of property, plant and equipment *(Note 21)*	(2,208)	3,096	(1,198)	(29)	(193)
Proceeds from disposal	3,035	6,247	3,130	1	3

In the consolidated statements of cash flows, proceeds from disposal of investment properties are equivalent to their carrying values upon the dates of disposal (Note 7).

28 COMMITMENTS

(a) Capital commitment

Capital expenditure contracted for at the end of each of the Relevant Periods but not provided for is as follows:

	As at 31 March			As at 31 July
	2011	2012	2013	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Property, plant and equipment	5,524	8,495	2,570	217

(b) Operating lease commitments – The Group as lessor

The investment properties of the Group (Note 7) were leased to third parties under non-cancellable operating lease agreements. The lease terms are between 0.5 to 2 years. The future minimum lease receivables are as follows:

	As at 31 March			As at 31 July
	2011	2012	2013	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Within 1 year	229	16	–	–
Later than 1 year and not later than 5 years	162	–	–	–
	391	16	–	–

Operating lease commitments – The Group as lessee

The Group leases various stores and premises under non-cancellable operating lease agreements. The lease terms are between 1 to 5 years. The future aggregate minimum lease payments are as follows:

	As at 31 March			As at 31 July
	2011	2012	2013	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Not later than 1 year	5,359	3,192	5,555	13,995
Later than 1 year and not later than 5 years	2,637	2,318	2,090	19,261
	7,996	5,510	7,645	33,256

The Group leases machinery and office equipment under non-cancellable operating lease agreements. The lease terms are between 1 to 5 years. The future aggregate minimum lease payments are as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Not later than 1 year	922	1,065	586	411
Later than 1 year and not later than 5 years	1,466	399	722	641
	2,388	1,464	1,308	1,052

The Company has no capital and operating lease commitment as at 31 March 2013 and 31 July 2013.

29 RELATED PARTY TRANSACTIONS

For the purpose of this Financial Information, parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise control or significant influence over the Group in making financial and operating decisions, or vice versa. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

The directors of the Company are of the view that the following companies were related parties that had transactions or balances with the Group during the Relevant Periods:

Name of related party	**Relationship with the Group**
Mr. Leung Wai Ming	One of the Controlling Shareholders
Mr. Leung Yat Pang	One of the Controlling Shareholders
Mr. Lam	One of the Controlling Shareholders
Mr. She	One of the Controlling Shareholders
Mr. Chong	One of the Controlling Shareholders
Mr. Yip	Non-controlling interests of the Group
E-Print Solutions Sdn. Bhd.	Joint venture of the Group
E-Print Bannershop Limited	Joint venture of the Group
E-Print Bannershop	Jointly controlled by a party among the Controlling Shareholders and a third party
CTP Limited	Controlled by certain parties among the Controlling Shareholders
Ms. Yip Fei	Spouse of Mr. Chong
深圳市保諾時科技有限公司* (Shenzhen Promise Technology Company Limited)	Controlled by Ms. Yip Fei until 1 January 2013
Promise Properties Limited	Controlled by certain parties among the Controlling Shareholders
Promise International Limited	Controlled by certain parties among the Controlling Shareholders
Profit More	Controlled by certain parties among the Controlling Shareholders
Gain More	Controlled by certain parties among the Controlling Shareholders
VVV Limited	Controlled by certain parties among the Controlling Shareholders
GSM Limited	Controlled by certain parties among the Controlling Shareholders

Name of related party	Relationship with the Group
E-Print Global Trading Limited	Controlled by certain parties among the Controlling Shareholders
Basys Logistics Limited	Controlled by certain parties among the Controlling Shareholders until 22 February 2012
Partner Horizon Limited	Controlled by certain parties among the Controlling Shareholders
King Profit International Limited	Controlled by certain parties among the Controlling Shareholders
Nippon Binding Equipment Limited	Controlled by certain parties among the Controlling Shareholders
Pro-print	Controlled by Mr Yip
Print Art	Controlled by Mr Yip
eprint Limited *(Note)*	Controlled by the Controlling Shareholders

Note:

The Company is controlled by eprint Limited, which owns 78% of the Company's shares as at 31 March 2013 and up to the date of this report. The directors consider eprint Limited, a company incorporated in the BVI, being the immediate and the ultimate holding company.

* The English name of this company represented the best efforts by management of the Company in translating the Chinese name as it does not have an official English name.

(a) Transactions with related parties – Group:

The following transactions were undertaken by the Group with related parties during the Relevant Periods. Continuing transactions are transactions involving the provision of goods or services and carried out on a continuing or recurring basis and are expected to extend over period of time. They are usually transactions in the ordinary and usual course of business of the Group.

In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties:

	Year ended 31 March			Four months ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
Continuing transactions	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Rental expense of plants and machinery, premises and carpark in Hong Kong payable or paid *(i)*					
– CTP Limited	2,100	3,330	3,968	1,133	1,484
– Profit More	–	–	456	124	164
– Promise Properties Limited	484	964	1,230	344	453
– VVV Limited	–	–	1,060	24	651
– GSM Limited	–	–	23	9	–
– King Profit International Limited	–	–	312	104	107
	2,584	4,294	7,049	1,738	2,859

Continuing transactions	Year ended 31 March 2011 HK$'000	2012 HK$'000	2013 HK$'000	Four months ended 31 July 2012 HK$'000 (Unaudited)	2013 HK$'000
Rental expense of stores payable or paid *(i)*					
– E-Print Bannershop Limited	–	300	890	220	590
I.T. training services income receivable or received *(i)*					
– E-Print Solutions Sdn. Bhd.	–	–	675	–	–
Emolument payable or paid to *(i)*					
– Mr. Yip	480	512	531	164	177
Discontinued transactions					
Rental expense of premises in Hong Kong payable or paid *(i)*					
– CTP Limited	914	974	879	308	–
Rental expense of stores payable or paid (i)					
– E-print Bannershop	933	920	414	196	66
Management fee income receivable or received *(i)*					
– CTP Limited	720	720	720	240	180
– Promise Properties Limited	180	180	180	60	45
– VVV Limited	180	180	180	60	45
	1,080	1,080	1,080	360	270
Logistics service fees payable or paid *(i)*					
– Basys Logistics Limited	4,344	3,995	–	–	–
I.T. support services fees payable or paid *(i)*					
– 深圳市保諾時科技有限公司* (Shenzhen Promise Technology Company Limited)	3,234	3,951	–	–	–

Discontinued transactions	Year ended 31 March 2011 HK$'000	2012 HK$'000	2013 HK$'000	Four months ended 31 July 2012 HK$'000 (Unaudited)	2013 HK$'000
Interest income receivable or received *(ii)*					
– CTP Limited	974	991	585	195	–
– Promise Properties Limited	174	141	76	25	–
– VVV Limited	104	190	140	47	–
– Nippon Binding Equipment Limited	–	274	–	–	–
	1,252	1,596	801	267	–
Purchase of machinery *(i)*					
– Nippon Binding Equipment Limited	1,009	2,903	–	–	–
Repair services payable or paid *(i)*					
– Nippon Binding Equipment Limited	–	103	–	–	–
Disposal of a subsidiary *(i) (Note 30)*					
– CTP Limited	–	3,200	–	–	–
– Mr. Leung Wai Ming	–	10	–	–	–
	–	3,210	–	–	–
Disposal of leasehold land and buildings *(i)*					
– King Profit International Limited	–	5,789	–	–	–
Subcontracting income receivable or received *(i)*					
– Pro-print	4,138	–	–	–	–
– Print Art	542	1,034	177	168	–
	4,680	1,034	177	168	–
Subcontracting charge payable or paid *(i)*					
– Pro-print	5,189	–	–	–	–
– Print Art	–	338	206	168	–
	5,189	338	206	168	–
Management fee payable or paid *(i)*					
– Pro-print	–	400	–	–	–

Notes:

(i) These transactions are carried out on terms agreed with the counter-parties in the ordinary course of business.

(ii) Interest income on amounts due from related parties (Note 29(e)) is carried out on terms agreed with the counter-parties in the ordinary course of business.

(b) Key management compensation

Details of the key management compensation is disclosed in Note 23 of Section II to this report.

(c) Guarantees/securities provided by related parties:

Guarantees/securities provided by certain related parties for borrowings (Note 18) were as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK\$'000	*HK\$'000*	*HK\$'000*	*HK\$'000*
Joint guarantees provided by the Controlling Shareholders and CTP Limited	11,121	6,456	5,987	7,190
Joint guarantees provided by certain parties among the Controlling Shareholders	–	–	65,000	65,000
Joint guarantees provided by the Controlling Shareholders, CTP Limited and Promise Properties Limited	3,324	–	–	–
Guarantees provided by Mr. Yip	9,692	4,486	3,000	3,000

All the guarantees provided by the related parties would be released upon the Listing.

(d) Financial guarantee contracts:

As at 31 March 2011, 2012 and 2013 and 31 July 2013, Promise Network, a subsidiary of the Group, and certain parties among the Controlling Shareholders have jointly provided guarantees to secure the mortgage loans of the following related companies. The carrying values of these guarantees to the Group were nil as at 31 March 2011, 2012 and 2013 and 31 July 2013. The mortgage loan balances of related companies as at 31 March 2011, 2012 and 2013 and 31 July 2013 were as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK\$'000	*HK\$'000*	*HK\$'000*	*HK\$'000*
CTP Limited	28,243	25,744	51,976	50,241
Promise Properties Limited	7,870	7,167	11,241	10,903
VVV Limited	5,151	4,856	23,637	23,175
Profit More	–	–	4,370	4,285
King Profit International Limited	–	–	2,742	2,688
	41,264	37,767	93,966	91,292

Under the terms of the financial guarantee contracts, the guarantors will make payments to reimburse the lenders upon failure of the guaranteed entity to make payments when due.

All of the above financial guarantee contracts will be released upon the Listing.

(e) Balances with related parties – the Group:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Amounts due from related companies				
Profit More	–	5,513	–	1
Gain More	–	1	–	–
CTP Limited	15,793	20,917	–	194
Promise Properties Limited	2,150	2,518	–	49
Promise International Limited	–	–	–	–
VVV Limited	2,682	3,984	–	24
E-Print Global Trading Limited	10	16	–	–
E-Print Bannershop	17	17	–	–
E-Print Bannershop Limited	–	54	54	55
E-Print Solution	610	576	168	193
Partner Horizon Limited	840	847	–	–
King Profit International Limited	–	9	–	1
Nippon Binding Equipment Limited	9,130	14,155	–	–
Print Art	405	–	73	–
Pro-print	3,444	1	–	–
eprint Limited	–	–	1	1
Gross amount	35,081	48,608	296	518
Less: Provision for impairment	(138)	–	–	–
Net amount	34,943	48,608	296	518

Certain directors of the Group and the following related companies are in common. Pursuant to the Hong Kong Companies Ordinance Section 161(B)(1)(d), the maximum amount outstanding during the Relevant Periods are as follows:

	Year ended 31 March			Four months ended 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Profit More	–	5,513	5,513	1
Gain More	–	13	1	–
CTP Limited	25,846	20,917	20,917	194
Promise Properties Limited	4,918	2,617	2,518	49
Promise International Limited	–	4	–	–
VVV Limited	2,682	3,984	3,984	47
E-Print Global Trading Limited	10	16	16	–
Partner Horizon Limited	840	847	–	–
eprint Limited	–	–	1	1

Except for amounts due from CTP Limited, Promise Properties Limited, VVV Limited and Nippon Binding Equipment Limited and Profit More, totalling HK$20,625,000, HK$32,072,000, nil and nil as at 31 March 2011, 2012 and 2013 and 31 July 2013 respectively, which bear interest at 6% per annum, the rest of the amounts due from related companies are unsecured, interest-free and are repayable on demand. All the amounts due from related parties are neither past due nor impaired.

Except for the amounts due from Print Art and Pro-print, the rest of the amounts due from related parties are neither past due nor impaired. As at 31 March 2011, 2012 and 2013 and 31 July 2013, the ageing analysis of the amounts due from Print Art and Pro-print based on invoice date were as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
1 – 30 days	479	1	72	–
31 – 60 days	274	–	–	–
Over 60 days	3,096	–	1	–
	3,849	1	73	–

Movements on the provision for impairment of the amount due from Print Art are as follows:

	HK$'000
At April 2010	–
Provision for impairment *(Note 22)*	138
At 31 March 2011	138
Reversal of provision for impairment *(Note 22)*	(88)
Written off as uncollectable	(50)
At 31 March 2012, 31 March 2013, 31 July 2012 (unaudited) and 31 July 2013	–

The creation and release of provision for impairment have been included in administrative expenses in the consolidated statements of comprehensive income.

