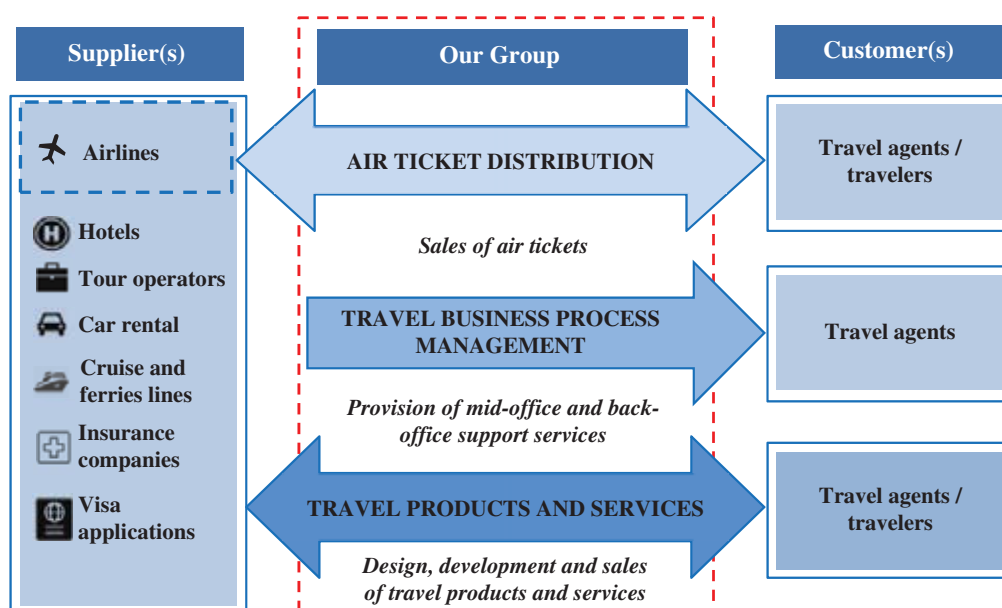

SUMMARY

This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all the information that may be important to you. You should read this prospectus in its entirety before you decide to invest in the Offer Shares. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed “Risk Factors” in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares. Various expressions used in this section are defined or explained in the sections headed “Definitions” and “Glossary of Technical Terms” in this prospectus.

OVERVIEW

Founded in 1976 and with more than 40 years of operating history, we are a long-established air ticket consolidator, travel business process management provider and travel products and services provider in Canada. Our principal businesses include (i) air ticket distribution in which we distribute air tickets to travel agents and travelers and issue air tickets directly on behalf of contracted airlines; (ii) travel business process management in which we provide mid-office and back-office support services to travel agents; and (iii) travel products and services in which we design, develop and sell package tours, as well as other travel products and services to travel agents and travelers. According to the CIC Report, we ranked top three with a market share of approximately 31.3% in the air ticket consolidation market in Canada, in terms of sales volume of air tickets in 2017, and we also ranked top three with a market share of approximately 14.9% in travel business process management market in Canada, in terms of service revenue in 2017. Our business model is illustrated in the diagram below:



SUMMARY

The following table sets forth the components of our revenue by business segment for the periods indicated:

	For the year ended December 31,					
	2015		2016		2017	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
Air ticket distribution	75,287	55.3	94,930	62.0	92,863	60.4
Travel business process management	21,183	15.5	23,968	15.6	28,849	18.7
Travel products and services	39,726	29.2	34,266	22.4	32,150	20.9
Total	136,196	100.0	153,164	100.0	153,862	100.0

