Left Field Printing Group Limited
澳獅環球集團有限公司*

(Incorporated in Bermuda with limited liability)

Stock Code : 1540

Share Offer

Sole Sponsor

Optima Capital Limited

Sole Global Coordinator

VMS 鼎珮

Joint Bookrunners (in alphabetical order)

雅利多證券
ARISTO SECURITIES LIMITED

KINGSTON SECURITIES

SUCCESS SECURITIES LIMITED
實德證券有限公司

太陽證券有限公司
SUN SECURITIES LIMITED

VMS 鼎珮

*For identification purpose only

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

LEFT FIELD PRINTING GROUP LIMITED
澳獅環球集團有限公司*

(Incorporated in Bermuda with limited liability)

SHARE OFFER

Number of Offer Shares under the Share Offer	:	**105,000,000 Shares**
Number of Public Offer Shares	:	**10,500,000 Shares (subject to reallocation)**
Number of Placing Shares	:	**94,500,000 Shares (subject to reallocation)**
Offer Price	:	**Not more than HK$1.10 per Offer Share and expected to be not less than HK$1.00 per Offer Share, plus brokerage fee of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal Value	:	**HK$0.01 per Share**
Stock Code	:	**1540**

Sole Sponsor

Optima Capital Limited

Sole Global Coordinator

VMS 鼎珮

Joint Bookrunners

雅利多證券 Aristo Securities Limited | Kingston Securities | Success Securities Limited 實德證券有限公司 | 太陽證券有限公司 Sun Securities Limited | VMS 鼎珮

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.

Capitalised terms used on this cover page shall have the same meanings as those defined in this prospectus, unless the context requires otherwise.

A copy of this prospectus, having attached thereto the documents specified in the section headed "Documents Delivered to the Registrar of Companies in Hong Kong 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 (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus or any other document referred to above.

The final Offer Price is expected to be fixed by agreement between our Company and the Sole Global Coordinator (for itself and on behalf of the Underwriters) on the Price Determination Date. The Price Determination Date is expected to be on or around Thursday, 27 September 2018 and, in any event, not later than Thursday, 4 October 2018. The Offer Price will be not more than HK$1.10 and is currently expected to be not less than HK$1.00 unless otherwise announced. If, for any reason, the Offer Price is not agreed between our Company and the Sole Global Coordinator (for itself and on behalf of the Underwriters) on or before Thursday, 4 October 2018, the Share Offer (including the Public Offer) will not proceed and will lapse.

Further details are set out in the sections headed "Structure of the Share Offer" and "How to Apply for Public Offer Shares" in this prospectus.

The Sole Global Coordinator (for itself and on behalf of the Underwriters) may, with our consent, reduce the number of Offer Shares in the Share Offer and/or the indicative Offer Price range stated in this prospectus (which is HK$1.00 to HK$1.10 per Offer Share) at any time on or prior to the morning of the last day for lodging applications under the Public Offer. In such a case, notices of the reduction in the number of Offer Shares in the Share Offer and/or the indicative Offer Price range will be published on the website of the Stock Exchange at **www.hkexnews.hk** and our Company's website at **www.leftfieldprinting.com** not later than the morning of the day which is the last day for lodging applications under the Public Offer. If applications for Public Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Public Offer, then even if the number of Offer Shares in the Share Offer and/or the indicative Offer Price range is so reduced, such applications cannot be subsequently withdrawn.

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

The obligations of the Public Offer Underwriter under the Public Offer Underwriting Agreement to subscribe for, and to procure applicants for the subscription for, the Public Offer Shares, are subject to termination by the Sole Sponsor, the Public Offer Underwriter and the Sole Global Coordinator if certain grounds arise prior to 8:00 a.m. on the day that trading in the Offer Shares commences on the Stock Exchange. Such grounds are set out in the paragraph headed "Underwriting – Underwriting arrangements and expenses – The Public Offer – Grounds for termination" in this prospectus. It is important that you refer to that paragraph for further details.

This prospectus does not constitute a disclosure document under Chapter 6D.2 of the Australian Corporations Act; and has not been, and will not be, lodged with ASIC, as a disclosure document for the purposes of the Australian Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Australian Corporations Act. Neither this prospectus nor any other document or material in connection with the offer of sale or invitation for subscription or purchase, of any securities offered under this prospectus or such material may be circulated or distributed, nor may any of those securities be offered or sold, or made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Australia other than pursuant to offers that do not need disclosure to investors under Sections 708 or 708A of the Australian Corporations Act. The securities offered by this prospectus may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the securities may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any securities may be distributed in Australia. We do not issue this prospectus or any of the securities offered by this prospectus with the purpose of the person to whom they are or may be issued, or any person acting on their behalf, selling or transferring the securities, or granting, issuing or transferring interests in, or options over, them.

The Offer Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to the registration requirements under the Securities Act or an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Offer Shares are only being offered and sold outside the United States in offshore transactions in accordance with Regulation S.

* *for identification purpose only*

20 September 2018

We will issue an announcement in Hong Kong to be published on the website of the Stock Exchange at **www.hkexnews.hk** and our Company's website at **www.leftfieldprinting.com** if there is any change in the following expected timetable of the Public Offer.

	2018 *(Note 1)*
Public Offer commences and **WHITE** and **YELLOW** Application Forms available from	9:00 a.m. on Thursday, 20 September
Latest time to complete electronic applications under **eWhite Form** service through the designated website at **www.ewhiteform.com.hk** *(Note 2)*	11:30 a.m. on Wednesday, 26 September
Application lists open *(Note 3)*	11:45 a.m. on Wednesday, 26 September
Latest time to complete payment of **eWhite Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s)	12:00 noon on Wednesday, 26 September
Latest time to give **electronic application instructions** to HKSCC *(Note 4)*	12:00 noon on Wednesday, 26 September
Latest time to lodge **WHITE** and **YELLOW** Application Forms	12:00 noon on Wednesday, 26 September
Application lists close	12:00 noon on Wednesday, 26 September
Expected Price Determination Date *(Note 5)*	Thursday, 27 September
Announcement of the final Offer Price, indication of the levels of interest in the Placing, the basis of allotment and the results of applications in the Public Offer to be published in the China Daily (in English) and the Ta Kung Pao (in Chinese), our website at **www.leftfieldprinting.com** and the website of the Stock Exchange at **www.hkexnews.hk** on or before	Friday, 5 October

	2018 *(Note 1)*
Announcement of results of allocations in the Public Offer (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels including our website at **www.leftfieldprinting.com** and the website of the Stock Exchange at **www.hkexnews.hk** (for further details, please see the paragraph headed "How to Apply for Public Offer Shares – 11. Publication of results" in this prospectus) from	Friday, 5 October
Results of allocations in the Public Offer will be available at ***www.ewhiteform.com.hk/results*** with a "search by ID" function on	Friday, 5 October
Despatch/collection of Share certificates in respect of wholly or partially successful applications pursuant to the Public Offer on or before	Friday, 5 October
Despatch/collection of **eWhite Form** e-Refund payment instructions/refund cheques in respect of wholly or partially successful applications if the final Offer Price is less than the price payable on application (if applicable) and wholly or partially unsuccessful applications pursuant to the Public Offer on or before *(Notes 6 to 8)*	Friday, 5 October
Dealings in the Shares on the Stock Exchange expected to commence at 9:00 a.m. on	Monday, 8 October
Delisting of OPUS Shares from ASX on or shortly after	Monday, 8 October

Notes:

1. All times and dates refer to Hong Kong local time, except as otherwise stated. Details of the structure of the Share Offer, including its conditions, are set out in the section headed "Structure of the Share Offer" in this prospectus.

2. You will not be permitted to submit your application through the designated website at **www.ewhiteform.com.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. on the last day for submitting applications, 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 "**black**" rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Wednesday, 26 September 2018, the application lists will not open on that day. For further details, please see the paragraph headed "How to Apply for Public Offer Shares – 10. Effect of bad weather 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 paragraph headed "How to Apply for Public Offer Shares – 6. Applying by giving electronic application instructions to HKSCC via CCASS" in this prospectus.

5. The Price Determination Date is expected to be on or around Thursday, 27 September 2018 and in any event, not later than Thursday, 4 October 2018. If, for any reason, the Offer Price is not agreed on or before Thursday, 4 October 2018 between our Company and the Sole Global Coordinator (for itself and on behalf of the Underwriters), the Share Offer will not proceed and will lapse accordingly.

6. Share certificates for the Public Offer Shares are expected to be issued on or around Friday, 5 October 2018 but will only become valid certificates of title at 8:00 a.m. on Monday, 8 October 2018 provided that (a) the Share Offer has become unconditional in all respects; and (b) none of the Underwriting Agreements has been terminated in accordance with its terms.

7. Applicants for 1,000,000 Public Offer Shares or more on **WHITE** Application Form or through the **eWhite Form** service (as the case may be) who have indicated in their relevant Application Forms that they wish to collect their refund cheques (where relevant) and/or Share certificates (where relevant) personally may collect refund cheques (where relevant) and/or Share certificates (where relevant) from our Hong Kong Branch Share Registrar, Boardroom Share Registrars (HK) Limited from 9:00 a.m. to 1:00 p.m. on Friday, 5 October 2018 or any other day as announced by us as the date of despatch of Share certificates/e-Refund payment instructions/refund cheques.

   Individuals who are eligible for personal collection must not authorise any other person(s) to make collection on their behalf. Corporate applicants which opt for personal collection must attend by their authorised representative(s) bearing a letter of authorisation from such corporation(s) stamped with the corporation's chop. Both individuals and authorised representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to our Hong Kong Branch Share Registrar. Applicants for 1,000,000 Public Offer Shares or more on **YELLOW** Application Forms may collect their refund cheques, if any, in person but may not elect to collect their Share certificates personally, which will be deposited into CCASS for the credit of their designated CCASS Participants' stock accounts or CCASS Investor Participants' stock accounts, as appropriated. The procedures for collection of refund cheques for **YELLOW** Application Form applicants are the same as those for **WHITE** Application Form applicants.

   Applicants who apply through the **eWhite Form** service and paid their applications monies through single bank account may have refund monies (if any) despatched to their application payment bank account, in the form of e-Refund payment instructions. Applicants who apply through the **eWhite Form** service and paid their application monies through multiple bank accounts may have refund monies (if any) despatched to the address as specified in their application instructions to the **eWhite Form** Service Provider, in the form of refund cheques, by ordinary post at their own risk.

   Uncollected Share certificates and refund cheques (if any) will be despatched by ordinary post at the applicant's own risk to the address specified in the relevant Application Form. For further information, applicants should refer to the paragraph headed "How to Apply for Public Offer Shares – 14. Despatch/Collection of share certificates and refund monies" in this prospectus.

8. Refund cheques/e-Refund payment instructions will be despatched in respect of wholly or partially unsuccessful applications and in respect of successful applications if the final Offer Price is less than the maximum Offer Price of HK$1.10 per Offer Share.

For details of the structure of the Share Offer, including conditions of the Share Offer, applicants should refer to the section headed "Structure of the Share Offer" in this prospectus.