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Amounts due to related companies				
Basys Logistics Limited	396	–	–	–
Pro-print	1,752	453	–	–
Print Art	–	24	–	–
	2,148	477	–	–
Amounts due from non-controlling interests				
Mr. Yip	–	414	–	–

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Amounts due to shareholders				
Mr. Leung Wai Ming	2,071	62	–	84
Mr. Leung Yat Pang	33	33	–	53
Mr. Lam	62	62	–	84
Mr. She	84	84	–	90
Mr. Chong	62	62	–	89
	2,312	303	–	400
Amounts due to non-controlling interests				
Mr. Yip	4,464	–	–	–

The payable balances with the related parties are denominated in Hong Kong dollars, unsecured, interest free and are repayable on demand. The fair values of these balances approximate their carrying values. All the amounts due to shareholders were repaid up to the date of this report.

(f) Balances with related parties – the Company:

	As at 31 March 2013 *HK$'000*	As at 31 July 2013 *HK$'000*
Amount due from a related company		
eprint Limited	1	1
Maximum outstanding balance during the year		
eprint Limited	1	1

	As at 31 March 2013 *HK$'000*	As at 31 July 2013 *HK$'000*
Amount due to a subsidiary		
Promise Network	5,515	7,183

	As at 31 March 2013 *HK$'000*	As at 31 July 2013 *HK$'000*
Amount due to shareholders		
Mr. Leung Wai Ming	–	84
Mr. Leung Yat Pang	–	53
Mr. Lam	–	84
Mr. She	–	84
Mr. Chong	–	84
	–	389

Amount due from a related company and amount due to a subsidiary and shareholders are unsecured, interest-free and repayable on demand.

30 DISPOSAL OF SUBSIDIARIES

On 10 March 2012 and 1 December 2011, the Group had disposed of two subsidiaries, Profit More and Gain More, to a related company, CTP Limited, and a shareholder of the Group, at a consideration of HK$3,200,000 and HK$10,000, respectively. A gain on disposal of subsidiaries of HK$3,259,000 is recorded for the year ended 31 March 2012.

Details in respect of the disposal of Profit More and Gain More are as follows:

	Profit More	**Gain More**	**Total**
	HK$'000	*HK$'000*	*HK$'000*
Net assets/(liabilities) disposed of			
– Property, plant and equipment *(Note 6)*	5,139	3	5,142
– Investment properties *(Note 7)*	–	5,171	5,171
– Cash and cash equivalents	9	67	76
– Deposits	–	5	5
– Amounts due from related parties	–	10	10
– Deferred income tax assets	–	8	8
– Deferred income tax liabilities	(15)	–	(15)
– Borrowings	–	(2,820)	(2,820)
– Accruals and other payables	(10)	(43)	(53)
– Amounts due to related parties	(5,513)	(2,060)	(7,573)
	(390)	341	(49)
Gain/(loss) on disposal *(Note 21)*	3,590	(331)	3,259
	3,200	10	3,210
Consideration:			
Satisfied by:			
– Current accounts with the related parties	3,200	10	3,210
An analysis of the net outflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:			
– Cash consideration			–
– Cash disposed of			(76)
Net outflow of cash and cash equivalents in respect of the disposal of subsidiaries			(76)

31 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the Relevant Periods. In determining the weighted average number of ordinary shared in issue during the Relevant Periods, 100,000 shares of the Company, which were resulted from the issue and allotment of 100,000 shares by the Company in connection with the Reorganisation, had been treated as if those shares were in issue since 1 April 2010.

	Year ended 31 March			Four months ended 31 July	
	2011	**2012**	**2013**	**2012** (Unaudited)	**2013**
Profit attributable to equity holders of the Company *(HK$'000)*	22,912	39,773	42,438	14,718	4,719
Weighted average number of ordinary shares in issue *(thousands)*	100	100	100	100	100
Basic and diluted earnings per share *(HK$)*	229	398	424	147	47

The Company did not have any potential ordinary shares outstanding during the Relevant Periods. Diluted earnings per share is equal to the basic earnings per share.

The basic earnings per share and diluted earnings per share as presented on the consolidated statements of comprehensive income have not taken into account the proposed capitalisation issue as described in Note 33.

32 CONTINGENCIES

Other than those financial guarantee contracts as disclosed in Note 29 of Section II to this report, the Group and the Company did not have any material significant contingent liabilities as at 31 March 2011, 2012 and 2013 and 31 July 2013.

33 SUBSEQUENT EVENTS

Save as disclosed elsewhere in this report, the following significant event took place subsequent to 31 March 2013:

Pursuant to the written resolution passed by the shareholders of the Company on 13 November 2013, conditional on the share premium account of the Company being credited as a result of the issue of the offer shares by the Company pursuant to the proposed share offer as described in the prospectus ("**Share Offer**"), the Company will capitalise an amount of HK$3,749,000, standing to the credit of its share premium account of the Company by applying such sum to pay up in full at par a total of 374,900,000 shares for allotment and issue to the shareholders on a pro rata basis immediately before the Share Offer.

III. 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 July 2013 up to the date of this report. Save as disclosed in Note 26 of Section II to this report, no dividend has been declared or made by the Company or any of the companies now comprising the Group in respect of any period subsequent to 31 July 2013.

Yours faithfully,
PricewaterhouseCoopers
Certified Public Accountants
Hong Kong

The information set out in this Appendix II does not form part of the Accountant's Report from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, the reporting accountant of the Company, as set out in Appendix I to this prospectus, and is included herein for illustrative purposes only. The unaudited pro forma financial information should be read in conjunction with the section headed "Financial Information" in this prospectus and the Accountant's Report set out in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

The following unaudited pro forma statement of adjusted net tangible assets prepared in accordance with Rule 4.29 of the Listing Rules are set out below to illustrate the effect of the Share Offer on our net tangible assets as at 31 July 2013 as if the Share Offer had taken place on that date.

The unaudited pro forma statement of adjusted net tangible assets has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true picture of our net tangible assets had the Share Offer been completed as at 31 July 2013 or at any future dates. The unaudited pro forma statement of adjusted net tangible assets is based on our audited consolidated net tangible assets of the Group attributable to our equity holders as at 31 July 2013 as shown in the accountant's report of the Company, the text of which is set out in Appendix I to this prospectus, and adjusted as described below.

	Audited consolidated net tangible assets of our Group attributable to equity holders of the Company as at 31 July 2013(1)	Estimated net proceeds from the Share Offer(2)	Unaudited pro forma adjusted net tangible assets attributable to equity holders of the Company as at 31 July 2013	Unaudited pro forma adjusted net tangible assets per Share(3)
	HK$'000	*HK$'000*	*HK$'000*	*HK$*
Based on an Offer Price of HK$0.78 per Share	66,970	82,525	149,495	0.30
Based on an Offer Price of HK$1.08 per Share	66,970	118,634	185,604	0.37

Notes:

(1) The unadjusted audited consolidated net tangible assets of the Group attributable to equity holders of the Company as at 31 July 2013 is extracted from the accountant's report of our Company as set out in Appendix I to this prospectus, which is based on the audited consolidated net assets of the Group attributable to equity holders of the Company as at 31 July 2013 of HK$66,970,000.

(2) The estimated net proceeds from the Share Offer are based on the Offer Price of HK$0.78 and HK$1.08 per Share, respectively, after deduction of the underwriting fees and other related expenses (excluding approximately HK$10,925,000 listing expenses which have been incurred as of 31 July 2013) and takes no account of any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or any Shares which may be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme or which may be granted under the Share Option Scheme or any Share which may be allotted and issued or repurchased by the Company pursuant to the Issuing Mandate and the Repurchase Mandate.

(3) The unaudited pro forma adjusted net tangible assets per Share is arrived at after the adjustments referred to in Note (2) above and on the basis that 500,000,000 Shares were in issue assuming that the Capitalisation Issue and the Share Offer have been completed on 31 July 2013 but takes no account of any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or any Shares which may be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme or which may be granted under the Share Option Scheme or any Share which may be allotted and issued or repurchased by the Company pursuant to the Issuing Mandate and the Repurchase Mandate.

(4) Except as disclosed above, no adjustment has been made to reflect any trading result or other transactions of the Group entered into subsequent to 31 July 2013. In particular, the unaudited pro forma adjusted net tangible assets of the Group has not taken into account the payment of a dividend of HK$8,000,000 which was approved by the Board of Directors and fully paid on 11 November 2013. The unaudited pro forma net tangible assets per Share would have been HK$0.28 and HK$0.36 per Share based on the Offer Price of HK$0.78 and HK$1.08 respectively if the payment of dividend of HK$8,000,000 had been accounted for.

B. REPORT FROM THE REPORTING ACCOUNTANT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.

羅兵咸永道

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS

TO THE DIRECTORS OF EPRINT GROUP LIMITED

We have completed our assurance engagement to report on the compilation of Unaudited Pro Forma Financial Information of eprint Group Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") by the directors for illustrative purposes only. The Unaudited Pro Forma Financial Information consists of the unaudited pro forma statement of adjusted net tangible assets of the Group as at 31 July 2013, and related notes (the "**Unaudited Pro Forma Financial Information**") as set out on pages II-1 to II-2 of the Company's prospectus dated 20 November 2013 (the "**Prospectus**"), in connection with the proposed initial public offering of the shares of the Company. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described in the notes as set out on pages II-1 to II-2 of the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed initial public offering on our Group's financial position as at 31 July 2013 as if the proposed initial public offering had taken place at 31 July 2013. As part of this process, information about our Group's financial position has been extracted by the directors from the Group's financial information for the period ended 31 July 2013, on which an accountant's report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("**AG 7**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

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Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the 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.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed initial public offering at 31 July 2013 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and

- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Company, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 4.29(1) of the Listing Rules.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 20 November 2013

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 Islands company law.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 10 January 2013 under the Companies Law. The Company's constitutional documents consist of its Amended and Restated Memorandum of Association (the "**Memorandum**") and the Amended and Restated Articles of Association (the "**Articles**").

1. MEMORANDUM OF ASSOCIATION

(a) The Memorandum provides, *inter alia*, that the liability of members of the Company is limited and that the objects for which the Company is established are unrestricted (and therefore include acting as an investment company), and that the Company shall have and be capable of exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate whether as principal, agent, contractor or otherwise and since 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) By special resolution the Company may alter the Memorandum with respect to any objects, powers or other matters specified therein.

2. ARTICLES OF ASSOCIATION

The Articles were adopted on 13 November 2013. The following is a summary of certain provisions of the Articles:

(a) Shares

(i) Classes of shares

The share capital of the Company consists of ordinary shares.

(ii) Share certificates

Every person whose name is entered as a member in the register of members shall be entitled to receive a certificate for his shares. No shares shall be issued to bearer.

Every certificate for shares, warrants or debentures or representing any other form of securities of the Company shall be issued under the seal of the Company, and shall be signed autographically by one Director and the Secretary, or by 2 Directors, or by some other person(s) appointed by the Board for the purpose. As regards any certificates for shares or debentures or other securities of the Company, the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature other than autographic or may be printed thereon as specified in such resolution or that such certificates need not be signed by any person. Every share certificate issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Board may from time to time prescribe. A share certificate shall relate to only one class of shares, and where the capital of the Company includes shares with different voting rights, the designation of each class of shares, other than those which carry the general right to vote at general meetings, must include the words "restricted voting" or "limited voting" or "non-voting" or some other appropriate designation which is commensurate with the rights attaching to the relevant class of shares. The Company shall not be bound to register more than 4 persons as joint holders of any share.

(b) Directors

(i) Power to allot and issue shares and warrants

Subject to the provisions of the Companies Law, the Memorandum and Articles and without prejudice 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). Any share may be issued on terms that upon the happening of a specified event or upon a given date and either at the option of the Company or the holder thereof, they are liable to be redeemed.

The Board may issue warrants to subscribe for any class of shares or other securities of the Company on such terms as it may from time to time determine.

Where warrants are issued to bearer, no certificate thereof shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such replacement certificate.

Subject to the provisions of the Companies Law, the Articles and, where applicable, the rules of any stock exchange of the Relevant Territory (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 whose registered addresses are in any particular territory or territories where, in the absence of a registration statement or other special formalities, this is or may, in the opinion of the Board, be unlawful or impracticable. However, no member affected as a result of the foregoing shall 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

While there are no specific provisions in the Articles relating to the disposal of the assets of the Company or any of its subsidiaries, the Board may 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, but if such power or act is regulated by the Company in general meeting, such regulation shall not invalidate any prior act of the Board which would have been valid if such regulation had not been made.

(iii) Compensation or payments for loss of office

Payments to any present 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 or statutorily 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 and their associates which are equivalent to provisions of Hong Kong law prevailing at the time of adoption of the Articles.

The Company shall not directly or indirectly make a loan to a Director or a director of any holding company of the Company or any of their respective associates, enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any holding company of the Company or any of their respective associates, or if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

(v) Disclosure of interest in contracts with the Company or with any of its subsidiaries

With the exception of the office of auditor of the Company, a Director may hold any other office or place of profit with the Company in conjunction with his office of Director for such period and, 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 or member of 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 or other benefits received by him as a director, officer or member of such other company. 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.

No Director or intended Director shall be disqualified by his office from contracting with the Company, either as vendor, purchaser or otherwise, 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 for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established. A Director who is, in any way, materially interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the earliest meeting of the Board at which he may practically do so.

