

APPENDIX III

PROFIT ESTIMATE

The estimate of our consolidated profit attributable to owners of the Company for the year ended June 30, 2016 is set out in the section headed “Financial Information — Profit Estimate” in this document.

(A) BASES

The estimate of the consolidated profit attributable to owners of the Company for the year ended June 30, 2016 prepared by the Directors is based on (i) the audited consolidated results of the Group for the ten months ended April 30, 2016; and (ii) the unaudited consolidated results based on the management accounts of the Group for the remaining two months ended June 30, 2016. The estimate has been prepared on the basis of the accounting policies consistent in all material respects with those currently adopted by the Group as summarised in the accountants’ report set out in Appendix I to this document.

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(B) LETTER FROM OUR REPORTING ACCOUNTANT

The following is the text of letter, prepared for the sole purpose of inclusion in this document, from the independent reporting accountant, BDO Limited, Certified Public Accountants, Hong Kong, in connection with the estimate of the consolidated profit attributable to owners of the Company for the year ended June 30, 2016.



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August 30, 2016

The Board of Directors
CROSSTEC Group Holdings Limited
Kingsway Capital Limited

Dear Sirs,

CROSSTEC Group Holdings Limited (the “Company”)

PROFIT ESTIMATE FOR THE YEAR ENDED JUNE 30, 2016

We refer to the estimate of the consolidated profit attributable to owners of the Company for the year ended June 30, 2016 (the “Profit Estimate”) set forth in the section headed “Financial Information — Profit Estimate” in the document of the Company dated August 30, 2016 (the “Document”).

DIRECTORS’ RESPONSIBILITIES

The Profit Estimate has been prepared by the directors of the Company based on the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the ten months ended April 30, 2016 and the unaudited consolidated results based on the management accounts of the Group for the remaining two months ended June 30, 2016.

The Company’s directors are solely responsible for the Profit Estimate.

OUR INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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REPORTING ACCOUNTANT’S RESPONSIBILITIES

Our responsibility is to express an opinion on the accounting policies and calculations of the Profit Estimate based on our procedures.

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500, *Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness* and with reference to Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the HKICPA. Those standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the accounting policies and calculations are concerned, the Company’s directors have properly compiled the Profit Estimate in accordance with the bases adopted by the directors and as to whether the Profit Estimate is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Accordingly, we do not express an audit opinion.

OPINION

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Estimate has been properly compiled in accordance with the bases adopted by the directors as set out in Appendix III to the Document and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our accountant’s report dated August 30, 2016, the text of which is set out in Appendix I to the Document.

Yours faithfully,

BDO Limited

Certified Public Accountants

Hong Kong

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(C) LETTER FROM THE SOLE SPONSOR ON THE PROFIT ESTIMATE

The following is the text of a letter, prepared for inclusion in this document by the Sole Sponsor, in connection with the estimated consolidated profit attributable to owners of the Company for the year ended 30 June 2016.

SUNWAH KINGSWAY
新華滙富

Kingsway Capital Limited
7/F, Tower One, Lippo Centre
89 Queensway
Hong Kong

The Board of Directors
CROSSTEC Group Holdings Limited

Dear Sirs

We refer to the estimate of the consolidated profit attributable to owners of CROSSTEC Group Holdings Limited (the “Company”, together with its subsidiaries, herein collectively referred to as the “Group”) for the year ended June 30, 2016 (the “Profit Estimate”) as set forth in the Profit Estimate sections of the document of the Company dated August 30, 2016 (the “Document”).

The Profit Estimate, for which you as the directors of the Company (“Directors”) are solely responsible, has been prepared by the Directors based on the audited consolidated results of the Group for the 10 months ended April 30, 2016 and unaudited consolidated results based on the management accounts of the Group for the remaining 2 months ended June 30, 2016.

We have discussed with you the bases made by the Directors as set forth in Appendix III to the Document upon which the Profit Estimate has been made. We have also considered the letter dated August 30, 2016 addressed to you and us from the Company’s reporting accountants, BDO Limited, regarding the accounting policies and the calculations upon which the Profit Estimate has been based.

On the basis of the information comprising the Profit Estimate and on the basis of the accounting policies and the calculations adopted by you and reviewed by BDO Limited, we are of the opinion that the Profit Estimate, for which you as the Directors are solely responsible, has been made after due and careful enquiry.

Yours faithfully
For and on behalf of
Kingsway Capital Limited
Karen Wong
Managing Director