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IMPORTANT NOTICE TO INVESTORS

This prospectus is issued by our Company solely in connection with the Share Offer and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Offer Shares offered by this prospectus pursuant to the Share Offer. 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. The distribution of this prospectus and the offering and sale 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.

You should rely only on the information contained in this prospectus and the Application Forms to make your investment decision. We, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and the Underwriters, have 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 must not be relied on by you as having been authorised by us, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, any of the Underwriters, any of their respective directors, officers, representatives or advisers or any other person involved in the Share Offer.

The Share Offer and the Reorganisation are contingent upon formal written approval of the Listing by the Stock Exchange and that approval becoming unconditional. If for any reason this approval is not received or if the approval does not become unconditional, the Share Offer and the Reorganisation will not proceed.

CONTENTS

This summary aims to give you an overview of the information contained in 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 document 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.

BUSINESS OVERVIEW

We are a one stop shop printing solutions and services provider based in Australia. Our printing production process and services cover printing solution consultation, production planning and scheduling, pre-press, offset printing, digital printing, post-press, quality check, packaging and delivery. Our printed products include (i) read-for-pleasure books; (ii) Government Printed Matters; (iii) Quick Turnaround Time Education Books; and (iv) catalogues, operating manuals and promotional leaflets. According to the Frost & Sullivan Report, in terms of revenue generated in 2017, we are (i) the largest government segment printing services provider within the overall commercial printing industry in Australia (ranking fifth largest in the overall commercial printing industry in Australia); and (ii) the largest printing services provider in the book printing industry in Australia. In 2017, the market size of the printing industry in Australia was approximately AUD6,513.8 million and revenue from the commercial and book printing segments made up approximately 23.9% and 8.6% of the printing industry in terms of revenue in Australia. The estimated market shares of our Company in the commercial and book printing segments in 2017 were approximately 2.2% and 8.1%, respectively.

We also provide printing related services, such as warehousing and direct mailing, call centre services and ancillary services through our proprietary IPALM platform. In order to better serve our customers through the use of technology, our Company is focused on the continual development of our IPALM system so that we are able to offer customers a wide spectrum of electronic services to enhance their (or their end-user customers') experience, supply chain management and/or business. The IPALM system is our proprietary technology which was developed in-house to provide our customers with supply chain and process automation services where our customers can better manage the production process and their supply chain efficiently. Different IPALM modules can be designed and customised which offer a wide range of solutions to our customers including, among other things, online supply chain services and order processing. Customers can, through the IPALM system, host their shopfront with the support of shopping cart function and real-time credit card payment processing. Orders can be placed via the shopfront hosted by IPALM and streamed to our warehouse directly for printing, packing and despatch. Such services can remove multiple burdens for them, such as inventory monitoring and management, re-stock ordering, warehousing, end-user customer ordering, mailing and database management and communications. For further details of our IPALM platform, please refer to the paragraph headed "Business – Application of technology in our printing solutions and services" in this prospectus for further details.

OPUS was founded in 1983. However, our history can be traced back to 1967 when Union Offset (which was acquired by OPUS in 2009) was established. Since that time, our Group has evolved through the acquisition (and disposal) of various print related businesses in Australia, New Zealand and Singapore. Following the listing of OPUS on the ASX in 2012, our Group has undergone a series of restructurings and is currently focused on the provision of one stop shop printing solutions and services at three production facilities namely, the CanPrint Facility, the Ligare Facility and the MPG Facility. OPUS will apply to delist from the ASX following implementation of the Scheme of Arrangement, pursuant to which OPUS Shareholders will exchange their OPUS Shares for our Shares on the basis of one OPUS Share for three Shares.

During the Track Record Period, our Group was also engaged in the provision of grand and large format printing for outdoor media services in Australia and New Zealand, but such business was ceased upon completion of the disposal of the outdoor media business of Cactus Imaging (NZ) in 2015 and the disposal of the Cactus Group in 2016. In addition, we were engaged in the provision of printing services in Singapore and in New Zealand during the Track Record Period, but ceased such businesses following the disposals of C.O.S. Printers and Ligare (NZ) in 2016 and 2017, respectively.

For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, our revenue from continuing operations was approximately AUD80.7 million, AUD87.0 million, AUD79.2 million and AUD19.3 million, respectively, while our profit from continuing operations was approximately AUD7.2 million, AUD5.5 million, AUD5.7 million and AUD0.9 million, respectively.

The following table sets out a breakdown of our Group's revenue from continuing operations by product during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Printing solutions and services										
Read-for-pleasure books	19,632	24.3	23,689	27.3	27,314	34.5	5,688	27.6	6,512	33.8
Government Printed Matters	15,589	19.3	19,046	21.9	15,396	19.4	3,249	15.8	3,325	17.2
Quick Turnaround Time Education Books	20,337	25.2	20,467	23.5	18,046	22.8	6,598	32.0	5,654	29.3
Catalogues, operating manuals and promotional leaflets	25,187	31.2	23,775	27.3	18,450	23.3	5,055	24.6	3,800	19.7
Total	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

The following table sets out a breakdown of our Group's revenue by digital printing and IPALM related services, offset printing and other printing related services, respectively during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Digital printing and IPALM related services *(Note)*	21,400	26.5	29,523	33.9	27,632	34.9	6,977	33.9	7,268	37.7
Offset printing	58,229	72.1	55,753	64.1	50,177	63.3	13,293	64.5	11,665	60.5
Other printing related services	1,116	1.4	1,701	2.0	1,397	1.8	320	1.6	358	1.8
Total	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

Note: IPALM related services were typically provided by our Company as value added services which were bundled into our digital printing services. As such, from a revenue/profit perspective, we did not distinguish IPALM related services from our digital printing services.

The following table sets out a breakdown of our Group's revenue by customers during the Track Record Period:

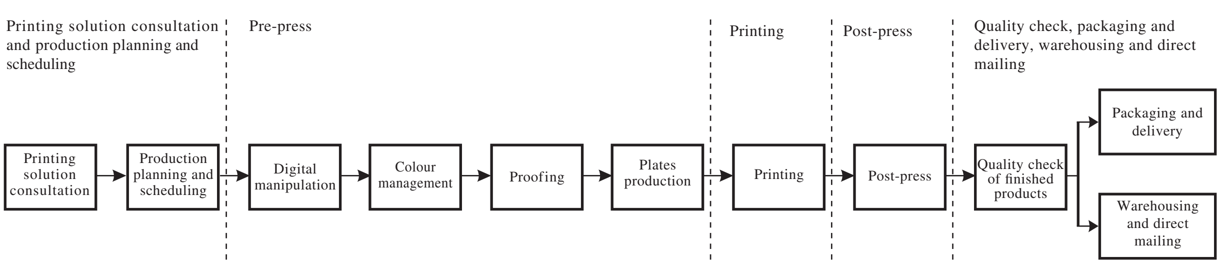
	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Publishers and media and information providers	44,500	55.1	47,219	54.3	46,861	59.2	12,680	61.6	12,063	62.5
Australian government related entities	15,589	19.3	19,046	21.9	15,396	19.4	3,249	15.8	3,325	17.2
Business owners and other organisations	20,656	25.6	20,712	23.8	16,949	21.4	4,661	22.6	3,903	20.3
Total	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

For each of the three years ended 31 December 2017, we generated gross profit of approximately AUD20.4 million, AUD21.4 million and AUD18.0 million, respectively, representing a gross profit margin of approximately 25.2%, 24.6% and 22.7%, respectively. For the three months ended 31 March 2017 and 2018, we generated gross profit of approximately AUD5.2 million and AUD4.8 million, respectively, representing a gross profit margin of approximately 25.4% and 24.7%, respectively.

We submitted 45, 34, 37 and 10 tender applications to our customers for each of the three years ended 31 December 2017 and the three months ended 31 March 2018, respectively. Out of the abovementioned tenders, 28, 24, 25 and eight tender applications were successful during the Track Record Period. Our success rate for tender applications submitted in the corresponding periods were approximately 62.2%, 70.6%, 67.6% and 80.0%, respectively.

OUR BUSINESS MODEL AND OUR OPERATION FLOW

The following flow chart is a general overview of the major steps involved in our printing production process:



Please refer to the paragraph headed "Business – Our business model and our operation flow" in this prospectus for further details.

OUR PRODUCTION FACILITIES

We conduct all our production at the CanPrint Facility, the Ligare Facility and the MPG Facility in Australia. The CanPrint Facility has a total land area of approximately 8,676 sq.m. and comprises production facility and office in Fyshwick, ACT, Australia. The Ligare Facility has a total land area of approximately 7,391 sq.m. and comprises production facility, office and warehouse in Riverwood, NSW, Australia. The MPG Facility has a total land area of approximately 44,945 sq.m. which comprises production facility, warehouse and office in Maryborough, VIC, Australia and Carisbrook, VIC, Australia. The CanPrint Facility and the Ligare Facility are located on leased premises, whereas the MPG Facility in Maryborough is located on self-owned premises and the MPG Facility in Carisbrook is located on leased premises. During the Track Record Period, the estimated average utilisation rate of the CanPrint Facility was approximately 71.5%, 91.1%, 87.8% and 113.1%, respectively. During the Track Record Period, the estimated average utilisation rate of the Ligare Facility was approximately 58.2%, 72.8%, 57.5% and 67.5%, respectively. During the Track Record Period, the estimated average utilisation rate of the MPG Facility was approximately 107.5%, 127.1%, 115.1% and 109.5%, respectively. Please refer to the paragraph headed "Business – Properties" in this prospectus for further details.

The CanPrint Facility, the Ligare Facility and the MPG Facility were equipped with 16 major printing presses and binding machines as at 31 March 2018. As at the Latest Practicable Date, our major production machines were self-owned, which include printing presses and binding machines. Please refer to the paragraph headed "Business – Our production facilities and machinery" in this prospectus for further details.

OUR CUSTOMERS

Our customers are principally comprised of (i) Australia-based book publishers and media and information providers; (ii) international book publishers; (iii) Australian government related entities; and (iv) business owners and other organisations in Australia. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, our top five customers accounted for approximately 28.2%, 28.1%, 36.3% and 40.3% of our revenue from continuing operations, respectively, and our largest customer accounted for approximately 8.8%, 7.1%, 9.9% and 11.3% of our revenue from continuing operations, respectively. The following table sets out a breakdown of our Group's revenue from continuing operations based on the geographical location of delivered products during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000 (unaudited)*	*%*	*AUD'000*	*%*
Australia	78,976	97.8	85,379	98.2	78,722	99.4	20,463	99.4	19,247	99.8
New Zealand	1,334	1.7	1,482	1.7	230	0.3	78	0.4	8	0.0
Overseas *(Note)*	435	0.5	116	0.1	254	0.3	49	0.2	36	0.2
Total:	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

Note: Overseas included the United Kingdom, the United States of America and Papua New Guinea.

Please refer to the paragraph headed "Business – Customers" in this prospectus for further details.