There is no power to freeze or otherwise impair any of the rights attaching to any Share by reason that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.

A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or other proposal in which he or his associate(s) is/are materially interested, and if he shall do so his vote shall not be counted nor shall he be counted in the quorum for that resolution, but this prohibition shall not apply to any of the following matters namely:

(aa) the giving of any security or indemnity to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

(bb) 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/have 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 proposal 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 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 associate(s) 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 generally accorded to the employees to which such scheme or fund relates; or (ee) 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.

(vi) Remuneration

The Directors shall be entitled to receive, as ordinary remuneration for their services, such sums as shall from time to time be determined by the Board, or the Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree or failing agreement, equally, except that in such event any Director holding office for only a portion 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 has held office. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them in attending any Board meetings, committee meetings or general meetings or otherwise in connection with the discharge of their duties as Directors. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

Any Director who, at the request of the Company performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such special or 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 shall be in addition to his ordinary remuneration as a Director.

The Board may establish, either on its own or jointly in concurrence or agreement with other companies (being subsidiaries of the Company or with which the Company is associated in business), or may make contributions out of the Company's monies to, such 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 former Director who may hold or have held any executive office or any office of profit with the Company or any of its subsidiaries) and former employees of the Company and their dependents or any class or classes of such persons.

In addition, the Board may also pay, enter into agreements to pay or make grants of revocable or irrevocable, whether or not subject to any terms or conditions, pensions or other benefits to employees and former employees and their dependents, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or former employees or their dependents are or may become entitled under any such scheme or fund as mentioned above. Such pension or benefit may, if deemed desirable by the Board, be granted to an employee either before and in anticipation of, or upon or at any time after, his actual retirement.

(vii) Appointment, retirement and removal

At any time or from time to time, the Board shall have the power to appoint any person as a Director either to fill a casual vacancy on the Board or as an additional Director to the existing Board subject to any maximum number of Directors, if any, as may be determined by the members in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board 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.

At each annual general meeting, one third of the Directors for the time being will retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors. The Directors who shall retire in each year will be those who have been longest in the office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office. The period for lodgment of such notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting and the minimum length of the period during which such notices to the Company may be given must be at least 7 days.

A Director is not required to hold any shares in the Company by way of qualification nor is there any specified upper or lower age limit for Directors either for accession to the Board or retirement therefrom.

A Director may be removed by an ordinary resolution of the Company before the expiration of his term 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 the Company may by ordinary resolution appoint another in his place. The number of Directors shall not be less than two.

In addition to the foregoing, the office of a Director shall be vacated:

(aa) if he resigns his office by notice in writing delivered to the Company at the registered office or head office of the Company for the time being or tendered at a meeting of the Board;

(bb) if he dies or becomes of unsound mind as determined pursuant to an order made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;

(cc) if, without special leave, he is absent from meetings of the Board 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 generally;

(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;

(gg) if he has been validly required by the stock exchange of the Relevant Territory (as defined in the Articles) to cease to be a Director and the relevant time period for application for review of or appeal against such requirement has lapsed and no application for review or appeal has been filed or is underway against such requirement; or

(hh) if he is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

From time to time the Board may 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 also delegate any of its powers to committees consisting of such Director or Directors and other person(s) as the Board thinks fit, and from time to time it may also 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 so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

(viii) Borrowing powers

Pursuant to the Articles, 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 uncalled capital of the Company and, subject to the Companies Law, to issue debentures, debenture stock, 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. The provisions summarised above, in common with the Articles of Association in general, may be varied with the sanction of a special resolution of the Company.

(ix) Register of Directors and officers

Pursuant to the Companies Law, the Company is required to maintain at its registered office a register of directors, alternate 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 30 days of any change in such directors or officers, including a change of the name of such directors or officers.

(x) Proceedings of the Board

Subject to the Articles, the Board may meet anywhere in the world for the despatch of business and may adjourn and otherwise regulate its meetings as it thinks 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 a second or casting vote.

(c) Alterations to the constitutional documents

To the extent that the same is permissible under Cayman Islands law and subject to the Articles, the Memorandum and Articles of the Company may only be altered or amended, and the name of the Company may only be changed by the Company by special resolution.

(d) Variation of rights of existing shares or classes of shares

Subject to the Companies Law, if at any time the share capital of the Company is divided into different classes of shares, all or any of the special rights attached to any class of shares may (unless otherwise provided for by the terms of issue of the shares 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 shall mutatis mutandis apply, but so that the necessary quorum (other than at an adjourned meeting) shall be not less than two persons together holding (or in the case of a shareholder being a corporation, by its duly authorised representative) or representing by proxy not less than one-third in nominal value of the issued shares of that class. Every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, and any holder of shares of the class present in person or by proxy may demand a poll.

Any 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) Alteration of capital

The Company may, by an ordinary resolution of its members, (a) increase its share capital by the creation of new shares of such amount as it thinks expedient; (b) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; (c) divide its unissued shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions; (d) subdivide its shares or any of them into shares of an amount smaller than that fixed by the Memorandum; and (e) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled; (f) make provision for the allotment and issue of shares which do not carry any voting rights; (g) change the currency of denomination of its share capital; and (h) reduce its share premium account in any manner authorised and subject to any conditions prescribed by law.

Reduction of share capital – subject to the Companies Law and to confirmation by the court, a company limited by shares may, if so authorised by its Articles of Association, by special resolution, reduce its share capital in any way.

(f) Special resolution – majority required

In accordance with 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 by proxy or, in the case of members which are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than 21 clear days' notice, specifying the intention to propose the resolution as a special resolution, has been duly given. However, 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 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 less than 21 clear days' notice has been given.

Under Companies Law, a copy of any special resolution must be forwarded to the Registrar of Companies in the Cayman Islands within 15 days of being passed.

An "ordinary resolution", by contrast, 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 members which are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than 14 clear days' notice has been given and held in accordance with the Articles. A resolution in writing signed by or on behalf of all members shall be treated as an ordinary resolution duly passed at a general meeting of the Company duly convened and held, and where relevant as a special resolution so passed.

(g) Voting rights (generally and on a poll) and right to demand a poll

Subject to any special rights, restrictions or privileges as to voting for the time being attached to any class or classes of shares at any general meeting on a show of hands, every member who is present in person or by proxy or being a corporation, is present by its duly authorised representative shall have one vote, and 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 share which is fully paid or credited as fully paid registered in his name in the register of members of the Company but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purpose as paid up on the share. Notwithstanding anything contained in the Articles, where more than one proxy is appointed by a member which is a Clearing House (as defined in the Articles) (or its nominee(s)), each such proxy shall have one vote on a show of hands. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he does use in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded or otherwise required under the rules of the stock exchange of the Relevant Territory (as defined in the Articles). A poll may be demanded by:

(i) the chairman of the meeting; or

(ii) at least two members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or

(iii) any member or members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

(iv) a member or members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Should a Clearing House or its nominee(s), be a member of the Company, such person or persons may be authorised 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 in accordance with this provision shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House or its nominee(s), as if such person were an individual member including the right to vote individually on a show of hands.

Where the Company has knowledge that any member is, under the Listing Rules, 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 member in contravention of such requirement or restriction shall not be counted.

(h) Annual general meetings

The Company must hold an annual general meeting each year. Such meeting must be held not more than 15 months after the holding of the last preceding annual general meeting, or such longer period as may be authorised by the Stock Exchange at such time and place as may be determined by the Board.

(i) Accounts and audit

The Board shall cause proper books of account 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 assets and liabilities of the Company and of all other matters required by the Companies Law necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

The books of accounts of the Company shall be kept at the head office of the Company 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 account or book or document of the Company except as conferred by the Companies Law or ordered by a court of competent jurisdiction or authorised by the Board or the Company in general meeting.

The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting balance sheets and profit and loss accounts (including every document required by law to be annexed thereto), together with a copy of the Directors' report and a copy of the auditors' report not less than 21 days before the date of the annual general meeting. Copies of these documents shall be sent to every person entitled to receive notices of general meetings of the Company under the provisions of the Articles together with the notice of annual general meeting, not less than 21 days before the date of the meeting.

Subject to the rules of the stock exchange of the Relevant Territory (as defined in the Articles), the Company may send summarised financial statements to shareholders who has, in accordance with the rules of the stock exchange of the Relevant Territory (as defined in the Articles), consented and elected to receive summarised financial statements instead of the full financial statements. The summarised financial statements must be accompanied by any other documents as may be required under the rules of the stock exchange of the Relevant Territory (as defined in the Articles), and must be sent to the shareholders not less than 21 days before the general meeting to those shareholders that have consented and elected to receive the summarised financial statements.

The Company shall appoint auditor(s) to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board. The auditors' remuneration shall be fixed by the Company in general meeting or by the Board if authority is so delegated by the members.

The auditors shall audit the financial statements of the Company in accordance with generally accepted accounting principles of Hong Kong, the International Accounting Standards or such other standards as may be permitted by the Stock Exchange.

(j) Notices of meetings and business to be conducted thereat

An annual general meeting and any extraordinary general meeting at which it is proposed to pass a special resolution must be called by at least 21 days' notice in writing, and any other extraordinary general meeting shall be called by at least 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and must specify the time, place and agenda of the meeting, and particulars of the resolution(s) to be considered at that meeting, and, in the case of special business, the general nature of that business.

Except where otherwise expressly stated, any notice or document (including a share certificate) to be given or issued under the Articles shall be in writing, and may be served by the Company on any member either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such member at his registered address as appearing in the Company's register of members or by leaving it at such registered address as aforesaid or (in the case of a notice) by advertisement in the newspapers. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. Where the registered address of the member is outside Hong Kong, notice, if given through the post, shall be sent by prepaid airmail letter where available. Subject to the Companies Law and the Listing Rules, a notice or document may be served or delivered by the Company to any member by electronic means to such address as may from time to time be authorised by the member concerned or by publishing it on a website and notifying the member concerned that it has been so published.

Although a meeting of the Company may be called by shorter notice than as specified above, such meeting may 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 95% in nominal value of the issued shares giving that right.

All business transacted at an extraordinary general meeting shall be deemed special business and all business shall also be deemed special business where it 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;

(ee) the fixing of the remuneration of the Directors and of the auditors;

(ff) the granting of any mandate or authority to the Board to offer, allot, grant options over, or otherwise dispose of the unissued shares of the Company representing not more than 20% in nominal value of its existing issued share capital (or such other percentage as may from time to time be specified in the rules of the Stock Exchange) and the number of any securities repurchased by the Company since the granting of such mandate; and

(gg) the granting of any mandate or authority to the Board to repurchase securities in the Company.

(k) Transfer of shares

Subject to the Companies Law, all transfers of shares shall be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve provided always that it shall be in such form prescribed by the Stock Exchange and may be under hand or, if the transferor or transferee is a Clearing House or its nominee(s), under hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

Execution of the instrument of transfer shall be 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 transferor or transferee or accept mechanically executed transfers in any case in which it in its discretion thinks fit 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 of the Company in respect thereof.

The Board may, in its absolute discretion, at any time and from time to time remove any share on 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 removed to any branch register nor shall shares on any branch register be removed to the principal register or any other branch register. All removals and other documents of title shall be lodged for registration and registered, in the case of shares on any branch register, at the relevant registration office and, in the case of shares on the principal register, at the place at which the principal register is located.

The Board may, in its absolute discretion, decline 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 option scheme 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 the Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof, the instrument of transfer is properly stamped (if applicable), is in respect of only one class of share and is lodged at the relevant registration office or the place at which the principal register is located 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 register of members may, subject to the Listing Rules (as defined in the Articles), be closed at such time or for such period not exceeding in the whole 30 days in each year as the Board may determine.

Fully paid shares shall be free from any restriction with respect to the right of the holder thereof to transfer such shares (except when permitted by the Stock Exchange) and shall also be free from all liens.

(l) Power of 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 requirement imposed from time to time by the Articles, code, rules or regulations issued from time to time by the Stock Exchange and/or the Securities and Futures Commission of Hong Kong.

Where the Company purchases for redemption a redeemable Share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all members alike.

(m) Power of any subsidiary of the Company to own shares in the Company

There are no provisions in the Articles relating to the ownership of shares in the Company by a subsidiary.

(n) Dividends and other methods of distribution

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.

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, although 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 in accordance with the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. The Board may deduct from any dividend or other monies payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

Where the Board or the Company in general meeting has resolved that a dividend should be paid or declared on the share capital of the Company, the Board may resolve:

(aa) 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 members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or

(bb) that the members 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.

Upon the recommendation of the Board, the Company may by ordinary resolution in respect of any one particular dividend of the Company determine that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, bonus 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, but in the case of joint holders, shall be addressed to the holder whose name stands first in the register of members of the Company in respect of the shares at his address as appearing in the register, or addressed to such person and at such address as the holder or joint holders may in writing so direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the holder's or joint holders' 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 monies 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.