OUR PRODUCTS AND SERVICES

Air Ticket Distribution

We operate as an air ticket consolidator to distribute air tickets on behalf of contracted airlines. We negotiate and enter into agreements with airlines to sell private fares to mainly travel agents. Air ticket consolidators like us is a reliable distribution channel where airlines can negotiate annual contract to sell private fares, establish revenue targets and tightly control air ticket sales through a specific kind of booking class, and a valuable supplier partner for travel agents. As one of the IATA accredited travel agents in Canada and one of the ARC accredited travel agents in the United States, we are qualified to obtain ticketing authority to issue air tickets of all available flights (origins and destinations) on behalf of IATA member airlines and ARC member airlines and secure private fare deals directly from them. As of the Latest Practicable Date, we had ticketing authority for more than 150 airlines and private fare deals with around 70 airlines, including top airlines based in Canada, the United States and China. Our sales performance has been consistently strong throughout the Track Record Period. For the years ended December 31, 2015, 2016 and 2017, we sold approximately 606,000, 861,000 and 949,000 air tickets, respectively, which amounted to approximately HK\$3,095.1 million, HK\$3,755.0 million and HK\$4,018.9 million in terms of gross sales proceeds, respectively. Please refer to the section headed “Business — Products and Services - (i) Air ticket distribution” in this prospectus for more details.

Travel Business Process Management

We provide travel business process management mainly to travel agents in North America. We offer a single point of contact for a range of travel business process management include air ticket transaction processing, customer contact, BSP/ARC settlement and reconciliation, software development and travel licensing, compliance and other administrative matters. The service scope and service level varies for each customer depending on the requirements and business needs of the particular customer. Travel business process management providers like us play a pivotal role in providing travel agents the options to outsource their non-core business processes cost effectively and allow travel agents to focus on their core competencies. As of the Latest Practicable Date, we had been providing travel business process management to 10 travel agents which include some of the well-known global brands. Please refer to the section headed “Business — Products and Services - (ii) Travel business process management” in this prospectus for more details.

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Travel Products and Services

We offer package tours and other travel products and services to travel agents and travelers. Our package tours can be further classified as group travel tours and join-in coach tours, normally comprising pre-arranged flights or coach bus, hotel accommodations, local transportations and arrangements for sight-seeing and other activities. Other travel products and services mainly include customized tours, flight plus hotel packages, hotel accommodations booking, admission tickets to attractions, car rental, travel insurance and visa application. As of the Latest Practicable Date, we had developed a comprehensive range of package tours in English, French or Chinese, to more than 200 cities in over 40 countries in Asia, Europe, Middle East, North America and South America. Please refer to the section headed “Business — Products and Services - (iii) Travel products and services” in this prospectus for more details.

SALES

Sales Channels

We primarily distribute air tickets to travel agents through booking platforms which we developed in-house or through calls received by our head office and regional offices, and to travelers through our retail branches. We sell our travel products and services to travel agents through our head office and regional offices, and to travelers through our retail branches and website. Our head office in Toronto, Canada, serves as our headquarters to oversee the overall business operations, handles administrative matters, as well as conducts air ticket distribution and sells travel products and services to travel agents. We have established regional offices in Montreal, Calgary, Vancouver and New York to conduct air ticket distribution to travel agents. As of the Latest Practicable Date, we also operated five retail branches in prime shopping malls in the Greater Toronto Area. Our website at www.toureast.com also provide our customers with the convenience of viewing our travel product and service offerings, making online inquiries and booking join-in coach tours. Please refer to the section headed “Business — Sales — Sales channels” in this prospectus for more details.

Pricing

We determine the price of air tickets generally on a cost-plus basis, taking into consideration, among other things, the market comparables, business scale of each customer, transaction volume, incentive commission offered by certain airlines upon selling of air tickets which is directly deducted from the cost of air tickets, our sales performance and relationship with the particular customer. The price for our travel products and services is determined on a cost-plus basis, mainly taking into consideration of the cost of travel elements such as flight or coach bus, hotel accommodation, local transportation and sight-seeing, the price of similar products and services offered by our competitors and market demand. Our service fee charged for travel business process management is calculated based on variables such as the number of hours that our service delivery team incurred in the course of provision of travel business process management, the number of phone inquiries handled or the number of air tickets issued, plus a fixed monthly management fee which is determined on the basis of workload on required accounting and reporting services. Please refer to the section headed “Business — Sales — Pricing, payment and refund” in this prospectus for more details.

SUMMARY

CUSTOMERS

We have a large and diversified customer base consisting of over 850 travel agents in Canada and the United States and travelers. For each of the years ended December 31, 2015, 2016 and 2017, gross sales proceeds generated from our five largest customers amounted to approximately HK\$1,778.3 million, HK\$2,660.2 million and HK\$2,634.1 million, respectively, representing approximately 54.9%, 68.0% and 63.2% of our total gross sales proceeds, respectively. We have maintained business relationships with our five largest customers for a period ranging from one to 15 years.