OUR SUPPLIERS AND SUB-CONTRACTORS

Our suppliers mainly include suppliers of paper, postal services and other printing consumables. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, purchases from our top five suppliers accounted for approximately 48.7%, 51.1%, 49.0% and 48.4% of our total purchases, respectively, and purchases from our largest supplier accounted for approximately 15.2%, 12.3%, 18.8% and 17.5% of our total purchases during the same periods, respectively. From time to time, we outsource certain production procedures to sub-contractors. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, the fees paid to sub-contractors amounted to approximately AUD4.0 million, AUD4.2 million, AUD4.0 million and AUD0.6 million, respectively, which represented approximately 6.6%, 6.4%, 6.5% and 4.1% of our direct operating costs for the corresponding year/period, respectively. Please refer to the paragraph headed "Business – Suppliers and sub-contractors" in this prospectus for further details.

COMPETITIVE LANDSCAPE

According to the Frost & Sullivan Report, the commercial printing industry in Australia was fragmented and competitive with thousands of players sharing the market in 2017, including a large number of small-to-medium sized companies and several large companies. According to the Frost & Sullivan Report, the overall book printing industry in Australia was also considered relatively fragmented with hundreds of market players in 2017. Further, the key entry barriers to the commercial printing industry in Australia include the requirement of a skilled workforce and high initial capital investment. Whereas, the key entry barriers to the book printing industry in Australia include industry experience and relationship with customers and suppliers. In view of the aforesaid, our Directors considered that competition is intense in the industry in which we operate and that our main competitors in the Australian commercial and book printing industry are those printing companies with established histories and production capacity and who strive for high quality printing services.

OUR COMPETITIVE STRENGTHS

Our Directors believed that we possess the following competitive strengths, which have contributed to our success and distinguished us from our competitors:

- We are an established printing solutions and services provider with a long history in Australia;
- We provide high quality, multi-scale and time sensitive printing services in Australia;
- We provide unique supply chain and customer relationship management solutions for our customers through our proprietary IPALM system;
- We place a strong focus on security;
- We have established relationships with our top five customers and top five suppliers; and
- We have an experienced and dedicated management team.

Please refer to the paragraph headed "Business – Our competitive strengths" in this prospectus for further details.

OUR BUSINESS STRATEGIES

Our business objective is to retain our position as a leading one stop shop printing solutions and services provider in Australia. In order to maintain our position and reputation in the market, we intend to implement the following strategies to achieve sustainable growth in our business:

- Continue to provide end-to-end printing solutions and services;
- Enhance our printing solutions and services through technology;
- Expand our warehousing facilities and/or streamline our printing facilities;
- Maintain investment in key machinery and equipment and enhance our production capabilities; and
- Grow our business strategically through merger, acquisition and business collaboration.

Please refer to the paragraph headed "Business – Our business strategies" in this prospectus for further details.

SUSTAINABILITY OF OUR BUSINESS

The commercial and book printing industries in Australia recorded minimal growth at CAGR of 1.5% and 0.9%, respectively from 2013 to 2017, and are expected to grow at CAGR 0.7% and 0.6%, respectively from 2017 to 2022.

Our Directors were of the view that our business is sustainable on the basis that (i) the size of the commercial printing industry for enterprises and government segments as well as the size of the book printing market in Australia, according to the Frost & Sullivan Report, is expected to continue to grow, which will continue to benefit our Group's future prospects; and (ii) we are able to grow given our long history in the market, our strong relationships with Australia-based international book publishers, multinational media and information providers, Australian government related entities and Australia-based book publishers, our one stop shop approach and our experienced and dedicated management team. Our focus on introducing technology to improve efficiencies, enhance security and create value for our customers also enables us to gain traction among our customers including but not limited to Australian government related entities and international book publishers. Please refer to the paragraph headed "Business – Sustainability of our business" in this prospectus for further details.

OUR CONTROLLING SHAREHOLDERS

Upon Listing, our Company will be owned as to approximately 62.05% by Bookbuilders BVI. Bookbuilders BVI will be the immediate holding company of our Company and is wholly-owned by 1010 Group, which is in turn wholly-owned by Lion Rock. As at the Latest Practicable Date, Mr. Lau, through City Apex, ER2 Holdings and in his personal capacity, was beneficially interested in approximately 41.14% of the issued share capital of Lion Rock. As such, each of Bookbuilders BVI, 1010 Group, Lion Rock, City Apex, ER2 Holdings and Mr. Lau is deemed to be the Controlling Shareholder of our Company for the purpose of the Listing Rules.

Bookbuilders BVI, 1010 Group, City Apex and ER2 Holdings are investment holding companies and are not engaged in any business operations. Lion Rock is a company listed on the Main Board of the Stock Exchange (stock code: 1127) and is the holding company of the Lion Rock Group, which is principally engaged in the business of book printing in the PRC and Singapore. Please refer to the section headed "Relationship with Controlling Shareholders" in this prospectus for further details.

SUMMARY OF FINANCIAL INFORMATION

The following table presents the summary of our selected financial information during the Track Record Period and should be read in conjunction with our financial information included in the Accountants' Report in Appendix IA to this prospectus.

Selected Information from the Combined Statements of Profit or Loss and Other Comprehensive Income

	For the year ended 31 December						For the three months ended 31 March		For the three months ended 31 March	
	2015		2016		2017		2017		2018	
	AUD'000	*HK$'000*	*AUD'000*	*HK$'000*	*AUD'000*	*HK$'000*	*AUD'000*	*HK$'000*	*AUD'000*	*HK$'000*
							(unaudited)			
Revenue from continuing operations	80,745	457,760	86,977	486,567	79,206	464,013	20,590	117,431	19,291	118,688
Gross profit from continuing operations	20,376	115,516	21,408	119,761	17,993	105,408	5,235	29,857	4,760	29,286
Profit before income tax from continuing operations	4,701	26,651	8,362	46,779	7,912	46,351	2,419	13,796	1,328	8,171
Profit after income tax from continuing operations	7,154	40,557	5,508	30,813	5,690	33,334	1,682	9,593	927	5,703
Profit after income tax from discontinued operations	4,893	27,739	9,386	52,507	–	–	–	–	–	–
Profit for the year/period	12,047	68,296	14,894	83,320	5,690	33,334	1,682	9,593	927	5,703

Note: The translations of AUD amounts into Hong Kong dollars are made at the average exchange rate of AUD1.0 to HK$5.6692, HK$5.5942, HK$5.8583, HK$5.7033 and HK$6.1525 for each of the three years ended 31 December 2017, and the three months ended 31 March 2017 and 2018 respectively. The amounts in terms of Hong Kong dollars are for reference only.

Selected Information from the Combined Statements of Financial Position

	As at 31 December						As at 31 March	
	2015		2016		2017		2018	
	AUD'000	*HK$'000*	*AUD'000*	*HK$'000*	*AUD'000*	*HK$'000*	*AUD'000*	*HK$'000*
Current assets	37,434	205,887	36,897	202,934	43,362	260,172	43,278	260,893
Current liabilities	20,986	115,423	16,390	90,145	14,274	85,644	14,379	86,681
Net current assets	16,448	90,464	20,507	112,789	29,088	174,528	28,899	174,212
Non-current assets	12,717	69,944	9,957	54,764	9,463	56,778	9,521	57,395
Non-current liabilities	1,516	8,338	1,734	9,537	2,561	15,366	2,557	15,414
Net assets	27,649	152,070	28,730	158,016	35,990	215,940	35,863	216,193

Note: The translations of AUD amounts into Hong Kong dollars are made at the closing exchange rate of AUD1.0 to HK$5.5000, HK$5.5000, HK$6.0000 and HK$6.0283 for each of the three years ended 31 December 2017, and the three months ended 31 March 2018 respectively. The amounts in terms of Hong Kong dollars are for reference only.

Selected Information from the Combined Statements of Cash Flows

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*HK$'000*	*AUD'000*	*HK$'000*	*AUD'000*	*HK$'000*	*AUD'000* *(unaudited)*	*HK$'000*	*AUD'000*	*HK$'000*
Net cash generated from/(used in) operating activities	7,729	43,817	9,426	52,731	7,965	46,661	2,680	15,285	(711)	(4,374)
Net cash inflows/(outflows) from investing activities	1,684	9,547	11,504	64,356	(1,056)	(6,186)	(42)	(240)	(91)	(560)
Net cash (outflows)/inflows from financing activities	(5,030)	(28,516)	(14,719)	(82,341)	1,449	8,489	(2,681)	(15,291)	(17)	(105)
Net increase/(decrease) in cash and cash equivalents	4,383	24,848	6,211	34,746	8,358	48,964	(43)	(246)	(819)	(5,039)
Cash and cash equivalents at the beginning of the year/period	7,119	44,494	11,459	63,025	17,519	96,355	17,519	96,355	25,673	154,039
Net effect of exchange rate changes	(43)	(6,317)	(151)	(1,416)	(204)	8,720	32	5,437	(4)	804
Cash and cash equivalents at the end of the year/period	11,459	63,025	17,519	96,355	25,673	154,039	17,508	101,546	24,850	149,804

Note: The translations of AUD amounts into Hong Kong dollars are made at the average exchange rate of AUD1.0 to HK$5.6692, HK$5.5942, HK$5.8583, HK$5.7033 and HK$6.1525 for each of the three years ended 31 December 2017, and the three months ended 31 March 2017 and 2018 respectively. The amounts in terms of Hong Kong dollars are for reference only.

We recorded revenue from continuing operations of approximately AUD80.7 million for the year ended 31 December 2015, with revenue from read-for-pleasure books, Government Printed Matters, Quick Turnaround Time Education Books, and catalogues, operating manuals and promotional leaflets representing approximately 24.3%, 19.3%, 25.2% and 31.2% of our total revenue, respectively. Our revenue from continuing operations increased by approximately 7.7% to AUD87.0 million for the year ended 31 December 2016, mainly due to (i) a new agreement entered into with a customer for read-for-pleasure books in 2016; and (ii) higher demand from Australian government related entities as a result of the 2016 Australian federal election and the launch of a new student loan programme in 2016. For the year ended 31 December 2017, revenue from continuing operations was approximately AUD79.2 million, which is comparable to revenue for the year ended 31 December 2015, as the aforesaid orders from Australian government related entities were not recurring. Revenue for the three months ended 31 March 2018 was approximately AUD19.3 million, similar to that for the corresponding period in 2017 of approximately AUD20.6 million.