The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the monies so advanced may pay interest at such rate (if any) not exceeding 20% per annum, as the Board may decide, but a payment in advance of a call shall not entitle the member to receive any dividend or to exercise any other rights or privileges as a member in respect of the share or the due portion of the shares upon which payment has been advanced by such member before it is called up.

All dividends, bonuses or other distributions 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, bonuses or other distributions unclaimed for six years after having been declared may be forfeited by the Board and, upon such forfeiture, 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.

The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

(o) 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. On a poll or on a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve, provided that it shall not preclude the use of the two-way form. Any form issued to a member for use by him for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the member, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business.

(p) Calls on shares and forfeiture of shares

The Board may from time to time make such calls as it may think fit 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) and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments. 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 20% per annum as the Board shall fix 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 money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the monies so advanced the Company may pay interest at such rate (if any) not exceeding 20% per annum as the Board may decide.

If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve not less than 14 days' notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment. The notice will name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made. The notice shall also state 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, nevertheless, 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 payment at such rate not exceeding 20% per annum as the Board may prescribe.

(q) Inspection of corporate records

Members of the Company have no general right under the Companies Law to inspect or obtain copies of the register of members or corporate records of the Company. However, the members of the Company will have such rights as may be set forth in the Articles. The Articles provide that for so long as any part of the share capital of the Company is listed on the Stock Exchange, any member may inspect any register of members of the Company maintained in Hong Kong (except when the register of member is closed) without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the Hong Kong Companies Ordinance.

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or outside the Cayman Islands, as its directors may, from time to time, think fit.

(r) 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, and continues to be present until the conclusion of the meeting.

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.

(s) Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles concerning the rights of minority members in relation to fraud or oppression. However, certain remedies may be available to members of the Company under Cayman Islands law, as summarised in paragraph 3(f) of this Appendix.

(t) 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, then 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, on the shares held by them respectively.

In the event that the Company is wound up (whether the liquidation is voluntary or compelled by the court) the liquidator may, with the sanction 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 and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator shall think fit, but so that no member shall be compelled to accept any shares or other property upon which there is a liability.

(u) Untraceable members

The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

In accordance with the Articles, the Company is entitled to sell any of the shares of a member who is untraceable if:

(i) all cheques or warrants, 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 years and 3 months period (being the 3 months notice period referred to in sub-paragraph (iii)), 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 stock exchange of the Relevant Territory (as defined in the Articles) giving notice of its intention to sell such shares and a period of three months has elapsed since such advertisement and the stock exchange of the Relevant Territory (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.

(v) Subscription rights reserve

Pursuant to the Articles, provided that it is not prohibited by and is otherwise 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 the shares to be issued on the exercise of such warrants, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the par value of such shares.

3. CAYMAN ISLANDS COMPANY LAW

The Company was incorporated in the Cayman Islands as an exempted company on 10 January 2013 subject to the Companies Law. Certain provisions of Cayman Islands company law are set out below but this section does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the Companies Law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

(a) Company operations

As an exempted company, the Company must conduct its operations mainly outside the Cayman Islands. Moreover, 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

In accordance with the Companies Law, a Cayman Islands company may issue ordinary, preference or redeemable shares or any combination thereof. 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 or 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 arrangements 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 such manner as the company may from time to time determine including, but without limitation, the following:

(i) paying distributions or dividends to members;

(ii) paying up unissued shares of the company to be issued to members as fully paid bonus shares;

(iii) any manner provided in section 37 of the Companies Law;

(iv) writing-off the preliminary expenses of the company; and

(v) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

Notwithstanding the foregoing, the Companies Law provides that 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 of business.

It is further provided by the Companies Law that, subject to confirmation by the court, a company limited by shares or a company limited by guarantee and having a share capital may, if authorised to do so by its articles of association, by special resolution reduce its share capital in any way.

The Articles include 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

There are no statutory prohibitions in the Cayman Islands on the granting of financial assistance by a company to another person for the purchase of, or subscription for, its own, its holding company's or a subsidiary's shares. Therefore, a company may provide financial assistance provided the directors of the company when proposing to grant such financial assistance discharge their duties of care and acting in good faith, for a proper purpose and in the interests of the company. Such assistance should be on an arm's-length basis.

(d) Purchase of shares and warrants by a company and its subsidiaries

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 member and, for the avoidance of doubt, 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. Nonetheless, if the articles of association do not authorise the manner and terms of purchase, a company cannot purchase any of its own shares without the manner and terms of purchase first being authorised by an ordinary resolution of the company. A company may not redeem or purchase its shares unless they are fully paid. Furthermore, 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. In addition, 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.

Under Section 37A(1) the Companies Law, shares that have been purchased or redeemed by a company or surrendered to the company shall not be treated as cancelled but shall be classified as treasury shares if (a) the memorandum and articles of association of the company do not prohibit it from holding treasury shares; (b) the relevant provisions of the memorandum and articles of association (if any) are complied with; and (c) the company is authorised in accordance with the company's articles of association or by a resolution of the directors to hold such shares in the name of the company as treasury shares prior to the purchase, redemption or surrender of such shares. Shares held by a company pursuant to section 37A(1) of the Companies Law shall continue to be classified as treasury shares until such shares are either cancelled or transferred pursuant to the Companies Law.

A Cayman Islands company may be able to purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. Thus there is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases. The directors of a company may under the general power contained in its memorandum of association be able 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 sections 34 and 37A(7) of the Companies Law, there are no statutory provisions relating to the payment of dividends. Based upon English case law which is likely to 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 sub-paragraph 2(n) of this Appendix for further details). Section 37A(7)(c) of the Companies Law provides that for so long as a company holds treasury shares, 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.

(f) Protection of minorities and shareholders' suits

It can be expected that the Cayman Islands courts will ordinarily follow English case law precedents (particularly the rule in the case of *Foss v. Harbottle* and the exceptions thereto) which permit a minority member to commence a representative action against or derivative actions in the name of the company to challenge:

(i) an act which is *ultra vires* the company or illegal;

(ii) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company; and

(iii) an irregularity in the passing of a resolution the passage of which requires a qualified (or special) majority which has not been obtained.

Where a company (not being a bank) is one which has a share capital divided into shares, the court may, on the application of members thereof holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine the affairs of the company and, at the direction of the court, to report thereon.

Moreover, any member 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.

In general, claims against a company by its members must be based on the general laws of contract or tort applicable in the Cayman Islands or be based on potential violation of their individual rights as members as established by a company's memorandum and articles of association.

(g) Disposal of assets

There are no specific restrictions in the Companies Law on the power of directors to dispose of assets of a company, although it specifically requires that 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 interest 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

Section 59 of the Companies Law provides that a company shall cause proper records of accounts to be kept with respect to (i) all sums of money received and expended by the company and the matters with respect to 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.

Section 59 of the Companies Law further states that 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.

If the Company keeps its books of account at any place other than at its registered office or at any other place within the Cayman Islands, it shall, upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law (2009 Revision) of the Cayman Islands, make available, in electronic form or any other medium, at its registered office copies of its books of account, or any part or parts thereof, as are specified in such order or notice.

(i) Exchange control

There are no exchange control regulations or currency restrictions in effect in the Cayman Islands.

(j) Taxation

Pursuant to section 6 of the Tax Concessions Law (2011 Revision) of the Cayman Islands, the Company has obtained an undertaking from the Governor-in-Cabinet:

(i) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciation shall apply to the Company or its operations; and

(ii) in addition, that no tax be levied on profits, income gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable by the Company:

  (aa) on or in respect of the shares, debentures or other obligations of the Company; or (bb) by way of withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Law (2011 Revision).

The undertaking for the Company is for a period of twenty years from 8 October 2013.

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.

(k) Stamp duty on transfers

There is no stamp duty payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

(l) Loans to directors

The Companies Law contains no express provision prohibiting the making of loans by a company to any of its directors. However, the Articles provide for the prohibition of such loans under specific circumstances.

(m) Inspection of corporate records

The members of the company 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 of association.

(n) Register of members

A Cayman Islands exempted company may maintain its principal register of members and any branch registers in any country or territory, whether within or outside the Cayman Islands, as the company may determine from time to time. The Companies Law contains no requirement for an exempted company to make any returns of members to the Registrar of Companies in 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. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of member, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law (2009 Revision) of the Cayman Islands.

(o) Winding up

A Cayman Islands company may be wound up either by (i) an order of the court; (ii) voluntarily by its members; or (iii) under the supervision of the court.

The court has authority to order winding up in a number of specified circumstances including where, in the opinion of the court, it is just and equitable that such company be so wound up.

A voluntary winding up of a company occurs where the Company so resolves by special resolution that it be wound up voluntarily, or, where the company in general meeting resolves that it be wound up voluntarily because it is unable to pay its debt as they fall due; 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 where the event occurs on the occurrence of which the memorandum or articles provides that the company is to be wound up. In the case of a voluntary winding up, such company is obliged to cease to carry on its business from the commencement of its winding up except so far as it may be beneficial for its winding up. Upon appointment of a voluntary liquidator, all the powers of the directors cease, except so far as the company in general meeting or the liquidator sanctions their continuance.

In the case of a members' voluntary winding up of a company, one or more liquidators shall be appointed for the purpose of winding up the affairs of the company and distributing its assets.

As soon as the affairs of a company are fully wound up, the liquidator must make a report and 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.

When a resolution has been passed by a company to wind up voluntarily, the liquidator or any contributory or creditor may apply to the court for an order for the continuation of the winding up under the supervision of the court, on the grounds that (i) the company is or is likely to become insolvent; or (ii) the supervision of the court will facilitate a more effective, economic or expeditious liquidation of the company in the interests of the contributories and creditors. A supervision order shall take effect for all purposes as if it was an order that the company be wound up by the court except that a commenced voluntary winding up and the prior actions of the voluntary liquidator shall be valid and binding upon the company and its official liquidator.

For the purpose of conducting the proceedings in winding up a company and assisting the court, there may be appointed one or more persons 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 than one persons are appointed to such office, the court shall declare whether any act 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.

(p) Reconstructions

Reconstructions and amalgamations are governed by specific statutory provisions under the Companies Law whereby such arrangements may be approved by a majority in number representing 75% in value of members or creditors, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the courts. Whilst a dissenting member would have the right to express to the court his view that the transaction for which approval is being sought would not provide the members with a fair value for their shares, nonetheless the courts are unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management and if the transaction were approved and consummated the dissenting member would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of their shares) ordinarily available, for example, to dissenting members of a United States corporation.

(q) Take-overs

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice require the dissenting members to transfer their shares on the terms of the offer. A dissenting member may apply to the court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting member 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 members.

(r) 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, save to the extent any such provision may be held by the court to be contrary to public policy, for example, where a provision purports to provide indemnification against the consequences of committing a crime.

4. GENERAL

Appleby, the Company's legal adviser on Cayman Islands law, has sent to the Company a letter of advice which summarises certain aspects of the 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 "2. Documents available for inspection" in Appendix V. 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.

INFORMATION ABOUT OUR COMPANY

1. Incorporation of the Company

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 10 January 2013.

We have been registered in Hong Kong under Part XI of the Hong Kong Companies Ordinance as a non-Hong Kong company and our principal place of business in Hong Kong is at Flat A3, 1/F, Phase 3, Kwun Tong Industrial Centre, 448-458 Kwun Tong Road, Kwun Tong, Hong Kong. In compliance with the requirements of the Hong Kong Companies Ordinance, Mr. She of Flat D, 27/F, Block 12, Laguna City, 17 Laguna Street, Cha Kwo Ling, Kowloon, Hong Kong has been appointed as our agent for the acceptance of service of process and any notice required to be served on the Company in Hong Kong.

The Company was incorporated in the Cayman Islands and is subject to Cayman Islands law. Its constitution comprises a memorandum of association and articles of association. A summary of certain relevant parts of its constitution and certain relevant aspects of Companies Law is set out in Appendix III to this prospectus.

2. Changes in share capital of the Company

(a) Increase in authorised share capital

(i) As at the date of incorporation of the Company on 10 January 2013, our authorised share capital was HK$100,000,000 divided into 10,000,000,000 Shares having a par value of HK$0.01 each.

(ii) Immediately following completion of the Share Offer and the Capitalisation Issue but taking no account of any Shares which may be allotted and issued pursuant to the exercise of the options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme and upon the exercise of the Over-allotment Option, the authorised share capital of the Company will be HK$100,000,000 divided into 10,000,000,000 Shares, of which 500,000,000 Shares will be issued fully paid or credited as fully paid, and 9,500,000,000 Shares will remain unissued.

Other than pursuant to the exercise of the Over-allotment Option and the exercise of any options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme, there is no present intention to issue any of the authorised but unissued share capital of the Company and, without the prior approval of the Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of the Company.

Save as disclosed herein and in paragraphs headed "3. Resolutions in writing of our Shareholders passed on 13 November 2013" and "4. Group reorganisation" of this Appendix, there has been no alteration in the share capital of the Company since its incorporation.

(b) Founder shares

The Company has no founder shares, management shares or deferred shares.

