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

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

RISKS RELATING TO THE GROUP

Unpredictability of revenue and profitability

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

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

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

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

Sustainability of gross profit margin

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

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

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

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

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

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

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

The Group's success is, to a significant extent, attributable to the continued commitment of the Directors and senior management, particularly Mr. Ip. Mr. Ip is responsible for the overall strategic planning and administration of the Group and the management, operation and business development of the asset advisory business of the Group and he has accumulated over 20 years of extensive knowledge and experience in the asset appraisal industry as well as asset advisory services. The Directors believe that the Group's future prospects and the results of its operations will depend significantly on the continuous involvement of Mr. Ip, its key executive. Should Mr. Ip terminate his services with the Group and/or the Group fail to recruit new executive(s) with relevant experience from the market, the Group's operation and business may be adversely affected.

Reliance on professional staff

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

Fluctuations on value of underlying assets

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

Dependency on performance of the property market in the PRC

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

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

No assurance that the future plans will materialise

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

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

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

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

Reliance on major clients

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

Reliance on particular services

A significant portion of the Group's revenue during the Track Record Period is generated from the income of providing asset appraisal and asset advisory services. For each of the two years ended 31 March 2010 and the nine months ended 31 December 2010, income derived from asset appraisal and asset advisory services accounted for approximately 99.5%, 92.9% and 94.4%, respectively, of the Group's total revenue. For the year ended 31 March 2009, no income was generated from asset advisory services. For the year ended 31 March 2010, income generated from asset appraisal and asset advisory services amount to approximately 53.2% and 39.7% of the Group's total income respectively, and for the nine months period ended 31 December 2010, approximately 43.9% and 50.4% of the Group's total income were generated from asset appraisal services and asset advisory services respectively. Therefore, should the income from either the asset appraisal or asset advisory services drop significantly, the turnover and profit of the Group may be adversely affected.

No assurance of future funding

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

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

Limited experience in business operation in foreign jurisdictions

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

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

The normal payment terms of the Group's engagement relating to asset appraisal, asset advisory services, and corporate consultancy usually involves an initial service fee and either stage payments based on milestones achieved or contingency fee based on successful sourcing of investment or investor or attainment of certain performance target. Although the fee notes for the initial service fee and stage payments issued are due for full payment upon presentation, if the underlying target project cannot be carried through to completion, or the performance target cannot be attained, the Group may have difficulties in seeking full payment from the client pursuant to the terms of the engagement or the client may ask for a discount on the fee as agreed under the engagement. Furthermore, notwithstanding the payment schedule in the engagement letters, there may be a time lag in issuing invoices to clients for the success based fee as the Group may not be able to readily obtain confirmation from clients that they have received or, as the case may be, paid the relevant consideration in the underlying transactions. As a result, the revenue, profitability and cashflow of the Group will be adversely affected.

Delay or default in payment of fees from clients

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

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

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

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

Potential exposure to professional liability

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

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

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

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

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

Risk associated with subcontracting

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

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

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

Foreign currency risk

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

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

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

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

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

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

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

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

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

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

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

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

RISKS RELATING TO THE INDUSTRY

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

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

Competition

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

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

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

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

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

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

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

RISKS RELATING TO HONG KONG

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

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

RISKS RELATING TO THE PRC

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

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

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

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

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

RISKS RELATING TO THE PLACING

Marketability and possible price and trading volume volatility of the Shares

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

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

Dilution of Shareholders' equity interests

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

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

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

RISKS ASSOCIATED WITH THIS PROSPECTUS

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

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

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

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

Forward-looking statements included in this prospectus may not materialise

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

Press reports on the Group should not be relied on

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