Our profit before income tax from continuing operations was approximately AUD4.7 million, AUD8.4 million and AUD7.9 million for each of the three years ended 31 December 2017, respectively. The improvement in profitability for the year ended 31 December 2016 by approximately 77.9% as compared to 2015 was principally attributable to the increase in revenue as described above, as well as the result of cost control and rationalisation initiatives undertaken by us after Lion Rock became the controlling shareholder of OPUS in November 2014. Upon becoming the Controlling Shareholder, Lion Rock conducted a strategic and operational review which included strategic review of the OPUS business which resulted in the decision to focus on printing and related services in Australia and to dispose of the outdoor media business and printing business in New Zealand and Singapore. In addition, the strategic review incorporated a restructuring and review of OPUS's organisational structure, human resources and business contracts, all of which resulted in reductions in administrative expenses in the same year. Despite a drop in our profit before income tax from continuing operations for the year ended

31 December 2017 as compared to the previous year due to the decrease in revenue, our net profit margin before income tax from continuing operations for the year ended 31 December 2017 improved by approximately 0.4% from the year ended 31 December 2016 as a result of the reduction in direct operating costs, selling and distribution costs, and administrative expenses following implementation of the aforementioned cost control and rationalisation initiatives. Such rationalisation initiatives were substantially completed during the year ended 31 December 2017 and our cost structure and net profit margin have stabilised. Our profit before income tax from continuing operations for the three months ended 31 March 2018 was approximately AUD1.3 million, which decreased by approximately AUD1.1 million as compared to the corresponding period in 2017 and the decrease was mainly due to the recognition of listing expenses of approximately AUD1.2 million.

Our profit after income tax from continuing operations was approximately AUD7.2 million for the year ended 31 December 2015, after taking into account the tax credit of approximately AUD3.6 million from the utilisation of unrecognised tax losses carried forward from previous years and deferred tax assets from temporary differences. Profit after income tax from continuing operations for the year ended 31 December 2017 was approximately AUD5.7 million, representing an improvement of approximately 3.3% from the year ended 31 December 2016, despite a drop in revenue. Our profit after income tax from continuing operations for the three months ended 31 March 2018 was approximately AUD0.9 million after deducting listing expenses (which are tax-deductible) as mentioned above. In the absence of such listing expenses (net of tax effect), profit after income tax for the three months ended 31 March 2018 would have been approximately AUD1.7 million, representing an increase of approximately 3.2% as compared to the corresponding period in 2017.

We recorded accumulated loss as at 1 January 2015 in the sum of approximately AUD63 million, which was mainly due to goodwill impairment, restructuring costs, bank loan costs and interests charged to profit or loss in the financial years prior to the Track Record Period. Upon completion of the recapitalisation program conducted by OPUS in late 2014, whereby, among other things, the outstanding borrowings of OPUS were either largely converted into OPUS Shares or forgiven, the finance costs of OPUS thereafter had reduced significantly. During the Track Record Period, we turned around from such loss into profit because of (i) the aforesaid goodwill impairment and restructuring costs having not been incurred and the finance costs having been reduced during the Track Record Period; and (ii) the cost control and rationalisation initiatives undertaken after Lion Rock became the controlling shareholder of OPUS in November 2014, which were substantially completed during the year ended 31 December 2017 and resulted in stabilisation of our cost structure and net profit margin.

Please refer to the section headed "Financial Information" in this prospectus for further details.

KEY FINANCIAL RATIOS

The following table sets out key financial ratios as of and for the period ended the dates indicated:

	For the year ended/as at 31 December			For the three months ended/as at 31 March
	2015	2016	2017	2018
Profitability ratios				
Gross profit margin for continuing operations	25.2%	24.6%	22.7%	24.7%
Net profit margin for continuing operations	8.9%	6.3%	7.2%	4.8%
Return on equity	25.9%	19.2%	15.8%	10.3%
Return on total assets	17.5%	11.8%	10.8%	7.0%
Liquidity ratios				
Current ratio	1.3 times	2.3 times	3.0 times	3.0 times
Quick ratio	1.1 times	2.0 times	2.7 times	2.6 times
Capital adequacy ratio				
Gearing ratio	0.1%	0.3%	0.7%	0.7%
Interest coverage ratio	27.0 times	8,363.0 times	233.7 times	95.9 times

Please refer to the paragraph headed "Financial Information – Key financial ratios" in this prospectus for further details.

LISTING EXPENSES

Listing expenses represent professional fees (across Bermuda, Hong Kong and Australia jurisdictions), underwriting commission and other fees and expenses incurred in connection with the Share Offer and the Listing, which includes, among other things, fees and expenses relating to the fulfilment of the conditions precedent to and implementation of the Scheme of Arrangement to effect the Reorganisation in preparation for the Listing. We expect to incur a total of approximately HK$36.9 million in listing expenses (assuming an Offer Price of HK$1.05 per Offer Share, being the mid-point of the indicative Offer Price range of HK$1.00 to HK$1.10 per Offer Share). During the Track Record Period, we incurred approximately HK$9.1 million in listing expenses, of which HK$6.9 million was recognised in our combined statements of profit or loss and other comprehensive income and approximately HK$2.2 million will be charged against equity upon Listing. We expect to incur further listing expenses of approximately HK$27.8 million, of which approximately HK$10.2 million will be charged against equity upon Listing and approximately HK$17.6 million will be charged to our combined statements of profit or loss and other comprehensive income for the year ending 31 December 2018.

USE OF PROCEEDS

We estimate that the aggregate net proceeds to be received by us from the Share Offer (after deducting underwriting fees and estimated expenses payable by us in connection with the Share Offer, and assuming an Offer Price of HK$1.05 per Offer Share, being the mid-point of the indicative Offer Price range of HK$1.00 to HK$1.10 per Offer Share) will be approximately HK$73.3 million. We currently intend to apply such net proceeds in the following manner:

- approximately HK$41.9 million (equivalent to approximately AUD7.0 million) or approximately 57.2% of the estimated net proceeds from the Share Offer will be utilised for the expansion of production capacity and improvement of efficiency by purchasing machinery;

- approximately HK$17.7 million (equivalent to approximately AUD3.0 million) or approximately 24.1% of the estimated net proceeds from the Share Offer will be utilised for upgrading our ERP system and IPALM platform;

- approximately HK$6.4 million (equivalent to approximately AUD1.1 million) or approximately 8.7% of the estimated net proceeds from the Share Offer will be utilised for expansion of our warehousing facilities and/or streamlining of our printing facilities; and

- approximately HK$7.3 million (equivalent to approximately AUD1.2 million) or approximately 10.0% of the estimated net proceeds from the Share Offer will be utilised as general working capital of our Group.

SCHEME OF ARRANGEMENT, DELISTING FROM THE ASX AND LISTING ON THE STOCK EXCHANGE

OPUS was listed on the ASX on 12 April 2012 with the stock code OPG. On 14 June 2018, OPUS and our Company entered into the Scheme Implementation Agreement which outlined the agreed steps to be taken for the implementation of the Scheme of Arrangement. Conditions precedent to the Scheme of Arrangement were set out in the Scheme Implementation Agreement which included, among others, approval by the OPUS Shareholders and approval of the Federal Court of Australia. Implementation of the Scheme of Arrangement is also subject to our Company receiving final written approval from the Stock Exchange for the Listing and that approval becoming unconditional. Upon implementation of the Scheme of Arrangement, OPUS Shareholders will exchange their OPUS Shares for our Shares on the basis of one OPUS Share for three Shares. Upon completion of the share swap, (i) OPUS will be wholly-owned by our Company; and (ii) all the then existing OPUS Shareholders (excluding the ineligible foreign OPUS Shareholders) and the designated sale agent (until the relevant Shares under the share sale facility are sold) will become the Shareholders of our Company. The Listing will not proceed unless the Scheme of Arrangement has become effective and been implemented.

Our Directors believed that in view of the subdued investor interest in our Group from current Australian resident OPUS Shareholders, investor interest for our Shares is expected to be greater once they have been listed on the Stock Exchange, as compared to the existing listing of OPUS Shares on the ASX, as there are a greater number of companies listed on the Stock Exchange which are engaged in the printing business where we would be able to extract a valuation which is more reflective of our true value from the valuation range of comparable companies listed in Hong Kong.

On 26 July 2018, the first court hearing was held to initiate the approval of the Scheme of Arrangement. On 6 September 2018, the OPUS Shareholders voted in favour of the Scheme of Arrangement. On 13 September 2018, the second court hearing was held to approve the Scheme of Arrangement, which became effective on 14 September 2018 and trading in OPUS Shares has been suspended since close of trading on 14 September 2018. As at 14 September 2018 (being the last trading day before suspension of the OPUS Shares from trading on the ASX), the market capitalisation of OPUS was approximately AUD58.3 million (equivalent to approximately HK$346.7 million), calculated based on 133,969,941 OPUS Shares in issue and the closing price of the OPUS Share of AUD0.435 as at 14 September 2018. Based on the mid-point Offer Price of HK$1.05 and a proposed issued share capital of 506,909,823 Shares, the expected market capitalisation of our Company upon completion of the proposed Listing would be approximately HK$532.3 million, representing a premium of approximately 53.5% over OPUS's market capitalisation as at 14 September 2018.

Our Directors believed that the difference between the market capitalisation of OPUS as at 14 September 2018 and that of our Company upon Listing is due in large part to the under appreciation of our business and prospects by investors in the Australian market. This is enhanced somewhat by the lack of comparable companies listed on the ASX which are engaged in the provision of printing solutions and services, as compared to the number of such companies listed on the Stock Exchange. Moreover, given that investors have not re-valued OPUS since the turnaround in financial performance and improvement in financial position of OPUS during the Track Record Period, our Directors believed that its value as an investment opportunity is overlooked in Australia.

Upon completion of the Share Offer and subject to the Listing Committee granting approval of the listing of and permission to deal in the Shares, our Company will be listed on the Stock Exchange. The Delisting of OPUS Shares from the ASX is expected to take place on or shortly after the Listing Date. Please refer to the section headed "Delisting from the ASX and Listing on the Stock Exchange" in this prospectus for further details.

DIVIDENDS

No dividends have been declared or paid by our Company since the date of its incorporation. For each of the three years ended 31 December 2017, dividends of approximately AUD1.0 million, AUD12.5 million, AUD2.1 million, respectively, were paid by OPUS to its shareholders. For the year ended 31 December 2016, OPUS declared (i) a special dividend of approximately AUD8.7 million in May 2016 as a means of sharing part of the proceeds from the sale of C.O.S. Printers with OPUS Shareholders; and (ii) other dividends of approximately AUD3.8 million. For the three months ended 31 March 2018, a dividend of approximately AUD1.1 million was declared and subsequently paid in June 2018 by OPUS to its shareholders. In advance of the Scheme of Arrangement, OPUS declared a special dividend of AUD0.13 per OPUS Share in June 2018 as a means of sharing returns with OPUS Shareholders prior to the Delisting. Our Group does not have any dividend policy. Our dividend distribution record in the past 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. The recommendation of the payment of dividend is subject to the absolute discretion of our Board, and, after Listing, any declaration of final dividend for the year will be subject to the approval of our Shareholders. Our Directors may recommend a payment of dividend in the future after taking into account our operations, earnings, financial condition, availability of surplus cash, capital expenditure and future development requirements and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of the dividend will be subject to our constitutional documents and the Companies Act, including the approval of our Shareholders.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

The unaudited consolidated financial statements of OPUS for the six months ended 30 June 2018, which have been reviewed by BDO Limited, our auditors and reporting accountants, in accordance with Hong Kong Standard on Review Engagements 2410, is set out in Appendix IB to this prospectus.