3. Resolutions in writing of our Shareholders passed on 13 November 2013

Written resolutions were passed by our Shareholders on 13 November 2013 pursuant to which, among other matters:

(a) the Company approved and adopted the Articles of Association with effect from the Listing Date;

(b) conditional on (aa) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus; (bb) the Offer Price having been determined; (cc) the execution and delivery of the Underwriting Agreements on or before the date as mentioned in this prospectus; and (dd) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise, in each case on or before the day falling 30 days after the date of this prospectus:

(i) the Share Offer and the Over-allotment Option were approved and the Directors were authorised to allot and issue of the Offer Shares pursuant to the Share Offer and such number of Shares as may be required to be allotted and issued upon the exercise of the Over-allotment Option;

(ii) the rules of the Share Option Scheme, the principal terms of which are set out in "13. Share Option Scheme" in this Appendix below, were approved and adopted and the Directors were authorised to approve any amendments to the rules of the Share Option Scheme as may be acceptable or not objected to by the Stock Exchange, and at the Directors' absolute discretion 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 and to take all such steps as may be necessary, desirable or expedient to implement the Share Option Scheme;

(iii) conditional on the share premium account of the Company being credited as a result of the Share Offer, the Directors were authorised to capitalise HK$3,749,000 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 374,900,000 Shares for allotment and issue to holders of Shares whose names appear on the register of members of the Company at the close of business on 13 November 2013 (or as they may direct) in proportion (as nearly as possible without involving fractions so that no fraction of a share shall be allotted and issued) to their then existing holdings in the Company and so that the Shares to be allotted and issued pursuant to this resolution should rank *pari passu* in all respects with the then existing issued Shares and the Directors were authorised to give effect to such capitalisation;

(iv) a general unconditional mandate was given to the Directors to exercise all powers of the Company to allot, issue and deal with, otherwise than by way of rights issue, scrip dividend schemes or similar arrangements providing for allotment of Shares in lieu of the whole or in part of any dividend in accordance with the

Articles of Association, or pursuant to the exercise of any options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme, or under the Share Offer or the Capitalisation Issue or upon the exercise of the Over-allotment Option, Shares with an aggregate nominal amount of 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 Share Offer and the Capitalisation Issue but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option, and (bb) the aggregate nominal amount of the share capital of the Company which may be purchased by the Company pursuant to the authority granted to the Directors as referred to in sub-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, the Companies Law or any other applicable Cayman Islands law to be held, or the passing of an ordinary resolution by the Shareholders revoking or varying the authority given to the Directors, whichever occurs first;

(v) a general unconditional mandate (the "**Repurchase Mandate**") was given to the Directors to exercise all powers of the Company to purchase Shares on the Stock Exchange or other stock exchange on which the securities of the Company may be listed and recognised by the SFC and the Stock Exchange for this purpose, with an aggregate nominal amount of not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue immediately following the completion of the Share Offer and the Capitalisation Issue but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option 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 applicable Cayman Islands law to be held, or the passing of an ordinary resolution by the Shareholders revoking or varying the authority given to the Directors, whichever occurs first; and

(vi) the extension of the general mandate to allot, issue and deal with Shares pursuant to paragraph (iii) above to include the nominal amount of Shares which may be purchased or repurchased pursuant to paragraph (iv) above.

(c) the rules of the Pre-IPO Share Option Scheme, the principal terms of which are set out in "14. Pre-IPO Share Option Scheme" in this Appendix below, were approved and adopted and our Directors or any committee established by our Board were authorised, at their sole discretion, to (i) administer the Pre-IPO Share Option Scheme; (ii) grant options to subscribe for Shares under the Pre-IPO Share Option Scheme before up to the limits referred to in the Pre-IPO Share Option Scheme; (iii) allot, issue and deal with the Shares pursuant to the exercise of any option which may be granted under the Pre-IPO Share Option Scheme; (iv) make application at the appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, any Shares or any part thereof that may hereafter from time to time be issued and allotted pursuant to the exercise of the options granted under the Pre-IPO Share Option Scheme; and (v) take all such actions as they consider necessary, desirable or expedient to implement or give effect to the Pre-IPO Share Option Scheme;

(d) the Company approved the form and substance of each of the service agreements made between our executive Directors and us, and the form and substance of each of the appointment letters made between each of our non-executive Directors and independent non-executive Directors with us.

4. Group reorganisation

The companies comprising the Group underwent a reorganisation to rationalise the Group's structure in preparation for the listing of the Shares on the Stock Exchange. For more details regarding the Reorganisation, please refer to section headed "History, Development and Reorganisation" to this prospectus.

5. Changes in share capital of subsidiaries

The subsidiaries of the Company are listed in the Accountant's Report in Appendix I to this prospectus.

Save as disclosed herein and in paragraph headed "4. Group reorganisation" in this Appendix and the section headed "History, Development and Reorganisation" to this prospectus, no other alterations in the share capital of each of the Company's subsidiaries took place within the two years immediately preceding the date of this prospectus.

6. Securities repurchase mandate

This paragraph includes information required by the Stock Exchange to be included in this prospectus concerning the repurchase by the Company of its own securities.

(a) Shareholders' approval

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company listed on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholder, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to a resolution in writing passed by our Shareholders on 13 November 2013, the Repurchase Mandate was given to the Directors authorising any repurchase by the Company of Shares on the Stock Exchange or any other stock exchange on which the securities of the Company may be listed and which is recognised by the SFC of Hong Kong and the Stock Exchange for this purpose, of up to 10% of the aggregate nominal amount of the share capital of the Company in issue immediately following completion of the Share Offer and the Capitalisation Issue but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option, the Share Option Scheme and the Pre-IPO Share Option Scheme, 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 of Association or applicable Cayman Islands 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.

(b) Source of funds

Repurchases must be paid out of funds legally available for the purpose in accordance with the Articles of Association and the Companies Law. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Cayman Islands laws, any repurchases by the Company may be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if so authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital.

Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital.

(c) Reasons for repurchases

The Directors believe that it is in the best interest of the Company and the 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 per Share and/or earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company and the Shareholders.

(d) Funding of repurchases

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules 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, 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.

(e) General

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell any Shares to the Company or our 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 Listing Rules, the Articles of Association 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 Takeovers Code. As a result, a Shareholder, a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase of such Shareholders' interest, could obtain or consolidate control of the Company and may become obliged under Rule 26 of the Takeovers Code to make a mandatory offer unless a whitewash waiver is obtained. 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.

The Directors will not exercise the Repurchase Mandate if the repurchase would result in the number of Shares which are in the hands of the public falling below 25% of the total number of Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the Listing Rules).

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

FURTHER INFORMATION ABOUT THE BUSINESS OF OUR COMPANY

7. Summary of material contracts

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

(a) the agreement dated 1 December 2011 between Invoice Limited and Leung Wai Ming, pursuant to which Leung Wai Ming acquired 100% interest in Gain More Investment Limited from Invoice Limited at a consideration of HK$10,000;

(b) the agreement dated 10 March 2012 between Invoice Limited and CTP Limited, pursuant to which CTP Limited acquired 100% interest in Profit More Rich Limited from Invoice Limited at a consideration of HK$3,200,000;

(c) the assignment dated 28 March 2012 and entered into between Invoice Limited and King Profit International Limited, pursuant to which King Profit International Limited purchased the property located at unit A3 (including flat roof appurtenant thereto) on 4/F of Block 3, Nos. 448-458 Kwun Tong Road, Kwun Tong Industrial Centre, Kowloon from Invoice Limited for a consideration of HK$5,800,000;

(d) the supplemental agreement dated 18 May 2013 and entered into between E-Print Group and E-Print Solutions relating to the amendment of certain terms and conditions of a software licence and technical support agreement dated 6 May 2009;

(e) the co-operation agreement dated 2 July 2013 and entered into among eprint Group (BVI), Bannershop Investment Limited and E-Print Bannershop Limited relating to the establishment and development of a delivery channel;

(f) the Deed of Non-Competition;

(g) the Deed of Indemnity; and

(h) the Public Offer Underwriting Agreement.

8. Intellectual property rights of our Group

Set out below are the material intellectual property rights of our Group:

(a) Trademarks

As at the Latest Practicable Date, our Group is the registered proprietor and beneficial owner of the following material trademarks:

No.	Trademark	Place of Registration	Class(es)	Registration number	Registration Date	Expiry Date
1.	A	Hong Kong	39	301567161AA	19 March 2010	18 March 2020
	B					
2.	A	Hong Kong	39, 40	301766188	17 November 2010	16 November 2020
	B					
	C					
	D					

No.	Trademark	Place of Registration	Class(es)	Registration number	Registration Date	Expiry Date
3.	PHOTOBOOK1010	Hong Kong	16, 35, 39, 42	302300741AA	29 June 2012	28 June 2022
4.	A PHOTOBOOK1010 www.photobook1010.com B PHOTOBOOK1010 www.photobook1010.com	Hong Kong	16, 35, 39, 42	302300741AB	29 June 2012	28 June 2022
5.	A e-print www.e-print.com.hk B e-print www.e-print.com.hk	Hong Kong	16, 35, 39, 40, 42	302489932	9 January 2013	8 January 2023
6.	A invoice 實明印刷 B invoice 實明印刷	Hong Kong	16, 35, 39, 40, 42	302549944	15 March 2013	14 March 2023

As at the Latest Practicable Date, our Group has applied for registration of the following material trademarks:

No.	Trademark	Place of Application	Class(es)	Application number	Date of Application
1.	e-printBannerSHOP	Hong Kong	16, 35, 39, 40, 42	302556180	22 March 2013
2.	e-print	PRC	42	11889648	13 December 2012
3.	e-print	PRC	40	11889601	13 December 2012
4.	designeasy www.design-easy.com	PRC	42	11889639	13 December 2012
5.	designeasy www.design-easy.com	PRC	40	11889619	13 December 2012

(b) Domain Names

As at the Latest Practicable Date, the Group has the following material registered domain names:

Domain Name	Name of Registrant	Date of registration	Date of expiry
www.e-print.com.hk*	Promise Network	30 October 2001	31 October 2015
www.e-invoice.com.hk*	Promise Network	17 September 2005	21 September 2015
www.design-easy.com*	Promise Network	7 July 2007	7 July 2014
www.photobook1010.com*	Promise Network	2 March 2009	2 March 2014
www.kimleysoft.com*	Dajinlai Technology	31 May 2011	31 May 2014
www.eprintgroup.com.hk*	Promise Network	20 August 2013	21 August 2014

(c) PRC copyrights

No.	Software	Certificate No.	Registration No.	Registration Date
1	Dajinlai Printing Management System v1.0	Software Registration No. 0457148	2012SR089112	19 September 2012
2	Dajinlai Pre-printing Management System (client) v1.0	Software Registration No.0457050	2012SR089014	19 September 2012
3	Dajinlai Pre-printing Management System (server) v1.0	Software Registration No.0457048	2012SR089012	19 September 2012
4	Dajinlai Photobook 1010 V2.0	Software Registration No.0468287	2012SR100251	25 October 2012
5	Dajinlai SMS V3.5.1	Software Registration No.0468400	2012SR100364	25 October 2012
6	Dajinlai Minphotobook V1.0	Software Registration No.0539963	2013SR034201	16 April 2013
7	Dajinlai Online Design System	Software Registration No.0639965	2013SR034203	16 April 2013

* The content of the website do not form part of the prospectus.

9. Connected transactions and related party transactions

Save as disclosed in the sections headed "Business", "Connected Transactions" and "Relationship with Controlling Shareholders" and in Note 29 to the Accountant's Report, the text of which is set out in Appendix I to this prospectus, during the two years immediately preceding the date of this prospectus, the Company has not engaged in any other material connected transactions or related party transactions.

FURTHER INFORMATION ABOUT DIRECTORS AND SHAREHOLDERS

10. Directors

(a) Disclosure of interests of the Directors

(i) Each of Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung is interested in the Reorganisation and the transactions as contemplated under the material contracts as set out in the paragraph headed "7. Summary of material contracts" in this Appendix.

(ii) Save as disclosed in this prospectus, none of the Directors or their associates were engaged in any dealings with the Group during the two years preceding the date of this prospectus.

(b) Particulars of Directors' service contracts

Executive Directors

Each of the executive Directors has entered into a service contract with the Company for a term of three years commencing from the Listing Date until terminated by not less than three months' notice in writing served by either party on the other. Each of the executive Directors is entitled to their respective annual remuneration set out below.

The current basic annual remuneration payable by our Group to the executive Directors are as follows:

Name	**Approximate annual remuneration** *(HK$)*
Mr. She	2,775,000
Mr. Fung Hong Keung	975,000
Mr. Tsui Pak Wai	735,000

Non-executive Directors

Each of the non-executive Directors has entered into a letter of appointment with the Company for a term of three years commencing from the Listing Date until terminated by not less than three months' notice in writing served by either party on the other. Each of the non-executive Directors is entitled to their respective annual remuneration set out below.