We depend on our largest customer, Customer A, an online travel agent which operates several websites that offer a broad range of travel products to a large population of travelers, to generate a significant portion of our revenue. We supply air tickets and provide travel business process management to Customer A. For each of the years ended December 31, 2015, 2016 and 2017, gross sales proceeds generated from Customer A was approximately HK\$1,365.2 million, HK\$1,613.0 million and HK\$1,808.2 million, respectively, representing approximately 42.2%, 41.3% and 43.4% of our total gross sales proceeds, respectively, among which gross sales proceeds of air tickets to Customer A in our air ticket distribution segment accounted for approximately 43.4%, 42.4% and 44.4% of our total gross sales proceeds of air tickets; and service revenue generated from Customer A accounted for approximately 96.9%, 82.9% and 84.7% of our total revenue for travel business process management segment, respectively. Please refer to the section headed “Business — Customers” in this prospectus for more details.

SUPPLIERS

Our suppliers primarily comprise travel providers including, without limitation, airlines, ground operators and GDS providers. For each of the years ended December 31, 2015, 2016 and 2017, gross cost of procurement from our five largest suppliers were approximately HK\$2,130.1 million, HK\$2,435.4 million and HK\$2,543.5 million, respectively, representing approximately 68.0%, 64.4% and 62.9% of our total gross cost of procurement, respectively. For the same period, gross cost of procurement from our largest supplier were approximately HK\$1,116.5 million, HK\$1,229.8 million and HK\$1,318.0 million, respectively, representing approximately 35.6%, 32.5% and 32.6% of our total gross cost of procurement, respectively. We have maintained business relationships with our five largest suppliers for an average of 23 years. Please refer to the section headed “Business — Suppliers” in this prospectus for more details.

COMPETITIVE STRENGTHS

We believe the following strengths differentiate us from other industry participants and have enabled us to compete effectively in our industry:

- Our synergistic business segments address a variety of evolving needs of travel providers, travel agents and travelers.
- We have well-established business relationships with travel providers and travel agents.
- Our in-depth technical know-how and information technology capabilities served as a backbone for future growth.

SUMMARY

- We have an experienced management team with a long and proven track record in the travel and tourism industry in Canada.

BUSINESS STRATEGIES

Our principal business objective is to strengthen our position as an well-established air ticket consolidator, travel business process management provider and travel products and services provider in North America and create long-term shareholder value. To achieve this objective, we have implemented the following business strategies:

- Increase our market share in the respective business segments by expanding our customer base.
- Upgrade our information technology system and continue to focus on operational efficiency.
- Enhance our brand recognition and awareness.

RISK FACTORS

There are certain risks involved in our business operations and in connection with the Share Offer, many of which are beyond our control. Any of the factors set out in the section headed “Risk Factors” in this prospectus may limit our ability to execute our business strategies and implementation plans successfully. The risks faced by us can be categorized into (i) risks relating to our business; (ii) risks relating to our industry; (iii) risks relating to conducting business in Canada; (iv) risks relating to our operations outside of Canada; and (v) risks relating to the Share Offer. Some of the major risks that could materially and adversely affect our business and results of operations are as follows:

- Our revenue is subject to the fluctuation of the global travel and tourism industry and factors that negatively impact that industry, particularly the airline industry, could have a material adverse effect on our business prospects, financial condition and results of operations.
- Failure to maintain our relationships and renew agreements with major airlines may materially and adversely affect our business prospects, financial condition and results of operations.
- We recorded a decrease in the incentive commission received from airlines suppliers in the year ended December 31, 2017 as compared to that in the year ended December 31, 2016.
- We rely on several major customers. If we do not effectively manage our relationships with these customers, our business prospects, financial condition and results of operation may be materially and adversely affected.
- Our major customers for air ticket distribution business may purchase directly from airlines, which may materially and adversely affect our business prospects and results of operations.

SUMMARY

- We rely on a limited number of suppliers to provide certain travel products and services for our business operations. Any failure to maintain relationships or renew agreements with these parties or any breach of such agreements by them may materially and adversely affect our business prospects and results of operations.
- We are subject to obtaining or renewal of certain certificates, licenses, permits and accreditations.
- Our success is subject to our ability to maintain our reputation.