OPUS's unaudited consolidated revenue for the six months ended 30 June 2018 declined by approximately 2.0% to approximately AUD38.9 million, as compared to that of approximately AUD39.7 million for the six months ended 30 June 2017. Such decrease was mainly due to the completion of some one-off projects in the prior period not having recurred for the six months ended 30 June 2018 but partially offset by (i) growth in sales by Customer G in the second half of 2017 and the first half of 2018 after the commencement of a new long-term contract signed with Customer G in early 2017; and (ii) the commencement of a new long-term warehouse and fulfilment contract in the second quarter of 2018. For the six months ended 30 June 2017 and 2018, OPUS generated an unaudited gross profit of approximately AUD10.1 million and AUD9.5 million, respectively, representing a gross margin of approximately 25.4% and 24.5%, respectively, and were relatively stable.

OPUS's unaudited net profit after income tax was approximately AUD6.3 million for the six months ended 30 June 2018, representing an increase of approximately AUD3.1 million as compared to that of approximately AUD3.2 million for the six months ended 30 June 2017. The aforesaid growth was mainly attributable to a one-off gain of approximately AUD4.8 million reclassified from foreign exchange translation reserve to profit or loss as a result of the deregistration of OPUS NZ on 22 May 2018, and partially set off by the recognition of listing expenses of approximately AUD2.7 million (which are tax-deductible). In the absence of such one-off gain and listing expenses (net of tax effect), OPUS's unaudited net profit after income tax would have been approximately AUD3.3 million, representing an increase of approximately 2.8% as compared to the corresponding period in 2017.

On 14 June 2018, OPUS announced that it declared the Special Dividend of AUD0.13 per OPUS Share. In addition, OPUS had put in place the Dividend Reinvestment Plan, pursuant to which OPUS Shareholders could elect to receive additional new OPUS Shares in lieu of cash in respect of the Special Dividend they are entitled to receive. As at 30 June 2018, OPUS had a Special Dividend payable of approximately AUD13.7 million under current liabilities, which was the main reason for the decrease in OPUS's net assets value from approximately AUD35.9 million as at 31 March 2018 to approximately AUD22.7 million as at 30 June 2018. On 22 August 2018, such Special Dividend payable was settled as to approximately AUD1.9 million in cash and approximately AUD11.8 million by way of issue of 28,614,371 new OPUS Shares under the Dividend Reinvestment Plan to certain OPUS Shareholders. Such settlement of Special Dividend payable resulted in a reduction in OPUS's cash position by approximately AUD1.9 million, an increase of share capital of OPUS by approximately AUD11.8 million and an improvement of OPUS's net assets value by approximately AUD11.8 million as compared to 30 June 2018.

Save for the Special Dividend, our Directors confirmed that, up to the date of this prospectus, there has been no material adverse change in the financial or trading position of the Group since 31 March 2018, being the date to which the latest audited financial statements of our Group were made up as set out in the Accountants' Report in Appendix IA to this prospectus.

SHARE OFFER STATISTICS

	Based on minimum indicative Offer Price of HK$1.00	Based on maximum indicative Offer Price of HK$1.10
Market capitalisation of our Shares *(Note 1)*	HK$506.9 million	HK$557.6 million
Unaudited pro forma adjusted combined net tangible asset value per Share *(Note 2)*	AUD0.0961 HK$0.5794	AUD0.0993 HK$0.5986

Notes:

(1) The calculation of market capitalisation is based on 506,909,823 Shares expected to be in issue at the Offer Price immediately upon completion of the Reorganisation and the Share Offer.

(2) The unaudited pro forma adjusted net tangible asset value per Share has been arrived at after adjustments referred to in the paragraph headed "Unaudited Pro Forma Financial Information – Unaudited Pro Forma Statement of Adjusted Combined Net Tangible Assets" in Appendix II to this prospectus and on the basis of 506,909,823 Shares to be in issue at the Offer Price immediately upon completion of the Reorganisation and the Share Offer.

RISK FACTORS

Our business is subject to a number of risks, including but not limited to risks relating to our business and industry, risks relating to the country in which we operate, and risks relating to the Share Offer. Some of the major risks we face include:

- We are dependent on the demand of our customers as the provision of our printing services is made on the basis of individual purchase orders placed by our customers
- Security threats or failure to maintain adequate security could damage the relationship with our Australian government related entities customers, harm our reputation, expose us to litigation and adversely affect our business
- Any significant delay in the production and delivery of our products or any significant disruption in our production facilities will adversely affect our business, financial conditions and results of operations
- Fluctuations in raw materials prices may affect our financial performance
- We are subject to the challenges of increased digital/electronic consumption of content and increase in online retailing
- The Australian Government and the general public are paying increasing attention to environmental protection which may restrain the growth of our Company

In this prospectus, the following expressions shall have the meanings set out below unless the context requires otherwise.

"1010 Group"	1010 Group Limited, a company incorporated in Hong Kong with limited liability on 10 January 2005 which will become a Controlling Shareholder of our Company upon completion of the Reorganisation
"1010 Printing"	1010 Printing International Limited (匯星印刷國際有限公司), a company incorporated in Hong Kong with limited liability on 10 January 2005 and a wholly-owned subsidiary of Lion Rock
"ACT"	Australian Capital Territory, Australia
"Additional Warrantor(s)"	Mr. Celarc, Ms. Tang and Mr. Young
"Applicant(s)"	a person who applies for Offer Shares under the prospectus
"Application Form(s)"	**WHITE**, **YELLOW** and **GREEN** application form(s), or where the context so requires, any one of them, to be used in relation to the Public Offer
"ASIC"	Australian Securities and Investments Commission
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"ASX"	ASX Limited, ACN 008 624 691, or the Australian Securities Exchange Limited as the context requires, trading as Australian Securities Exchange
"ASX Listing Rules"	the Rules Governing the Listing of Securities on the ASX
"AUD" or "Australian dollars"	Australian dollars, the lawful currency of Australia
"Audit Committee"	the audit committee of the Board
"Australia"	Commonwealth of Australia
"Australian Corporations Act"	Corporations Act 2001 (Cth) of Australia, as amended, supplemented or otherwise modified from time to time
"Australian Government"	means the federal government of the Commonwealth of Australia
"Australian government related entities"	means departments, statutory bodies, state-funded entities and agencies of the Australian Government
"Australia Post"	Australian Postal Corporation, an Australian Government-owned corporation that provides postal services both locally and internationally, as well as retail outlets
"Board" or "Board of Directors"	the board of Directors

"Bookbuilders BVI"	Bookbuilders BVI Limited, a company incorporated in the BVI on 25 May 1993 which will become a Controlling Shareholder of our Company upon completion of the Reorganisation
"Business Day" or "business day"	any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for normal banking business
"BVI"	the British Virgin Islands
"Bye-laws"	the bye-laws of our Company conditionally adopted on 10 July 2018 to take effect on the Listing Date, as amended, supplemented or otherwise modified from time to time, a summary of which is set out in Appendix III to this prospectus
"Cactus Group"	includes Cactus Imaging Holdings Pty Ltd. and its wholly-owned subsidiary, Cactus Imaging Pty. Ltd.
"Cactus Imaging (NZ)"	Cactus Imaging Holdings Limited, NZBN 9429040415536, a company incorporated in New Zealand on 13 July 1978 and deregistered on 16 February 2018
"CAGR"	compound annual growth rate, a method of assessing the average growth of a value over time
"CanPrint Business"	the business conducted at the CanPrint Facility together or individually by Union Offset and/or CanPrint Communications being mainly, but not exclusively, the printing of Government Printed Matters
"CanPrint Communications"	CanPrint Communications Pty Limited, ACN 079 915 932, a company incorporated in Australia on 4 September 1997 which will become an indirect wholly-owned subsidiary of our Company upon completion of the Reorganisation
"CanPrint Facility"	our production facility and office located at 16 Nyrang Street, Fyshwick, ACT, Australia
"CanPrint Holdings"	CanPrint Holdings Pty Limited, ACN 134 477 357, a company incorporated in Australia on 4 December 2008 which will become an indirect wholly-owned subsidiary of our Company upon completion of the Reorganisation
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CCASS Clearing Participant(s)"	person(s) admitted to participate in CCASS as direct clearing participant(s) or general clearing participant(s)

"CCASS Custodian Participant(s)"	person(s) admitted to participate in CCASS as custodian participant(s)
"CCASS Investor Participant(s)"	person(s) admitted to participate in CCASS as investor participant(s) who may be individual(s) or joint individual(s) or corporation(s)
"CCASS Participant(s)"	CCASS Clearing Participant(s), CCASS Custodian Participant(s) or CCASS Investor Participant(s)
"China" or "PRC"	the People's Republic of China which, for the purposes of this prospectus only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"City Apex"	City Apex Ltd., a company incorporated in the BVI on 23 August 2002 which will become a Controlling Shareholder of our Company upon completion of the Reorganisation
"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Companies Act"	the Companies Act 1981 of Bermuda, as amended, supplemented or otherwise modified from time to time
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company", "our Company" or "Left Field Printing Group Limited"	Left Field Printing Group Limited (澳獅環球集團有限公司*), an exempted company incorporated in Bermuda with limited liability on 18 April 2018
"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 otherwise requires, refers to Lion Rock, 1010 Group, Bookbuilders BVI, City Apex, ER2 Holdings and Mr. Lau, each of whom is a "Controlling Shareholder"
"C.O.S. Printers"	C.O.S. Printers Pte. Ltd., a company incorporated in Singapore with limited liability on 19 July 1980

"Deed of Indemnity"	the deed of indemnity dated 18 September 2018 and entered into by our Controlling Shareholders in favour of our Company (for ourselves and as trustee for each of our subsidiaries), pursuant to which our Controlling Shareholders have given certain indemnities, further particulars of which are set out in the paragraph headed "Statutory and General Information – E. Other information – 1. Indemnities" in Appendix IV to this prospectus
"Delisting"	the delisting of OPUS from the official list of the ASX and the cessation of quotation of all its shares from the market operated by the ASX, and "delist" shall be construed accordingly, particulars of which are set out in the section headed "Delisting from the ASX and Listing on the Stock Exchange" in this prospectus
"Director(s)"	the director(s) of our Company
"Dividend Reinvestment Plan"	the dividend reinvestment plan that was put in place by OPUS, pursuant to which the OPUS Shareholders could elect to receive additional new OPUS Shares in lieu of cash for all or part of the Special Dividend that they were entitled to receive
"ER2 Holdings"	ER2 Holdings Limited (青田集團有限公司), a company incorporated in Hong Kong on 2 June 2000 which will become a Controlling Shareholder of our Company upon completion of the Reorganisation
"**eWhite Form(s)**"	the application form(s) for Public Offer Shares to be issued in the applicant's own name by submitting applications online through the designated website of **eWhite Form** at **www.ewhiteform.com.hk**
"**eWhite Form** Service Provider"	the **eWhite Form** service provider designated by our Company, as specified on the designated website at **www.ewhiteform.com.hk**
"Frost & Sullivan"	Frost & Sullivan International Limited, an independent market research company
"Frost & Sullivan Report"	an independent market research report, commissioned by our Company on the Australian commercial and book printing industry and prepared by Frost & Sullivan, the contents of which are referenced in this prospectus
"GDP"	gross domestic product
"**GREEN** Application Form(s)"	the application form(s) to be completed by the **eWhite Form** Service Provider