The current basic annual remuneration payable by our Group to the non-executive Directors are as follows:

Name	Approximate annual remuneration *(HK$)*
Mr. Chong	420,000
Mr. Lam	420,000
Mr. WM Leung	420,000
Mr. YP Leung	420,000

Independent non-executive Directors

Each of the independent non-executive Directors has been appointed for an initial term of three years commencing from the Listing Date until terminated by either party giving not less than three months' written notice to the other expiring at the end of the initial term of their appointment or any time thereafter. The appointments are subject to the provisions of the Articles of Association with regard to vacation of office of Directors, removal and retirement by rotation of Directors. Each of the independent non-executive Directors is entitled to a director's fee of HK$120,000 per annum. Save for directors' fees, none of the independent non-executive Directors is expected to receive any other remuneration for holding their office as an independent non-executive Director.

Save as aforesaid, none of the Directors has or is proposed to have a service contract with the Company or any of our subsidiaries other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

(c) *Directors remuneration*

(i) The aggregate emoluments paid and benefits in kind granted by the Group to the Directors in their capacity as employees to the Group and/or in their capacity as directors of the Company during the Track Record Period in respect of the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013 were approximately HK$687,000, HK$2,247,000, HK$1,290,000 and HK$430,000, respectively.

(ii) Under the arrangements currently in force, the aggregate emoluments (excluding discretionary bonus) payable by the Group to and benefits in kind receivable by the Directors (including the independent non-executive Directors in their respective capacity as Directors) for the year ending 31 March 2014 are expected to be approximately HK$2.5 million (the remuneration received and receivable from the Group by these directors in their capacity as employees to the Group and/or in their capacity as directors of the Company).

(iii) None of the Directors or any past directors of any member of the Group has been paid any sum of money for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013 (i) as an inducement to join or upon joining the Group or (ii) for loss of office as a director of any member of the Group or of any other office in connection with the management of the affairs of any member of the Group.

(iv) There has been no arrangement under which a Director has waived or agreed to any emoluments for the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013.

(d) Interests and short positions of Directors and chief executive in the shares, underlying shares or debentures of the Company and our associated corporations

Immediately following completion of the Share Offer and the Capitalisation Issue and taking no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme may be granted under the Share Option Scheme, the interests and short positions of the Directors and chief executive in the shares, underlying shares or debentures of the Company and our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to notify to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, once the Shares are listed, will be as follows:

The Company

Name of Director	Nature of interest	Number and class of securities[1]	Approximate percentage of shareholding
Mr. She	Beneficial owner	17,850,000 Shares (L)	3.57%
	Interest in a controlled corporation[2]	292,500,000 Shares (L)	58.5%

Name of Director	Nature of interest	Number and class of securities(1)	Approximate percentage of shareholding
Mr. Chong	Beneficial owner	17,850,000 Shares (L)	3.57%
	Interest in a controlled corporation(2)	292,500,000 Shares (L)	58.5%
Mr. Lam	Beneficial owner	17,850,000 Shares (L)	3.57%
	Interest in a controlled corporation(2)	292,500,000 Shares (L)	58.5%
Mr. WM Leung	Beneficial owner	17,850,000 Shares (L)	3.57%
	Interest in a controlled corporation(2)	292,500,000 Shares (L)	58.5%
Mr. YP Leung	Beneficial owner	11,100,000 Shares (L)	2.22%
	Interest in a controlled corporation(2)	292,500,000 Shares (L)	58.5%
Mr. Fung Hong Keung	Beneficial Owner	2,500,000*(Note 3)*	0.5%
Mr. Tsui Pak Wai	Beneficial Owner	2,500,000 *(Note 3)*	0.5%

Notes:

1. The letter "L" denotes the Directors' long position in the Shares.

2. The Company will be held as to approximately 58.5%, 3.57%, 3.57%, 3.57%, 3.57% and 2.22% respectively by eprint Limited, Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung, immediately following the completion of the Share Offer and the Capitalisation Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme). eprint Limited is held as to approximately 21.62%, 21.62%, 21.62%, 21.62% and 13.52% by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung respectively. Pursuant to the Acting in Concert Confirmation, each of Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung has agreed to jointly control their respective interests in the Company. Accordingly, eprint Limited shall be accustomed to act in accordance with joint instructions of the Concerted Shareholders. Hence, each of the Concerted Shareholders is deemed to be interested in all the Shares held by eprint Limited by virtue of the SFO.

3. The interests represent number of the options granted to the relevant Director under the Pre-IPO Share Option Scheme. For details, please refer to the paragraph headed "14. Pre-IPO Share Option Scheme" below.

Associated corporation – eprint Limited

Name of Director	**Nature of interest**	**Number and class of securities in the Associated Corporation[1]**	**Approximate percentage of interest in the Associated Corporation**
Mr. She	Beneficial owner	2,162	21.62%
Mr. Chong	Beneficial owner	2,162	21.62%
Mr. Lam	Beneficial owner	2,162	21.62%
Mr. WM Leung	Beneficial owner	2,162	21.62%
Mr. YP Leung	Beneficial owner	1,352	13.52%

Notes:

1. The disclosed interest represents the interests in eprint Limited, our Controlling Shareholder, which is owned by Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung in the respective proportions of 21.62%, 21.62%, 21.62%, 21.62% and 13.52%.

11. Interest discloseable under the SFO and substantial shareholders

So far as the Directors are aware, immediately following completion of the Share Offer and the Capitalisation Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme), the following persons (other than the Directors and chief executive) will have an interest or short position in the Shares or the 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 our Company or any other members of our Group:

A. Interest in Company

Name of Shareholder	**Capacity/Nature of interest**	**Number and class of securities[1]**	**Approximate percentage of interest in the Company**
eprint Limited[2]	Beneficial owner	292,500,000 Shares (L)	58.5%
Ms. Lo Suet Yee[3]	Interest of spouse	310,350,000 Shares (L)	62.07%

Name of Shareholder	Capacity/Nature of interest	Number and class of securities[1]	Approximate percentage of interest in the Company
Ms. Yip Fei[4]	Interest of spouse	310,350,000 Shares (L)	62.07%
Ms. Yu Siu Ping[5]	Interest of spouse	310,350,000 Shares (L)	62.07%
Ms. Chau Fung Kiu[6]	Interest of spouse	310,350,000 Shares (L)	62.07%

Notes:

1. The letter "L" denotes the person's long position in the shares of the Company or the relevant Group member.

2. eprint Limited is directly interested in approximately 58.5% in our Company (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme).

3. Ms. Lo Suet Yee is the spouse of Mr. She. Under the SFO, Ms. Lo Suet Yee is taken to be interested in the same number of Shares in which Mr. She is interested.

4. Ms. Yip Fei is the spouse of Mr. Chong. Under the SFO, Ms. Yip Fei is taken to be interested in the same number of Shares in which Mr. Chong is interested.

5. Ms. Yu Siu Ping is the spouse of Mr. Lam. Under the SFO, Ms. Yu Siu Ping is taken to be interested in the same number of Shares in which Mr. Lam is interested.

6. Ms. Chau Fung Kiu is the spouse of Mr. WM Leung. Under the SFO, Ms. Chau Fung Kiu is taken to be interested in the same number of Shares in which Mr. WM Leung is interested.

B. Interest in Invoice Limited, our subsidiary

Name of shareholder	Capacity/Nature of interest	Number and class of securities[1]	Approximate percentage of interest in Invoice Limited
Mr. Yip	Beneficial owner	300 ordinary shares (L)	30%

Note:

(1) The letter "L" denotes the person's long position in the shares of the relevant Group member.

12. Disclaimers

Save as disclosed in this prospectus:

(a) and taking no account of any Shares which may be taken up or acquired under the Share Offer or upon the exercise of the Over-allotment Option and any options which may be granted under the Share Option Scheme and the Pre-IPO Share Option Scheme, the Directors are not aware of any person (not being a Director or chief executive of the Company) who immediately following the completion of the Share Offer and the Capitalisation Issue will have an interest or a short position in the Shares and 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 will, either directly or indirectly, be 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 other member of the Group;

(b) none of the Directors has any interest or short position in any of the shares, underlying shares or debentures of the Company or any associated corporations within the meaning of Part XV of the SFO, which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any of them is deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, in each case once the Shares are listed;

(c) none of the Directors nor any of the parties listed in the paragraph headed "21. Consents of experts" below has been interested in the promotion of, or has any direct or indirect interest in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to the Company or any of the subsidiaries of the Company, or are proposed to be acquired or disposed of by or leased to the Company or any other member of the Group nor will any Director apply for the Offer Shares either in his own name or in the name of a nominee;

(d) none of the Directors nor any of the parties listed in the paragraph headed "21. Consents of experts" below is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to business of the Group; and

(e) save in connection with the Underwriting Agreements, none of the parties listed in the paragraph headed "21. Consents of experts" below:

    (i) is interested legally or beneficially in any securities of any member of the Group; or

    (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

OTHER INFORMATION

13. Share Option Scheme

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by the written resolutions of our Shareholders passed on 13 November 2013.

(a) Purpose

The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions the Eligible Participants (as defined in paragraph (b) below) have had or may have made to the Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

(i) motivating the Eligible Participants to optimise their performance efficiency for the benefit of the Group; and

(ii) attracting and retaining or otherwise maintaining on-going business relationships with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

(b) Who may join

The Board may, at its discretion, offer to grant an option to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (f) below to the following persons ("**Eligible Participants**"):

(i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;

(ii) any Directors (including non-executive Directors and independent non-executive Directors) of the Company or any of its subsidiaries;

(iii) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and

(iv) such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group, the assessment criteria of which are:

(aa) contribution to the development and performance of the Group;

(bb) quality of work performed for the Group;

(cc) initiative and commitment in performing his/her duties; and

(dd) length of service or contribution to the Group.

(c) Acceptance of an offer of options

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptance of the options duly signed by the grantee, together with a remittance in favour of the Company of HK$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date. Such payment shall in no circumstances be refundable. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is 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 and such number is clearly stated in the duplicate offer document constituting acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

Subject to paragraphs (l), (m), (n), (o) and (p), an option shall be exercised in whole or in part and, other than where it is exercised to the full extent outstanding, shall be exercised in integral multiples of such number of Shares as shall represent one board lot for dealing in Shares on the Stock Exchange for the time being, by the grantee 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 exercised. Each such notice must be accompanied by a remittance for the full amount of the exercise price for the Shares in respect of which the notice is given.

Within 21 days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate by the auditors to the Company or the approved independent financial adviser as the case may be pursuant to paragraph (r), the Company shall allot and issue the relevant number of Shares to the grantee credited as fully paid and issue to the grantee certificates in respect of the Shares so allotted.

The exercise of any option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company.

(d) Maximum number of Shares

The maximum number of Shares in respect of which options may be granted (including Shares in respect of which options, whether exercised or still outstanding, have already been granted) under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue on the Listing Date, being 50,000,000 Shares (the "**Scheme Limit**"), excluding for this purpose Shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of the Company). Subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

(i) renew this limit at any time to 10% of the Shares in issue (the "**New Scheme Limit**") as at the date of the approval by the Shareholders in general meeting; and/or

(ii) grant options beyond the Scheme Limit to Eligible Participants specifically identified by the Board. The circular issued by the Company to the Shareholders shall contain a generic description of the specified Eligible Participants 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 Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing, the 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 share option schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time (the "**Maximum Limit**"). No options shall be granted under any schemes of the Company (including the Share Option Scheme) if this will result in the Maximum Limit being exceeded. The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of the Company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of the Company in accordance with paragraph (r) below whether by way of capitalisation issue, rights issue, consolidation, sub-division of shares or reduction of the share capital of the Company but in no event shall exceed the limit prescribed in this paragraph.

(e) Maximum number of options to any one individual

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company (including both exercised, outstanding options and Shares which were the subject of options which have been granted and accepted under the Share Option Scheme or any other scheme of the Company but subsequently cancelled (the "**Cancelled Shares**") to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

(i) the issue of a circular by the Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant) the information as required under Rules 17.02(2)(d) and the disclaimer required under 17.02(4) of the Listing Rules; and

(ii) the approval of the Shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his associates (as defined in the Listing Rules) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before the Shareholders' approval and the date of the Board meeting at which the Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares. The Board shall forward to such Eligible Participant an offer document in such form as the Board may from time to time determine or, alternatively, documents accompanying the offer document which state, among other things:

(aa) the Eligible Participant's name, address and occupation;

(bb) the date on which an option is offered to an Eligible Participant which must be a date on which the Stock Exchange is open for the business of dealing in securities;

(cc) the date upon which an offer for an option must be accepted;

(dd) the date upon which an option is deemed to be granted and accepted in accordance with paragraph (c);

(ee) the number of Shares in respect of which the option is offered;

(ff) the subscription price and the manner of payment of such price for the Shares on and in consequence of the exercise of the option;

(gg) the date of the notice given by the grantee in respect of the exercise of the option;

(hh) the method of acceptance of the option which shall, unless the Board otherwise determines, be as set out in paragraph (c); and

(ii) such other terms and conditions (including, without limitation, any minimum period for which an option shall be held before it can be exercised and/or any performance targets which must be achieved before the option can be exercised) relating to the offer of the option which in the opinion of the Board are fair and reasonable but not being inconsistent with the Share Option Scheme and the Listing Rules.