You should read the entire section headed “Risk Factors” in this prospectus carefully before deciding to invest in the Offer Shares.

COMPETITIVE LANDSCAPE

We face competition from other travel agents in various aspects, including price, diversity and quality of products and services, reputation and industry expertise. According to the CIC Report, Canada’s air ticket consolidation market is concentrated with the top three companies accounting for approximately 82.8% of the market share in terms of sales volume in 2017, of which we had a market share of 31.3% in 2017. Canada’s travel business process management market is fairly concentrated with the top three companies accounting for approximately 33.3% of the market share in terms of service revenue in 2017, of which we had a market share of 14.9% in 2017. Please refer to the sections headed “Industry Overview” and “Business — Market and competition” in this prospectus for more details.

KEY OPERATIONAL AND FINANCIAL DATA

The following tables set forth a summary of our consolidated financial information. We have derived the summary from our consolidated financial information set out in the Accountant’s Report in Appendix I to this prospectus. The summary consolidated financial information should be read together with the consolidated financial information in Appendix I to this prospectus, including the accompanying notes and the information set forth in the section headed “Financial Information” in this prospectus. Our financial information was prepared in accordance with IFRSs.

SUMMARY

Key consolidated statements of comprehensive income information

	For the year ended December 31,		
	2015 (HK\$'000)	2016 (HK\$'000)	2017 (HK\$'000)
Revenue	136,196	153,164	153,862
Gross profit	80,618	99,139	98,148
Profit before income tax	34,360	48,062	17,897
Total comprehensive income for the year attributable to owners of our Company	34,032	33,376	11,604
Profit for the year	25,489	34,998	12,365
Non IFRS information:			
Profit for the year	25,489	34,998	12,365
Adjustments:			
Listing expenses	—	—	19,571
Deductible Listing expenses recognized in deferred income tax	—	—	(5,186)
Adjusted profit for the year ^(Note 1)	25,489	34,998	26,750

Note:

(1) Adjusted profit for the year is derived by excluding (i) Listing expenses; and (ii) deferred income tax impact from the deductible Listing expenses recognized in income tax expenses. Please refer to section headed “Financial Information — Description of Certain Consolidated Statements of Comprehensive Income Items — Non-IFRS measures” in this prospectus for details.

Our revenue increased from the year ended December 31, 2015 to the year ended December 31, 2016, primarily due to the increased revenue (i) from the air ticket distribution segment, driven by the increase in margin income and incentive commission received from airline suppliers; and (ii) from travel business process management segment. Our revenue remained relatively stable at approximately HK\$153.2 million and HK\$153.9 million for the years ended December 31, 2016 and 2017, which was a result of the increase in revenue from travel business process management segment, offset by the decrease in revenue from air ticket distribution segment and travel products and services segment in 2017. Our gross profit, profit before income tax and profit for the year continued to increase from the year ended December 31, 2015 to the year ended December 31, 2016, which was in line with our revenue growth. Our gross profit slightly decreased by approximately HK\$1.0 million from the year ended December 31, 2016 to the year ended December 31, 2017, primarily due to the decrease in gross profit from air ticket distribution segment, mitigated by the increase in gross profit from travel business process management segment. Our gross profit margin had been fluctuating during the Track Record Period from approximately 59.2% for the year ended December 31, 2015 to approximately 64.7% and 63.8% for the years ended December 31, 2016 and 2017, mainly due to the fluctuation in gross profit generated from air ticket distribution segment as a result of fluctuation in the amount of incentive commission received from airline suppliers, which was mitigated by the continuous increase in our gross profit margin of travel business process management segment during the Track Record Period mainly resulting from the increase in number of travel business process management customers and the transaction volume. Our profit before income tax and our net profit

SUMMARY

for the year decreased significantly from the year ended December 31, 2016 to the year ended December 31, 2017, mainly due to the increase in the Listing expenses of approximately HK\$19.6 million. Please refer to the section headed “Financial Information — Description of Certain Consolidated Statements of Comprehensive Income Items” in this prospectus for further details.