"Group", "our Group", "we" or "us"	our Company and its subsidiaries or any of them, or where the context otherwise requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
"GST"	goods and services tax in Australia pursuant to the A New Tax System (Goods and Services Tax) Act 1999 imposed on most goods and services sales
"HKD" or "HK$" or "Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HKSCC Nominees"	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
"Hong Kong" or "HKSAR" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Branch Share Registrar"	Boardroom Share Registrars (HK) Limited, our Hong Kong branch share registrar and transfer office
"IFRSs"	International Financial Reporting Standards
"Independent Third Party(ies)"	individual(s) or company(ies) which is/are independent of and not connected with the Company and its connected person (within the meaning of the Listing Rules)
"Integrated Print"	Integrated Print and Logistics Management Pty Limited, ACN 086 158 894, a company incorporated in Australia on 5 February 1999 which will become an indirect wholly-owned subsidiary of the Company upon completion of the Reorganisation
"Joint Bookrunners"	Aristo Securities Limited, Kingston Securities Limited, Success Securities Limited, Sun Securities Limited and VMS Securities Limited acting as joint bookrunners of the Share Offer
"Latest Practicable Date"	10 September 2018, being the latest practicable date for the purpose of ascertaining certain information in this prospectus prior to its printing
"Ligare"	Ligare Pty Ltd, ACN 001 787 275, a company incorporated in Australia on 17 September 1979 which will become an indirect wholly-owned subsidiary of our Company upon completion of the Reorganisation

"Ligare Business"	the business conducted at the Ligare Facility together or individually by OPUS Australia and/or Ligare, being mainly, but not exclusively, the printing of Quick Turnaround Time Education Books
"Ligare Facility"	our production facility, office and warehouse located at 138-152 Bonds Road and 23-25 Skinner Avenue, Riverwood, NSW, Australia and Unit 3, 13 Larkin Street, Riverwood NSW, Australia
"Ligare (NZ)"	Ligare Limited, NZBN 9429031653404, a company incorporated in New Zealand on 23 February 2010
"Lion Rock"	Lion Rock Group Limited (獅子山集團有限公司*), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1127) which will become a Controlling Shareholder of our Company upon completion of the Reorganisation
"Lion Rock Group"	Lion Rock and its subsidiaries
"Listing"	the listing of our Shares on the Main Board of the Stock Exchange
"Listing Committee"	the listing committee of the Stock Exchange
"Listing Date"	the date on which dealings in our Shares first commence on the Main Board, which is expected to be on or around 8 October 2018
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
"Memorandum" or "Memorandum of Association"	the memorandum of association of our Company, as amended from time to time
"MPG"	McPherson's Printing Pty. Ltd., ACN 004 911 308, a company incorporated in Australia on 1 November 1971 which will become an indirect wholly-owned subsidiary of our Company upon completion of the Reorganisation

"MPG Business"	the business conducted at the MPG Facility by MPG, being mainly, but not exclusively, the printing of read-for-pleasure books
"MPG Facility"	our production facility, warehouse and office located at 13 and 76 Nelson Street and 20 Johnson Street, Maryborough, VIC, Australia and Lot 2, 5 and part of 13 Brick Kiln Road, Carisbrook, VIC, Australia
"Mr. Celarc"	Mr. Richard Francis Celarc, the chairman of our Board and an executive Director
"Mr. Lau"	Mr. Lau Chuk Kin (劉竹堅), an executive Director and a Controlling Shareholder of our Company upon completion of the Reorganisation
"Mr. Young"	Mr. Paul Antony Young, a non-executive Director
"Ms. Tang"	Ms. Tang Tsz Ying (鄧紫瑩), an executive Director
"New Public Shareholder(s)"	the new public shareholder(s) of our Company upon completion of the Listing and the Share Offer, who are not existing public shareholders of OPUS
"New Zealand"	Realm of New Zealand
"Nomination Committee"	the nomination committee of the Board
"NSW"	the state of New South Wales, Australia
"NZD" or "New Zealand dollars"	New Zealand dollars, the lawful currency of New Zealand
"Offer Price"	the final price for each Offer Share (exclusive of brokerage fee of 1%, SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%) at which the Offer Shares are to be offered for subscription pursuant to the Share Offer
"Offer Share(s)"	the Public Offer Share(s) and the Placing Share(s)
"OPUS"	OPUS Group Limited, ACN 006 162 876, a company incorporated in Australia on 7 June 1983 which will become a direct wholly-owned subsidiary of our Company upon completion of the Reorganisation, the issued shares of which are listed on the ASX (stock code: OPG) and will be delisted from the ASX on or shortly after the Listing Date

"OPUS Australia"	OPUS Group (Australia) Pty Limited, ACN 125 553 497, a company incorporated in Australia on 23 May 2007 which will become an indirect wholly-owned subsidiary of our Company upon completion of the Reorganisation
"OPUS NZ"	OPUS Group NZ Holdings Limited, NZBN 9429033203232, a company incorporated in New Zealand on 6 August 2007 and deregistered on 22 May 2018
"OPUS Share(s)"	the fully paid ordinary share(s) in the share capital of OPUS
"OPUS Shareholder(s)"	the shareholder(s) of OPUS before the completion of the Reorganisation
"Placing"	the conditional placing of the Placing Shares at the Offer Price to professional, institutional and other investors, as further described in the section headed "Structure of the Share Offer" in this prospectus
"Placing Shares"	the 94,500,000 new Shares (subject to reallocation) initially being offered at the Offer Price by our Company for subscription under the Placing as described in the section headed "Structure of the Share Offer" in this prospectus
"Placing Underwriter(s)"	the underwriter(s) named in the Placing Underwriting Agreement
"Placing Underwriting Agreement"	the conditional underwriting agreement expected to be entered into on or about the Price Determination Date by our Company, OPUS, our Controlling Shareholders, the Additional Warrantors, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and the Placing Underwriters in respect of the Placing
"PRC"	the People's Republic of China, which excludes for the purpose of this prospectus, Hong Kong, Macau Special Administrative Region and Taiwan
"Price Determination Agreement"	the agreement to be entered into between our Company and the Sole Global Coordinator (for itself and on behalf of the Underwriters) on the Price Determination Date to record and fix the Offer Price
"Price Determination Date"	the date, expected to be on or about 27 September 2018, on which the Offer Price is expected to be fixed for the purpose of the Share Offer, or any later date as may be agreed between our Company and the Sole Global Coordinator (for itself and on behalf of the Underwriters), but, in any event, no later than 4 October 2018
"Public Offer"	the issue and offer of the Public Offer Shares for subscription in Hong Kong at the Offer Price (plus brokerage fee of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) on and subject to the terms and conditions described in this prospectus and the Application Forms

"Public Offer Shares"	the 10,500,000 new Shares (subject to reallocation) initially being offered at the Offer Price by our Company for subscription in the Public Offer as described in the section headed "Structure of the Share Offer" in this prospectus
"Public Offer Underwriter"	the underwriter of the Public Offer listed in the paragraph headed "Underwriting – Underwriters – Public Offer Underwriter" in this prospectus
"Public Offer Underwriting Agreement"	the Public Offer underwriting agreement dated 19 September 2018 entered into among our Company, OPUS, our Controlling Shareholders, the Additional Warrantors, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and the Public Offer Underwriter, particulars of which are set out in the section headed "Underwriting" in this prospectus
"Regulation S"	Regulation S under the U.S. Securities Act
"Remuneration Committee"	the remuneration committee of the Board
"Reorganisation"	the corporate reorganisation of our Group in preparation for the Listing as described in the paragraph headed "History and Corporate Structure – Reorganisation" in this prospectus
"Repurchase Mandate"	the general unconditional mandate granted to our Directors by our Shareholders in relation to the repurchase of our Shares, further information on which is set out in the paragraph headed "Statutory and General Information – A. Further Information about our Company and our Group – 6. Repurchase by our Company of its own securities" in Appendix IV to this prospectus
"Richard Celarc Family Trust"	Richard Celarc Family Trust, a revocable discretionary trust established under the laws of NSW with Mr. Celarc as the trustee and Mr. Celarc, his wife and his three children as the beneficiaries
"Scheme Implementation Agreement"	an agreement entered into by our Company and OPUS on 14 June 2018 which sets out the terms and conditions for the purposes of implementing the Scheme of Arrangement
"Scheme of Arrangement"	a scheme of arrangement under Australian law pursuant to which OPUS Shareholders will exchange their OPUS Shares for our Shares, in preparation of the Delisting, particulars of which are described in the section headed "Delisting from the ASX and Listing on the Stock Exchange" in this prospectus

"Securities Act"	the United States Securities Act of 1933 and as amended and supplemented or otherwise modified from time to time and the rules and regulations promulgated thereunder
"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) of par value of HK$0.01 each in the share capital of our Company
"Shareholder(s)"	holder(s) of our Share(s)
"Share Offer"	the Public Offer and the Placing
"Sole Global Coordinator"	VMS Securities Limited, a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, appointed by our Company as the sole global coordinator of the Share Offer
"Sole Sponsor" or "Optima"	Optima Capital Limited, a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO, appointed by our Company as the sole sponsor of the Listing
"Special Dividend"	a fully franked dividend of AUD0.13 per OPUS Share as announced by OPUS on 14 June 2018, which was settled on 22 August 2018 either in cash or by way of issuance of additional new OPUS Shares pursuant to the Dividend Reinvestment Plan, as elected by each OPUS Shareholder
"State"	means a state making up the federation of Australia (being New South Wales, Queensland, South Australia, Tasmania, Victoria and Western Australia)
"Stock Exchange" or "HKEx"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules

"Takeovers Code"	the Code on Takeovers and Mergers, as amended, supplemented or otherwise modified from time to time
"Territory"	territories within the Commonwealth of Australia, being the Northern Territory and Australian Capital Territory
"Track Record Period"	the period comprising the three financial years of our Group ended 31 December 2017 and the three months ended 31 March 2018
"Underwriters"	the Public Offer Underwriter and/or the Placing Underwriters
"Underwriting Agreements"	the Public Offer Underwriting Agreement and the Placing Underwriting Agreement
"Union Offset"	Union Offset Co. Pty. Limited, ACN 008 458 099, a company incorporated in Australia on 24 August 1967 which will become an indirect wholly-owned subsidiary of our Company upon completion of the Reorganisation
"United States" or "U.S." or "USA"	the United States of America
"USD" or "US$" or "U.S. dollars"	United States dollars, the lawful currency of the U.S.
"VIC"	the state of Victoria, Australia
"**WHITE** Application Form(s)"	the application form(s) for use by the public who require(s) such Public Offer Shares to be issued in the applicant's or applicants' own name(s)
"**YELLOW** Application Form(s)"	the application form(s) for use by the public who require(s) such Public Offer Shares to be deposited directly into CCASS
"%"	per cent

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Chinese names which are marked with "" are for identification purpose only.*

This glossary contains explanations of certain terms and definitions used in this prospectus in connection with our Group and its business. The terms and their meanings may not correspond to standard industry meaning or usage of those terms.