(f) Price of Shares

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of:

(i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;

(ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of grant; and

(iii) the nominal value of a Share.

(g) Granting options to connected persons

Any grant of options to a Director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options). If the Board proposes to grant options to a substantial shareholder or any independent non-executive Director or their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, cancelled and outstanding) 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 in excess of HK$5 million or such other sum as may be from time to time provided under the Listing Rules, based on the closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange at the date of each grant, such further grant of options will be subject to the approval of the independent non-executive Directors as referred to in this paragraph, the issue of a circular by the Company and the approval of the Shareholders in general meeting on a poll at which all connected persons (as defined in the Listing Rules) of the Company shall abstain from voting in favour, and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll.

The circular to be issued by the Company to the Shareholders pursuant to the above paragraph shall contain the following information:

(i) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Participant, which must be fixed before the Shareholders' meeting and the date of the Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such options;

(ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) to the independent Shareholders as to voting;

(iii) the information required under Rule 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and

(iv) the information required under Rule 2.17 of the Listing Rules.

(h) Restrictions on the times of grant of Options

A grant of options may not be made after a price sensitive event 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 Listing Rules. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

(i) the date of the Board meeting (such date to first be notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and

(ii) the deadline for the Company to publish an announcement of the results for any year, or half-year, or quarterly or other interim period (whether or not required under the Listing Rules); and ending on the date of actual publication of the results announcement.

(i) Rights are personal to grantee

An option is personal to the grantee. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any option or attempt so to do (save that the grantee may nominate a nominee in whose name the Shares issued pursuant to the Share Option Scheme may be registered). Any breach of the foregoing shall entitle the Company to cancel any outstanding options or any part thereof granted to such grantee.

(j) Time of exercise of option and duration of the Share Option Scheme

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted. No option may be granted more than ten years after the date of approval of the Share Option Scheme by the shareholders of the Company (the "**Adoption Date**"). Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten years from the Adoption Date.

(k) Performance target

A grantee may be required to achieve any performance targets as the Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised.

(l) Rights on ceasing employment/death

If the grantee of an option ceases to be an Eligible Participant:

(i) by any reason other than death, ill-health, injury, disability or termination of his relationship with the Company and/or any of its subsidiaries on one of more of the grounds specified in paragraph (m) below, the grantee may exercise the option up to the entitlement of the grantee as at the date of cessation (to the extent not already exercised) within a period of one month (or such longer period as the Board may determine) from such cessation which date shall be the last actual working day with the Company or the relevant subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse (or such longer period as the Company may determine); or

(ii) by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of the Board) and none of the events which would be a ground for termination of his relationship with the Company and/or any of its subsidiaries under paragraph (m) has occurred, the grantee or his personal representative(s) may exercise the option within a period of 12 months (or such longer period as the Board may determine) from the date of cessation of being an Eligible Participant or death to exercise the Options in full (to the extent not already exercised).

(m) Rights on dismissal

If the grantee of an option ceases to be an Eligible Participant on the grounds that he has been guilty of serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty, his option will lapse and not be exercisable after the date of termination of his employment.

(n) Rights on takeover

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

(o) Rights on winding-up

In the event that 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 forthwith give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised) at any time not later than two Business Days prior to the proposed general meeting of the Company referred to above 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, allot the relevant Shares to the grantee credited as fully paid.

(p) Rights on compromise or arrangement between the Company and its members or creditors

If a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of a scheme for the reconstruction of the Company or its amalgamation with any other companies pursuant to the laws of the jurisdiction in which the Company was incorporated, the Company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a scheme or arrangement and any grantee may by 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 (such notice to be received by the Company no later than two Business Days prior to the proposed meeting), exercise the option to its full extent or to the extent specified in the notice and 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 meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise of the option credited as fully paid and register the grantee as holder thereof.

With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. If for any reason such compromise or arrangement does not become effective and is terminated or lapses, the rights of grantees to exercise their respective options shall with effect from such termination be restored in full but only upon the extent not already exercised and shall become exercisable.

(q) Ranking of Shares

The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will rank *pari passu* and shall have the same voting, dividend, transfer and other rights (including those arising on liquidation) as are attached to the other fully-paid Shares in issue on the date of exercise, save that they will not rank for any dividend or other distribution declared or recommended or resolved to be paid or made by reference to a record date falling on or before the date of exercise.

(r) Effect of alterations to capital

In the event of any alteration in the capital structure of the Company whilst any option may become or remains exercisable, whether by way of capitalisation issue, rights issue, consolidation, subdivision or reduction of share capital of the Company, such corresponding alterations (if any) shall be made in the number of Shares subject to any outstanding options and/or the subscription price per Share of each outstanding option and/or the Scheme Limit, the New Scheme Limit and the Maximum Limit as the auditors of the Company or an independent financial adviser shall certify in writing to the Board to be in their/his opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issues relating to share option schemes. The capacity of the auditors of the Company or the approved independent financial adviser, as the case may be, in this paragraph is that of experts and not arbitrators and their certificate shall, in the absence of manifest error, be final and conclusive and binding on the Company and the grantees.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the equity capital of the Company (as interpreted in accordance with the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issues relating to share option schemes) for which any grantee of an option is entitled to subscribe pursuant to the options held by him before such alteration provided that no such alteration shall be made if the effect of which would be to enable a Share to be issued at less than its nominal value. The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

(s) Expiry of option

An option shall lapse automatically and shall not be exercisable (to the extent not already exercised) on the earliest of:

(i) the date of expiry of the option as may be determined by the Board;

(ii) the expiry of any of the periods referred to in paragraphs (l), (m), (n) or (o);

(iii) the date upon which the scheme of arrangement of the Company referred to in paragraph (p) becomes effective;

(iv) subject to paragraph (o), the date of commencement of the winding-up of the Company;

(v) the date upon which the grantee ceases to be an Eligible Participant by reason of such grantee's resignation from the employment of the Company or any of its subsidiaries or the termination of his or her employment or contract on the grounds that he or she has been guilty of serious misconduct, or has committed any act of bankruptcy or is unable to pay his or her debts or has become insolvent or has made any arrangement or has compromised with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or has been in breach of contract. A resolution of the Board to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; or

(vi) the date upon which the Board shall exercise the Company's right to cancel the option at any time after the grantee commits a breach of paragraph (i) above or the options are cancelled in accordance with paragraph (u) below.

(t) Alteration of the Share Option Scheme

The Share Option Scheme may be altered in any respect by resolution of the Board except that:

(i) any alteration to the advantage of the grantees or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; or

(ii) any material alteration to the terms and conditions of the Share Option Scheme or any change to the terms of options granted;

shall first be approved by the Shareholders in general meeting provided that if the proposed alteration shall adversely affect any option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the Share Option Scheme. The amended terms of the Share Option Scheme must still comply with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme must be approved by Shareholders in general meeting.

(u) Cancellation of Options

Any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing. For the avoidance of doubt, such approval is not required in the event that any option is cancelled pursuant to paragraph (i).

(v) Termination of the Share Option Scheme

The Company may by resolution in general meeting or the Board may at any time terminate the Share Option Scheme and in such event no further option shall be offered but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme.

Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(w) Administration of the Board

The Share Option Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to the Share Option Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

(x) Conditions of the Share Option Scheme

The Share Option Scheme is conditional on:

(i) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Shares which may fall to be issued pursuant to the exercise of options to be granted under the Share Option Scheme;

(ii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including, if relevant, as a result of the waiver of any such condition(s) by the Lead Manager (for itself and on behalf of the Underwriters)) and not being terminated in accordance with the terms of the Underwriting Agreement or otherwise; and

(iii) the commencement of dealings in the Shares on the Stock Exchange.

If the conditions in paragraph (x) above are not satisfied within 12 calendar months from the Adoption Date:

(i) the Share Option Scheme shall forthwith determine;

(ii) any option granted or agreed to be granted pursuant to the Share Option Scheme and any offer of such a grant shall be of no effect; and

(iii) no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the Share Option Scheme or any option granted thereunder.

(y) Disclosure in annual and interim reports

The Company will disclose details of the Share Option Scheme in its annual and interim reports including the number of options, date of grant, exercise price, exercise period and vesting period during the financial year/period in the annual/interim reports in accordance with the Listing Rules in force from time to time.

As at the Latest Practicable Date, no option had been granted or agreed to be granted under the Share Option Scheme.

Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the options to be granted under the Share Option Scheme, being 50,000,000 Shares in total.

14. Pre-IPO Share Option Scheme

Pursuant to the written resolutions of the shareholders of our Company passed on 13 November 2013, the rules of the Pre-IPO Share Option Scheme were approved and adopted.

(a) Purpose and terms

The purpose of the Pre-IPO Share Option Scheme is to recognise the contribution of certain directors and employees of our Group who are in full-time employment of our Group to the growth of our Group and/or to the Listing of the Shares on the Stock Exchange by granting options to them as incentive or reward. The principal terms of the Pre-IPO Share Option Scheme, approved and adopted pursuant to the written resolutions of the Shareholders of our Company passed on 13 November 2013, are substantially the same as the terms of the Share Option Scheme except that:

(i) the total number of Shares which may be issued upon the exercise of all options granted under the Pre-IPO Share Option Scheme is 12,500,000 Shares, representing approximately 2.5% of the enlarged issued share capital of our Company immediately following the completion of the Share Offer and the Capitalisation Issue (without taking into account any Shares which may be issued and allotted upon any exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme);

(ii) save for the options which have been granted on or before 13 November 2013, no further options will be granted under the Pre-IPO Share Option Scheme on or after the Listing Date;

(iii) the option(s) granted to the Grantees under the Pre-IPO Share Option Scheme shall become exercisable in accordance with the time as indicated below:

(1) on 1 April 2014, option(s) in respect of 50% of the total number of Shares to be issued pursuant to the exercise of the options granted to the Grantees under the Pre-IPO Share Option Scheme shall become exercisable;

(2) on the second anniversary date of the Listing Date, option(s) in respect of 50% of the total number of Shares to be issued pursuant to the exercise of the options granted to the Grantees under the Pre-IPO Share Option Scheme shall become exercisable;

(3) All the options granted to the Grantees under the Pre-IPO Share Option Scheme that are not exercised by them prior to the sixth anniversary date of the Listing Date shall lapse and be deemed as cancelled and void;

(iv) the exercise price for any Share under the Pre-IPO Share Option Scheme shall be the Offer Price;

(v) our Board may at its discretion grant option(s) under the Pre-IPO Share Option Scheme to:

(1) any executive, non-executive or independent non-executive director of any member of the Group or an entity in which the Group holds an interest ("**Affiliate**");

(2) any employee of any member of the Group;

(3) any customer, supplier, agent, partner, consultant, adviser or shareholder of or contractor to any member of the Group or an Affiliate;

(4) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, customer, supplier, agent, partner, consultant, adviser or shareholder of or contractor to any member of the Group or an Affiliate; or

(5) a company beneficially owned by any director, employee, consultant, customer, supplier, agent, partner, shareholder, adviser of or contractor to any member of the Group or an Affiliate; and

(vi) each of the Grantees is required to pay HK$1.00 on acceptance of the options granted under the Pre-IPO Share Option Scheme.

Application has been made to the Listing Committee of the Stock Exchange for the approval of the listing of and permission to deal in, 12,500,000 Shares to be issued pursuant to the exercise of the options granted under the Pre-IPO Share Option Scheme.

(b) Outstanding options under the Pre-IPO Share Option Scheme

As at the date of this prospectus, options to subscribe for an aggregate of 12,500,000 Shares (representing approximately 2.5% of the enlarged issued share capital of our Company immediately after completion of the Share Offer, without taking into account any Shares which may be issued and allotted upon any exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme) have been granted under the Pre-IPO Share Option Scheme. All the options under the Pre-IPO Share Option Scheme were granted on or before 15 November 2013 and no further options will be granted under the Pre-IPO Share Option Scheme prior to the Listing Date.