Analysis by location of customers

The following table sets forth a breakdown of the gross sales proceeds of our air ticket distribution segment by location of customers for the periods indicated:

	For the year ended December 31,					
	2015		2016		2017	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
United States	1,527,130	49.3	2,060,973	54.9	1,926,659	47.9
Canada	1,172,827	37.9	979,152	26.1	1,093,181	27.2
Hong Kong	78,971	2.6	575,958	15.3	526,827	13.1
China	316,159	10.2	126,002	3.4	469,100	11.7
India	—	—	12,912	0.3	3,155	0.1
Total	3,095,087	100.0	3,754,997	100.0	4,018,922	100.0

Note: The breakdown was prepared based on the locations of contracting parties.

The following table sets forth a breakdown of revenue of our travel business process management segment by location of customers for the period indicated:

	For the year ended December 31,					
	2015		2016		2017	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
United States	21,144	99.8	23,635	98.6	26,892	93.2
Canada	39	0.2	333	1.4	1,957	6.8
Total	21,183	100.0	23,968	100.0	28,849	100.0

Note: The breakdown was prepared based on the locations of contracting parties.

The following table sets forth a breakdown of the revenue generated from sales of package tours by destination for the periods indicated:

	For the year ended December 31,					
	2015		2016		2017	
	(HK\$'000)	%	(HK\$'000)	%	(HK\$'000)	%
Asia	8,339	22.7	8,215	26.7	8,350	29.6
Canada	12,817	34.9	11,297	36.8	11,125	39.5
Europe	9,207	25.1	7,179	23.4	5,789	20.5
United States	4,568	12.4	3,085	10.0	2,813	10.0
Others	1,771	4.9	943	3.1	120	0.4
Total	36,702	100.0	30,719	100.0	28,197	100.0

SUMMARY

Key consolidated statements of financial position information

	As of December 31,		
	2015	2016	2017
	(HK\$'000)	(HK\$'000)	(HK\$'000)
Non-current assets	3,499	5,811	15,831
Current assets	83,181	159,208	181,528
Current liabilities	121,821	137,165	132,069
Net current (liabilities)/assets	(38,640)	22,043	49,459
Net current assets (excluding redeemable preference shares)	23,457	72,978	49,459
Non-current liabilities	62	29,681	593
Total (deficit)/equity	(35,203)	(1,827)	64,697
Total equity (excluding redeemable preference shares)	26,894	49,108	64,697

As of December 31, 2015, we recorded net current liabilities of approximately HK\$38.6 million. Such net current liabilities were primarily due to our redeemable preference shares, which were fully exchanged to common shares subsequently. Our net current liabilities of approximately HK\$38.6 million as of December 31, 2015 was turnaround to net current assets of approximately HK\$22.0 million as of December 31, 2016, given we received cash and cash equivalents from the proceeds of loans from Shareholders, which was classified under non-current liabilities. Subsequently, we repaid the loans from Shareholders and we drawdown bank borrowings, which was classified as current liabilities. For details, please refer to the section headed “Financial Information — Net Current (Liabilities)/Assets” in this prospectus.

Our total deficit decreased from approximately HK\$35.2 million as of December 31, 2015 and further to approximately HK\$1.8 million as of December 31, 2016 and was turnaround to total equity of approximately HK\$64.7 million as of December 31, 2017, primarily due to the increased retained earnings as a result of the increase in profit during the Track Record Period.

Selected cash flow items

	Year ended December 31,		
	2015	2016	2017
	(HK\$'000)	(HK\$'000)	(HK\$'000)
Operating cash flows before changes in working capital	34,606	49,365	21,168
Net cash generate from operating activities	26,344	49,402	951
Net cash used in investing activities	(1,625)	(44,789)	(6,791)
Net cash (used in)/generated from financing activities	(20,824)	16,240	(1,840)
Net increase/(decrease) in cash and cash equivalents	3,895	20,853	(7,680)

SUMMARY

Key Financial Ratios

	For the year ended December 31,		
	2015	2016	2017
Net profit margin before interest and income tax (%)	25.2	31.9	12.3
Net profit margin (%)	18.7	22.9	8.0
Return on equity (%)	N/A	N/A	19.1
Return on total assets (%)	29.4	21.2	6.3
Interest coverage (times)	2,455.3	59.7	18.6
	As of December 31,		
	2015	2016	2017
Current ratio (times)	0.7	1.2	1.4
Quick ratio (times)	0.7	1.2	1.4
Gearing ratio (%) ^(Note)	N/A	N/A	57.6
Debt-to-equity ratio (%)	N/A	N/A	N/A

Note: Gearing ratio is calculated based on total debt at the end of the financial year divided by total equity at the end of the financial year and multiplied by 100%.