"case binding"	a process of bookbinding in which the book is fastened into a case
"COC"	Chain of Custody Standards
"Coffee Table Books"	oversized, usually hard-covered, colour, image-heavy books whose purpose is for display on a table intended for use in an area in which one entertains guests and from which it can serve to inspire conversation
"collating"	the process of assembling folded signatures in its proper numerical sequence
"CPI"	consumer price index
"DPID"	Delivery Point Identifier by Australia Post, being an eight digit number that is unique to every address in Australia, generated by validating against Australia Post's postal address database
"e-book(s)"	electronic book(s)
"EDI"	electronic data interchange, a concept of computer-to-computer exchange of documents between business entities. Such documents flow through to the appropriate application on the receiver's computer, which enables immediate processing
"ERP system"	enterprise resource planning system, a software-packaged system which integrates several data sources and processes of an organisation into a single unified system
"eWAY"	secure online credit card payment gateway
"FSC"	Forest Stewardship Council Certificate
"Government Printed Matters"	documents, reports, magazines, leaflets, brochures and other such printed matters which may be distributed for use by Australian government related entities and/or to the public and which requires approval from Australian government related entities
"ISO"	International Organization for Standardization, a non-governmental organisation based in Geneva, Switzerland for assessing the quality systems of business organisations

"ISO 9001"	a quality management system model published by ISO with guidance and tools for companies and organisations who want to ensure that their products and services consistently meet customer's requirements, and that quality is consistently improved
"ISO 14001"	a set of standards published by ISO, which specifies a framework of control for an environmental management system
"Long Lead Time Education Books"	education books which usually take more than 21 working days from ready to print to delivery
"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 and speedy production of printing plates
"ozalid"	a photo print made from stripped-up film or digital file used as a final proof to check the position of image elements on each page
"PAYE/PAYG"	pay-as-you-earn or pay-as-you-go, a withholding system in which business owners are required to collect tax from salary payments made to, among others, their employees
"PEFC"	programme of the endorsement of forest certification
"post-press"	the processes and procedures that occur after paper have been printed and include drying, folding, collating, sewing, binding, finishing and quality assurance
"pre-press"	the processes and procedures that occur between the creation of a print layout and the final printing and includes the manufacture of a printing plate, image carrier or form, ready for mounting on a printing press, as well as the adjustment of images and texts or the creation of a high-quality print file
"print-on-demand"	a printing technology and business process in which book copies (and other documents) are not printed until the company receives an order, allowing prints of singular or small quantities
"Quick Turnaround Time Education Books"	education books, which usually take less than 21 working days from ready to print to delivery
"read-for-pleasure book(s)"	book(s) which are read primarily for leisure or enjoyment including fiction and non-fiction book titles and books which are typically printed in monotone with little or no illustrations
"RFID"	radio frequency identification, a form of wireless communication which uses electromagnetic fields to automatically identify and track tags attached to objects
"signature"	any single press sheet on which multiple pages have been imposed which, when folded and cut, forms a group of pages

This prospectus contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. The forward-looking statements are contained principally in the sections headed "Summary", "Risk Factors", "Industry Overview", "Business", "Financial Information" and "Future Plans and Proposed Use of Proceeds" in this prospectus. These statements relate to events that involve known and unknown risks, uncertainties and other factors, including those listed under the section headed "Risk Factors" in this prospectus, which may cause our actual results, performance or achievements to be materially different from performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements include, without limitation, statements relating to:

- our operations and business prospects;
- our business strategies and plan to achieve these strategies;
- our contracts and/or orders on hand;
- our future debt levels and capital needs;
- our financial conditions and performance;
- the nature of, and potential for, future development of our business;
- the regulatory environment of our industry in general;
- future developments in our industry;
- our dividend policy;
- general economic, political and business conditions in the markets which we operate; and
- other factors beyond our control.

The words "aim", "anticipate", "believe", "can", "could", "estimate", "expect", "intend", "may", "might", "plan", "project", "seek", "will", "would" and the negative of these terms and other similar expressions, as they relate to us, are intended to identify a number of these forward-looking statements. These forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. Actual results may differ materially from information contained in the forward-looking statements as a result of a number of uncertainties and factors, including but not limited to the risk factors described in the section headed "Risk Factors" in this prospectus. One or more of these risks or uncertainties may materialise.

Subject to the requirements of applicable laws, rules and regulations, we do not have any obligation and do not undertake to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or developments or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements contained in this prospectus are qualified by reference to the cautionary statements set out in this section as well as the risks and uncertainties discussed in the section headed "Risk Factors" in this prospectus.

In addition to other information in this prospectus, you should carefully consider the following risk factors before making any investment decision in relation to the Offer Shares. Any of the following risks may materially and adversely affect our business, financial condition or results of operations, or otherwise cause a decrease in the trading price of the Offer Shares and cause you to lose part or all of the value of your investment in the Offer Shares.

RISKS RELATING TO OUR BUSINESS

We are dependent on the demand of our customers as the provision of our printing services is made on the basis of individual purchase orders placed by our customers

Although we may, from time to time, enter into framework sale and purchase agreements with some of our customers, we normally generate sales on an order-by-order basis. In respect of our MPG Business and Ligare Business, our customers are principally commercial and professionals and academic book publishers. As such, demand for our printing solutions and services is dependent upon factors such as the release of new book titles into the market in Australia, the popularity of certain read-for-pleasure books which may lead to subsequent re-prints and/or the demand from academics or professionals for certain reference books or materials. In respect of our CanPrint Business, as our customers are principally Australian government related entities, demand for our printing solutions and services may be dependent upon factors such as when the Parliament of Australia is sitting, introduction of new legislation, amendments to existing legislation and/or electoral events or policy matters which require documents, reports and materials to be printed or updated.

As such, our sales are highly dependent on and may fluctuate subject to customers' demand for our printing solutions and services. There is no assurance that we will be able to receive sufficient orders from our customers and to maintain our revenue as we had during the Track Record Period or at all during our future business operations. The future growth of our business depends on our ability to maintain and increase orders from new and existing customers. We cannot guarantee that our customers will place orders with us at the same historical level or at all. Also, we cannot guarantee that we will enjoy growth in terms of the number of customer orders, revenue and profits in the future. If there is any adverse change to market conditions such as an economic slowdown or an increase in competition, our business, financial condition and results of operations may be materially and adversely affected.

Security threats or failure to maintain adequate security could damage the relationship with our Australian government related entities customers, harm our reputation, expose us to litigation and adversely affect our business

The success of our CanPrint Business hinges on, among other things, our ability to maintain stringent security protocols and protect data and printed products against security threats, such as data leakage, theft or breach of confidentiality. Our CanPrint Business mainly constitutes printing of Government Printed Matters for Australian government related entities, certain of which may be sensitive in nature (i.e. Parliamentary documents) or require special security provisions (i.e. examination papers). Our CanPrint Business also depends to a certain extent on our ability to maintain approvals/clearance from the Australian Government to print such materials including, the maintenance of a high level of on-site security. Such approvals/clearance may also require special security provisions, such as security clearances of the staff at our CanPrint Facility, ring-fencing of specific materials for production and warehousing and in some cases, ring-fencing of certain staff from such productions. Unauthorised access, whether by unauthorised third parties, restricted employees, former employees, etc., to such confidential or security sensitive data that is stored or transmitted on our networks or printed at the CanPrint Facility may lead to them misappropriating, publishing, deleting, modifying and/or otherwise deliberately or unintentionally misusing such confidential information.

We cannot guarantee that a security oversight, failure or breach will not occur at our CanPrint Facility or any other production facilities. Any such security breaches may subject us to liability under breach of contract and/or applicable data protection laws and regulations, as a result of which we could be subject to substantial fines or may face litigation. We may also incur significant costs resulting from the loss of business from such customers, the removal from the authorised supplier list of certain customers as well as remedial actions, such as implementing additional security measures. Any of these consequences could have a material impact on our business, including damaging our reputation, security clearance and our relationships with our customers and employees. The current security system may not be adequate for future security threats. If we cannot upgrade the security system promptly, our existing security system may not be able to detect and protect us against new types of security threats.

Any significant delay in the production and delivery of our products or any significant disruption in our production facilities will adversely affect our business, financial conditions and results of operations

Our customers rely on our ability to print and deliver their books and printed products according to schedule. If we fail to print or deliver their products on time, we may be liable for damages for late delivery. Moreover, such delays may have a material adverse effect on our reputation, which could in turn lead to fewer purchase orders in the future and harm our prospects, financial condition and operating results.

We rely on our current production facilities in Australia for the production of printed products. Our production facilities face the risk of breakdowns or failures of our major machinery and equipment, power supply or maintenance, industrial accidents, as well as natural disasters. Any interruption in, or prolonged suspension of any part of production at, or any damage to or destruction of, any of our production facilities arising from unexpected or catastrophic events or otherwise may prevent us from supplying products to our customers and/or meeting the agreed delivery schedule. As a result, we may lose printing jobs to our competitors, or purchase orders, and our customers themselves, which in turn may result in a material adverse effect on our business and operations. If we were to incur a significant liability for which we have not maintained sufficient insurance coverage, we might not be able to finance the amount of the uninsured liability, and might be obligated to divert a significant portion of cash flow from normal business operations. Consequently, our business, financial condition and results of operations may be materially and adversely affected.

We rely on our IPALM system, the breakdown or disruption of which would adversely affect our reputation, operations and financial results

We rely on our IPALM system which enables our customers, among other things, to place orders, track production process and schedules, manage stock and digital assets, and request additional printing related services. Any breakdown or failure of our IPALM system, whether as a result of human error or unintended consequences, which prevents our customers from placing orders or to manage their own end-user customers orders may in turn, materially and adversely affect our efficiency, reputation, operations and financial results. Further, if we fail to upgrade our IPALM system in a timely manner, our operating efficiency may be reduced which in turn, could materially and adversely affect our reputation, operations and financial results.

We rely on our ERP system, the breakdown or disruption of which would adversely affect our operations and financial results

We rely on our ERP system to receive production orders, oversee our production process, manage our printing, delivery and warehouse schedule and arrangements, allocate our resources and review our performance. Our ERP system also enables us to review our capacity, trace the information of the purchase orders and assess our working progress in a timely and systematic manner. Any breakdown or failure of our ERP system, whether as a result of human error or unintended consequences, may lead to delays in production and delivery of products to our customers which may in turn, materially and adversely affect our efficiency, reputation, operations and financial results. Further, if we fail to timely upgrade our ERP system in a timely manner, our operating efficiency may be reduced which in turn, could materially and adversely affect our reputation, operations and financial results.