(c) Particulars of grantees

Particulars of the outstanding options conditionally granted under the Pre-IPO Share Option Scheme are set out below:

	Grantee and position	Residential address	Number of underlying Shares to be issued upon full exercise of the Pre-IPO Share options	Percentage of issued share capital of our Company immediately following the completion of the Share Offer and the Capitalisation Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme or may be granted under the the Share Option Scheme)
1.	Mr. Fung Hong Keung (Executive Director, chief financial officer and company secretary)	Flat 9, 33/F, Block 4 Shing Chung House Mei Chung Court Shatin, New Territories Hong Kong	2,500,000	0.5%
2.	Mr. Tsui Pak Wai (Executive Director and manager of the corporate management department)	Room 303 Wang Yip House Wang Tau Hom Estate Lok Fu, Kowloon Hong Kong	2,500,000	0.5%

	Grantee and position	Residential address	Number of underlying Shares to be issued upon full exercise of the Pre-IPO Share options	Percentage of issued share capital of our Company immediately following the completion of the Share Offer and the Capitalisation Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme or may be granted under the the Share Option Scheme)
3.	Mr. Lee Hon Wai (Production manager)	Room 3301, 33/F Tak On House Hau Tak Estate Tseung Kwan O New Territories Hong Kong	1,250,000	0.25%
4.	Mr. Luo Zhifang (Research and development manager)	16F, Tower 3 Hexie Garden Buji, Shenzhen the PRC	1,250,000	0.25%
5.	Mr. Chan Wai Keung (Sales and marketing manager)	1, 4th Lane Ho Ching Sai Kung New Territories Hong Kong	1,250,000	0.25%
6.	Mr. Hu Qingxiang (Manager)	13/F, No.12 Huangshi West Road Yong Heng Street Guangzhou City Guangzhou Province The PRC	1,250,000	0.25%

	Grantee and position	Residential address	Number of underlying Shares to be issued upon full exercise of the Pre-IPO Share options	Percentage of issued share capital of our Company immediately following the completion of the Share Offer and the Capitalisation Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options which were granted under the Pre-IPO Share Option Scheme or may be granted under the the Share Option Scheme)
7.	Mr. Cheang Ngai Wang (Information technology director)	Flat F, 21/F, Block 2 Caribbean Coast Tung Chung New Territories Hong Kong	1,250,000	0.25%
8.	Mr. Leung Wai Yip (Group finance manager)	2/F, No. 66 DD116 Lot 3553 SA Tong Tau Po Tsuen Yuen Long New Territories Hong Kong	1,250,000	0.25%

The Pre-IPO Share Option Scheme will have an impact on the earnings per Share of the Company. The shareholding of the Shareholders of our Company and the earnings per Share immediately following the completion of the Share Offer and the Capitalisation Issue, assuming the Over-allotment Option is not exercised, would be diluted by approximately 2.4%.

Save as disclosed in the above paragraphs, no other options have been granted or agreed to be granted by our Company under the Pre-IPO Share Option Scheme or the Share Option Scheme as at the date of the prospectus.

Save as disclosed in the above paragraphs, no other options have been granted or agreed to be granted by our Company under the Share Option Scheme as at the date of the prospectus.

15. Estate duty, tax and other indemnity

The Controlling Shareholders, (the "**Indemnifiers**") have entered into a deed of indemnity ("**Deed of Indemnity**") with and in favour of the Company (for itself and as trustee for each of its present subsidiaries) (being the material contract (g) referred to in paragraph 7 above) to provide indemnities on a joint and several basis, in respect of, among other matters:

(a) any liability for Hong Kong estate duty which might be incurred by any member of the Group by reason of any transfer of property (within the meaning of sections 35 and 43 of the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong) or the equivalent thereof under the laws of any jurisdiction outside Hong Kong) to any member of the Group at any time on or before the Listing; and

(b) tax liabilities (including all fines, penalties, costs, charges, expenses and interests incidental or relating to taxation) which might be payable by any member of the Group in respect of any income, profits, gains, transactions, events, matters or things earned, accrued, received, entered into or occurring on or before the Listing Date, whether alone or in conjunction with any other circumstances whenever occurring and whether or not such tax liabilities are chargeable against or attributable to any other person, firm, company or corporation.

The Indemnifiers are under no liability under the Deed of Indemnity in respect of any taxation:

(a) to the extent that provision or reserve has been made for such taxation in the audited accounts of any member of the Group for any accounting period up to 31 July 2013;

(b) to the extent that such taxation or liability falling on any of the members of the Group in respect of any accounting period commencing on or after 1 August 2013 and ending on the Listing Date, where such taxation or liability would not have arisen but for some act or omission of, or transaction voluntarily entered into by, any member of the Group (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) without the prior written consent or agreement of the Indemnifiers, other than any such act, omission or transaction:

    (i) carried out or effected in the ordinary course of business or in the ordinary course of acquiring and disposing of capital assets on or before the Listing Date; and

    (ii) carried out, made or entered into pursuant to a legally binding commitment created on or before the Listing Date or pursuant to any statement of intention made in this prospectus; or

(c) to the extent that such taxation liabilities or claim arise or are incurred as a result of the imposition of taxation as a consequence of any retrospective change in the law, rules and regulations or the interpretation or practice thereof by the Hong Kong Inland Revenue Department or the taxation authority of the PRC, or any other relevant authority (whether in Hong Kong or the PRC or any other part of the world) coming into force after the date of the Deed of Indemnity or to the extent such claim arises or is increased by an increase in rates of taxation or claim after the date of the Deed of Indemnity with retrospective effect; or

(d) to the extent that any provision or reserve made for taxation in the audited accounts of any member of the Group up to 31 July 2013 which is finally established to be an over-provision or an excessive reserve, in which case the Indemnifiers' liability (if any) in respect of taxation shall be reduced by an amount not exceeding such provision or reserve, provided that the amount of any such provision or reserve applied referred to in this paragraph to reduce the Indemnifiers' liability in respect of taxation shall not be available in respect of any such liability arising thereafter.

Pursuant to the Deed of Indemnity, the Indemnifiers have undertaken to us that they will indemnify and at all times keeps us fully indemnified, on a joint and several basis, from:

(i) any expenses, payments, sums, outgoings, fees, demands, claims, damages, losses, costs (including but not limited to legal and other professional costs), charges, liabilities, fines, penalties, settlement and the related costs and expenses in connection with any failure, delay or defects of corporate or regulatory compliance or errors, discrepancies or missing documents in the statutory records of any member of our Group under, or any breach of any provision of, the Companies Ordinance or any other applicable laws, rules or regulations on or before the Listing Date.

(ii) all claims, payments, suits, damages, settlements, payments, fines, actions, liabilities and any associated costs and expenses which would be incurred or suffered by the Group directly or indirectly, from or on the basis of or in connection with the legal proceedings and non-compliance matters relating to the Group as described in the sections headed "Business – Regulatory compliance – Legal Proceedings" and ''Business – Regulatory compliance – Major non-compliance matters of our Group during the Track Record Period and as at the Latest Practicable Date'' in this prospectus or in connection with any other non-compliance of the Group which has occurred at any time on or before the Listing Date.

(iii) all claims, payments, suits, damages, settlements, payments, fines, actions, liabilities, cost of relocation and any associated costs and expenses which may be incurred or suffered by the Group directly or indirectly, from or on the basis of or in connection with the addition and alteration of structures of certain properties leased by the Group occurred on or before the Listing Date as more particularly disclosed in the section headed "Business – Properties – Our leased properties – Additions/alterations in our leased properties" in this prospectus.

(iv) any depletion in or reduction in value of its assets or any loss (including all legal costs and suspension of operation), cost, expenses, damages or other liabilities which any member of the Group may incur or suffer arising from or in connection with the implementation of the Reorganisation.

(v) all claims, payments, suits, damages, settlements, payments, fines, actions, liabilities, cost of relocation and any associated costs and expenses which may be incurred or suffered by the Group directly or indirectly, from or on the basis of or in connection with the sub-lease of any premises in breach of the tenancy agreements occurred on or before the Listing Date as more particularly disclosed in the section headed "Business – Properties – Premises sharing arrangements with Bannershop Group – Premises Sharing Cooperation Agreement" in this prospectus.

(vi) all claims, payments, suits, damages, settlements, payments, fines, actions, liabilities and any associated costs and expenses which may be incurred or suffered by our Group directly or indirectly, from or on the basis of or in connection with any litigation, arbitration and/or legal proceedings against any member of our Group which was issued and/or accrued and/or arising from any act, non-performance, omission or otherwise of any member of our Group occurred at any time on or before the Listing Date.

16. Litigation

As at the Latest Practicable Date, neither the Company nor any of our subsidiaries is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company or any of our subsidiaries, that would have a material adverse effect on the results of operations or financial condition of the Company.

17. Preliminary expenses

The preliminary expenses of the Company are estimated to be approximately HK$46,000 and are payable by the Company.

18. Promoters

(a) The promoters of the Company are Mr. She, Mr. Chong, Mr. Lam, Mr. WM Leung and Mr. YP Leung.

(b) Save as disclosed in this prospectus, within the two years preceding the date of this prospectus, no amount or benefit has been paid or given to the promoter named in sub-paragraph (a) above in connection with the Share Offer or the related transactions described in this prospectus.

19. Application for listing of Shares

The Sole Sponsor has made an application on behalf of the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus and any Shares which may be issued upon the exercise of the Over-allotment Option and any options which were granted under the Pre-IPO Share Option Scheme and may be granted under the Share Option Scheme on the Stock Exchange. All necessary arrangements have been made to enable the securities to be admitted into CCASS.

20. Qualifications of experts

The qualifications of the experts who have given opinions and/or whose names are included in this prospectus are as follows:

Name	Qualification
Cinda International Capital Limited	Licensed to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined under SFO
PricewaterhouseCoopers	Certified public accountants
Appleby	Cayman Islands legal advisers to the Company
Jingtian & Gongcheng	PRC legal advisers to the Company
Mr. Jon K.H. Wong	Barrister-at-law in Hong Kong
Li & Partners	Qualified Hong Kong lawyers
Asset Appraisal Limited	Professional surveyor

21. Consents of experts

Each of the Sole Sponsor, PricewaterhouseCoopers, Appleby, Jingtian & Gongcheng, Mr. Jon K.H. Wong, Li & Partners and Asset Appraisal Limited has given and has not withdrawn its written consent to the issue of this prospectus with copies of its reports, valuation, letters or opinions (as the case may be) and the references to its names or summaries of opinions included herein in the form and context in which they respectively appear.

22. Binding effect

This prospectus shall have the effect, if an application is made in pursuance of it, 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.

23. Taxation of holders of Shares

(a) Hong Kong

Dealings in Shares registered on the Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty. The sale, purchase and transfer of Shares are subject to Hong Kong stamp duty, the current rate of which is 0.2% of the consideration or, if higher, the value of the Shares being sold or transferred.

Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

(b) The Cayman Islands

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.

(c) Consultation with professional advisers

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

24. Miscellaneous

(a) Save as disclosed herein:

(i) within two years preceding the date of this prospectus:

(aa) no share or loan capital of the Company or of any of our subsidiaries has been issued, agreed to be issued or is proposed to be issued fully or partly paid either for cash or for a consideration other than cash; and

(bb) 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 our subsidiaries; and

(cc) no commission has been paid or payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure the subscriptions, for any shares in the Company or any of our subsidiaries;

(ii) no share or loan capital of the Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option; and

(b) The Directors confirm that there has been no material adverse change in the financial or trading position or prospects of the Group since 31 July 2013 (being the date to which the latest consolidated financial statements of the Group were made up).

(c) There has not been any interruption in the business of the Group which may have or has had a significant effect on the financial position of the Group in the 12 months preceding the date of this prospectus.

25. Bilingual prospectus

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

1. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to a copy of this prospectus and delivered to the Registrar of Companies in Hong Kong for registration were, amongst other documents, copies of the WHITE and YELLOW and GREEN application forms, the written consents referred to in the section headed "Statutory and General Information – 21. Consents of experts" in Appendix IV to this prospectus, and certified copies of the material contracts referred to in the section headed "Statutory and General Information – 7. Summary of material contracts" in Appendix IV to this prospectus.

2. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the offices of Li & Partners at 22nd Floor, World-Wide House Central, Hong Kong, during normal business hours from 9:00 a.m. up to 5:00 p.m. up to and including the date which is 14 days from the date of this prospectus:

(a) our Memorandum of Association and the Articles of Association;

(b) the accountant's report from PricewaterhouseCoopers in respect of the historical financial information for each of the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, the text of which is set out in Appendix I to this prospectus;

(c) the report on the unaudited pro forma financial information of our Group from PricewaterhouseCoopers, the text of which is set out in Appendix II to this prospectus;

(d) the audited consolidated financial statements of our Company for each of the years ended 31 March 2011, 2012 and 2013 and the four months ended 31 July 2013, if any;

(e) the Companies Law;

(f) the letter of advice prepared by Appleby summarising certain aspects of the Cayman Islands company law referred to in Appendix III to this prospectus;

(g) the legal opinions prepared by Jingtian & Gongcheng in respect of the certain aspects of our Group and property interests of our Group in the PRC and summary of PRC laws and regulations relating to our Group;

(h) the legal opinions issued by Mr. Jon K.H. Wong;

(i) the letter relating to rental of the properties leased form connected persons to our Group and the building inspection report prepared by Asset Appraisal Limited;

(j) the material contracts referred to in the section headed "Statutory and General Information – 7. Summary of material contracts" in Appendix IV to this prospectus;

(k) the written consents referred to in the section headed "Statutory and General Information – 21. Consents of experts" in Appendix IV to this prospectus;

(l) the rules of the Share Option Scheme;

(m) the rules of the Pre-IPO Share Option Scheme; and

(n) the service contracts referred to in the section headed "Statutory and General Information – 10. Directors" in Appendix IV to this prospectus.

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