We had a negative other reserve due to the redeemable preference shares which outweighed share capital and other reserves as of December 31, 2015 and 2016 and resulted in a total deficit as of December 31, 2015 and 2016. Accordingly, the gearing ratio was not applicable as of December 31, 2015 and 2016. We recorded total equity of approximately HK\$64.8 million as of December 31, 2017 as a result of profit for the period and had borrowing of approximately HK\$37.2 million and thus recorded gearing ratio of approximately 57.6%. Please refer to section headed “Financial Information — Summary of Key Financial Ratios” in this prospectus for further details of our key financial ratios.

SHAREHOLDERS’ INFORMATION

Immediately following the completion of the Share Offer (taking into no account of any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Over-allotment Option and the Share Option Scheme), BVRTH, a company wholly-owned by RT Group, which in turn is controlled by Mrs. Tsang, will be entitled to exercise or control the exercise of approximately 45.0% of the entire issued capital of our Company. Mrs. Tsang, RT Group, and BVRTH comprise a group of Controlling Shareholders. Please refer to the section headed “History, Reorganization and Corporate Structure” in this prospectus for further details. Our Group has entered into and is expected to continue after Listing certain transactions with certain associates of our Controlling Shareholders. Please refer to the section headed “Connected Transactions” in this prospectus for further details of these continuing connected transactions.

REASONS FOR LISTING

Our Directors believe that the Listing would (i) strengthen our capital base and provide us with the financial capability to implement our business strategies; (ii) provide us with direct access

SUMMARY

to the capital market for future fund raising exercise; (iii) enhance our corporate profile, information transparency and corporate governance practices; (iv) provide us with indirect complimentary advertising to raise our Group's brand awareness and publicity on an international level and (v) broaden our shareholder base and enhance the liquidity of our Shares.

We are applying for listing in Hong Kong because of its well-established legal system, high level of internationalization and maturity in the global financial market, with sufficient institutional capital and funds following the companies listed in Hong Kong. Our Directors believe that the Listing in Hong Kong would, among other things, strengthen our capital base, and help raise our brand awareness and publicity on an international level, making our Company's services known to new potential customers. In addition, our Directors also believe that our customers may prefer to do business with a listed company given its reputation, listing status, public financial disclosures and general regulatory supervision by relevant Hong Kong regulatory bodies. Despite our Group has no nexus to Hong Kong, our Directors believe that listing in Hong Kong will provide higher liquidity and greater exposure to a wider analyst and investment community. Furthermore, given that Hong Kong has a stable currency pegged to USD, the Listing will enable our Group to have access to a stable capital market for future fund raising, should such need arise. Owing to the aforementioned reasons, our Directors decided to apply for a listing in Hong Kong.

FUTURE PLANS AND USE OF PROCEEDS

In the event that the Over-allotment Option is not exercised, we estimate that the net proceeds from the Share Offer which we will receive, assuming an Offer Price of HK\$0.38 per Share (being the mid-point of the indicative Offer Price range), will be approximately HK\$55.7 million after deduction of underwriting fees and commissions and other estimated expenses in connection with the Share Offer. We intend to use the net proceeds of the Share Offer for the following purposes:

- approximately 43.2%, representing approximately HK\$24.1 million, will be used for repayment of our bank borrowings after Listing;
- approximately 27.0%, representing approximately HK\$15.1 million, will be used for business expansion of air ticket distribution including (i) developing tailor-made booking platforms and mobile booking applications in simplified and traditional Chinese for ethnic agencies; (ii) setting up customer services for Mandarin and Cantonese speaking travel agents to support the operational needs of new booking platform; (iii) opening two regional offices to conduct sales and marketing activities to attract new customers; and (iv) upgrading our website to include online air ticket booking function and develop mobile booking applications for travelers;
- approximately 13.5%, representing approximately HK\$7.5 million, will be used for (i) upgrading our information technology infrastructure, including data storage, electronic documentation, cloud backup storage, information communication technology network, computer systems and information security; and (ii) installing our enterprise resource planning system;
- approximately 13.9%, representing approximately HK\$7.7 million, will be used for expanding our travel business process management business, including purchasing softwares for service level management and expansion of business development team; and

SUMMARY

- approximately 2.4%, representing approximately HK\$1.3 million, will be used for advertising and promotion of our brand and products.

Please refer to the section headed “Future Plans and Use of Proceeds” in this prospectus for more details of our use of proceeds and the implementation plans of our business strategies, as well as the reasons for the Listing and the Share Offer.

LISTING EXPENSES

Total expenses (including underwriting commissions) expected to be incurred by our Company in relation to the Listing are approximately HK\$58.3 million, of which approximately HK\$19.6 million was charged to profit or loss for the year ended December 31, 2017, and approximately HK\$5.6 million of which that is incremental and directly attributable to the issue of Offer Shares has been deferred and is included within “Prepayments, deposits and other receivables” on the statement of financial position as of December 31, 2017 and will be deducted from equity when Offer Shares are issued. The remaining expenses are expected to be incurred in the year ending December 31, 2018, of which approximately HK\$16.5 million is expected to be charged to profit or loss and approximately HK\$16.6 million is expected to be deducted from equity.

Prospective investors should note that the financial performance of our Group for the year ending December 31, 2018 is expected to be adversely affected by the estimated non-recurring Listing expenses mentioned above, and may or may not be comparable to our historical financial performance.

SHARE OFFER STATISTICS

	Based on an Offer Price of		
	HK\$0.302 per Offer Share, after Downward Offer Price Adjustment of approximately 10%	HK\$0.335 per Offer Share	HK\$0.425 per Offer Share
Market capitalization	HK\$362.4 million	HK\$402.0 million	HK\$510.0 million
Unaudited pro forma adjusted net tangible assets per Share ^(Note)	HK\$0.10	HK\$0.10	HK\$0.12

Note: Please refer to the section headed “Unaudited Pro Forma Financial Information” in Appendix II to this prospectus for details regarding the assumptions and calculation basis.

DIVIDEND

The declaration of future dividends will be subject to our Directors’ decision and will depend on factors such as our earnings, financial condition, cash requirements and availability, and any other factors our Directors may consider relevant. As these factors and the payment of dividends is at the discretion of our Board, which reserves the right to change its plan on the payment of dividends, there is no assurance that any particular dividend amount, or any dividend at all, will be

SUMMARY

declared and paid in the future. We may distribute dividends in amounts not less than 35% of our net profit for a financial year by way of cash or by other means when we consider appropriate.

During the year ended December 31, 2015, the board of directors of Tour East Canada declared the payment of dividends to its shareholders at CAD20,000 per common share totaling approximately HK\$12.2 million, respectively. No dividends were declared during the years ended December 31, 2016 and 2017.

RECENT DEVELOPMENT AND MATERIAL ADVERSE CHANGE

Based on the unaudited financial information of our Group after the Track Record Period, our revenue for the four months ended April 30, 2018 was slightly higher than our revenue for the corresponding period in 2017 mainly due to higher revenue generated from air ticket distribution segment and travel products and services segment, mitigated by the lower revenue from travel business process management segment because we ceased the provision of travel business process management to Customer F during the year ended December 31, 2017. Our cost of sales for the four months ended April 30, 2018 was higher than our cost of sales for the corresponding period in 2017 which was in line with our revenue growth. Accordingly, our gross profit for the four months ended April 30, 2018 was slightly higher than our gross profit for the corresponding period in 2017. We recorded a decrease in our unaudited net profit for the four months ended April 30, 2018 as compared to the corresponding period in 2017, which was mainly affected by our Listing expenses.

Our Directors confirm that save for the above and expenses in connection with the Listing, which are non-recurring in nature, subsequent to the Track Record Period and up to the date of this prospectus, there has been no material adverse change in the financial or trading position or prospects of our Group.