Fluctuations in raw materials prices may affect our financial performance

Paper is the principal raw material used in our business which we purchase mainly from domestic paper trading companies as well as international paper manufacturers. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, our paper costs amounted to approximately AUD18.7 million, AUD21.8 million, AUD18.9 million and AUD4.5 million, respectively, representing approximately 30.9%, 33.3%, 30.9% and 30.7%, respectively, of our Group's direct operating costs. Our other raw materials include plates, ink and other printing consumables. The price of paper as well as other raw materials may be subject to price volatility and periodic shortages caused by various factors beyond our control, which include, among other things, weather conditions, tree harvest conditions, policies of the respective local governments of the territories in which the forestries or paper mills operate, as well as market competition. Should there be any significant increases in the prices of raw materials, and our Group is unable to pass on such increased costs to our customers, our business and profitability may be materially and adversely affected. If we pass on the increased costs to our customers, our pricing may become less competitive and may lead to a loss of orders/customers.

We may face shortages in the supply of raw materials used in our production and we are dependent on the quality of raw materials supplied by our suppliers

We rely on our suppliers to provide good quality raw materials. In the event that we are unable to secure a stable supply of paper at competitive prices in a timely manner or at all in the future or we experience any paper shortages, our production may be disrupted and our delivery schedule may be delayed.

In the event that the raw materials supplied to us fail to meet the standards, specifications and/or quality we expect, we may have to request for exchange of raw materials from our suppliers, procure alternatives from other potentially more expensive suppliers, or negotiate with our customers for adjustment of our delivery schedule, which may lead to extra costs and/or cause delay to our production schedule. Our business, results of operations and reputation may therefore be materially and adversely affected as a result.

Further, if we are unable to resolve such issues in a timely manner when we receive unsatisfactory or defective raw materials, (i) we may experience delay in product delivery to our customers; (ii) we may not be able to deliver satisfactory products to our customers; or (iii) our customers may reject the products, which may result in extra costs of reproduction, loss of orders or claim of damages. In such circumstances, our business, financial condition, results of operations, prospects as well as reputation may be adversely affected.

We rely on a stable supply of labour and labour cost. If we experience any shortage of labour, industrial actions, strikes or material increase in labour costs, our operations and financial results would be adversely affected

According to the Frost & Sullivan Report, the wage index of the printing industry in Australia increased at a CAGR of 6.0% from 2013 to 2017, and is expected to grow at a CAGR of 5.3% from 2017 to 2022. During the Track Record Period, our direct labour cost, including salaries, discretionary bonuses, over-time payments, superannuation and other fringe and welfare benefits, amounted to approximately AUD20.3 million, AUD20.4 million, AUD20.2 million and AUD4.9 million, respectively, representing approximately 33.7%, 31.1%, 33.0% and 33.6% of our direct operating costs, for each of the three years ended 31 December 2017 and the three months ended 31 March 2018, respectively.

During the Track Record Period and up to the Latest Practicable Date, we did not experience any material shortage of labour, industrial actions, strikes, material increase in labour costs or other material labour disputes that have materially disrupted our operations. However, we cannot assure you that we will not experience these problems in the future. Furthermore, there is no guarantee that our supply of labour and average labour costs will be stable. In the event that we fail to retain our existing employees and/or are unable to recruit sufficient labour in a timely manner to cope with our growth or sudden increases in demand for our products and/or in the event that there is a significant increase in the costs of labour, we may not be able to manufacture products on schedule and our operation and profitability may be adversely affected.

Our business operations may be affected by fire, adverse weather conditions, natural disasters, acts of war, terrorist attacks and geopolitical tensions, or outbreak of a contagious epidemic disease

Our business operations are subject to certain risks beyond our control, including, among other things, fire, adverse weather conditions, natural disasters, acts of war, terrorist attacks and geopolitical tensions, or outbreak of a contagious epidemic disease. Any or a combination of these could cause material damage to, or the loss of, our operational facilities. In addition, acts of war and/or terrorist attacks, including those in or affecting Australia and the foreign countries and regions where our customers/suppliers are located, or geopolitical tensions arising from unresolved sovereignty matters and/or territorial matters, may result in disruption to our transaction with our customers and/or suppliers operating in the relevant areas. Such potential acts of war, terrorist attacks and geopolitical tensions may also create uncertainty and cause our business to suffer in ways that we are unable to predict. The occurrence of any of the foregoing may have a material adverse effect on our business, financial condition and results of operations.

We may not be able to continuously maintain an effective quality control system at our production facilities, and any failure in or deterioration of our quality control system would adversely affect our operations and financial condition

The quality of our printing solutions and services is critical to the success of our business. Our product quality depends significantly on the effectiveness of our quality control system which, in turn, depends on a number of factors, including the effective implementation of our quality control policies and guidelines by our quality control team. Any significant failure or deterioration of our quality control system could seriously damage our product quality and have a material adverse effect on our reputation in the market among current or prospective customers, which could in turn lead to fewer purchase orders in the future, harm our financial condition and operating results.

We outsource certain production procedures to sub-contractors. We may not be able to monitor their performance and suitable sub-contractors may not always be readily available

From time to time, we outsource certain production procedures to sub-contractors. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, our fees paid to sub-contractors amounted to approximately AUD4.0 million, AUD4.2 million, AUD4.0 million and AUD0.6 million, respectively, which represented approximately 6.6%, 6.4%, 6.5% and 4.1% of our direct operating costs, respectively. There is no assurance that we will be able to monitor the performance of these sub-contractors as directly and efficiently as with our own staff. If a sub-contractor fails to provide services as required, we may need to source these services on a delayed basis or at a higher replacement cost than anticipated, which may have an adverse impact on our profitability. If the performance of a sub-contractor does not meet our standards, the quality of our products may be affected, which could harm our reputation and expose us to litigation and damage claims from our customers. In addition, suitable sub-contractors may not always be readily available at reasonable costs when we require their services. Our ability to complete projects could be impaired if we are unable to engage suitable sub-contractors at reasonable costs or at all.

We are subject to seasonal fluctuation in revenue

Seasonal fluctuation in revenue exists in our operations and in the overall industry. The overall peak month for our Group is typically October. The peak seasons for our CanPrint Business are typically from May to June and in October, which coincide with the sitting of Parliament in Australia, the budget session and annual reports season. The peak season for our Ligare Business is typically from January to February, as education books or professionals and academic books are generally produced in advance of the start of the new academic year. The peak season for our MPG Business is typically from mid-August to end of October as books are produced in advance of the Christmas shopping season which typically commences in November. For each of the three years ended 31 December 2017, our Group's revenue in October was approximately AUD7.7 million, AUD9.1 million and AUD8.2 million, which accounted for approximately 9.6%, 10.4% and 10.4% of our annual revenue of the corresponding year, respectively. In addition, prospective investors should note that the results of our Group for the peak months of each calendar year may not be taken as an indication of our performance for the entire calendar year.

We rely on our executive Directors and senior management team, and their departure would adversely affect our operations and financial results

The success of our business has been, and will continue to be, heavily dependent upon the continuing service of our executive Directors and senior management team. In particular, we rely on the expertise and experience of Mr. Celarc, our chairman and our executive Director, and Mr. Lau, our executive Director. Both Mr. Celarc and Mr. Lau have been key members of our management team and have played a pivotal managerial role in areas such as overseeing our corporate strategy and development, operational management and development and management of customer and supplier relationships. If one or more of our executive Directors or members of our senior management is/are unable or unwilling to continue in their present positions, we might not be able to identify suitable replacements in a timely manner, or at all. Our business may hence be severely disrupted and our financial condition and operating results may be materially and adversely affected.

We may be exposed to claims by third parties for defamation or infringement of intellectual property rights

Almost all the materials we print are subject to copyright protection. In the event of any intellectual property rights claims against our customers, we may become a party to such disputes. In addition, we may also be exposed to potential litigation or claims that the contents of publications we are contracted to print may contain allegedly libellous or defamatory materials. As a result, there is a risk that claims may be made against our Group for defamation, negligence, copyright or trademark infringement or other claims relating to the nature and contents of the materials we print.

In any of the circumstances as described above, any protracted litigation will require substantial costs and the diversion of resources and management's attention. Furthermore, an adverse determination against us in any of such legal proceedings may result in our payment of significant damages, which we may not be able to seek full indemnification from our customers. As such, our business, financial condition, results of operations and our brand and reputation may be materially and adversely affected.

Future expansion plans are subject to uncertainties and risks and therefore may not materialise as planned

As set out in more detail in the section headed "Future Plans and Proposed Use of Proceeds" in this prospectus, we plan to expand our warehousing facilities and/or streamline our printing facilities. Accordingly, our overall operating costs will increase due to renovation costs, time costs in relation to the setting up of new printing and/or warehousing facilities or renovating our existing facilities. On the other hand, benefits to be generated from the expansion plan, such as increase in revenue, may not be as significant as expected due to factors beyond our control, such as the general market conditions and the economic and political environment in Australia. Such factors may cause a delay in realising the benefits of our expansion plan and hence, our financial results, in particular our profitability, may be adversely affected.

Further, whether our future plans can be implemented successfully may be beyond our control and some future events may affect the smooth running of the expansion plans such as changes in market demands, government policies and relevant laws and regulations. In view of such uncertainties, there is no assurance that our future plans will materialise, or be completed by the predetermined timeframe, or that our objectives will be fully or partially achieved. Our business, profitability and financial conditions in the future may be materially and adversely affected.

We may need additional capital to fund our future plans, 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 future plans. For details, please refer to the section headed "Future Plans and Proposed Use of Proceeds" in this prospectus. There can be no assurance that we will generate sufficient cash flow from our operating activities for our intended future plans. In the event that we do not have such operating cash flow, we will need to obtain alternative financing. There can be no assurance that we will be able to obtain adequate financing on acceptable terms, or at all.

If we cannot obtain sufficient additional capital, we may be required to scale down our planned capital expenditures, which may adversely affect our ability to achieve economies of scale and implement our growth strategy. If we raise additional funds, our interest and debt repayment obligations will increase, which will adversely affect our result of operations. The terms of any future debt facilities may also impose restrictive covenants that may restrict our business and operations. Financing in the form of equity may also result in dilution of shareholding of our Shareholders. Our inability to raise additional funds in a timely manner and on favourable terms may have a material adverse effect on our business, financial condition and results of operations.

We may not be able to maintain our existing relationships with our customers given that OPUS will be delisted from the ASX and our Company will be listed on the Stock Exchange upon completion of the Reorganisation and the Share Offer and subject to the Listing Committee granting the approval of the listing of and permission to deal in the Shares

During the Track Record Period, our top five customers were comprised of (i) Australia-based book publishers and media and information providers; (ii) international book publishers; and (iii) Australian government related entities. As at the Latest Practicable Date, our top five customers had been working with us for periods ranging from approximately three to over 20 years. Certain of these relationships have been nurtured over long periods. Following OPUS's delisting from the ASX and our Company's listing on the Stock Exchange upon completion of the Reorganisation and the Share Offer and subject to the Listing Committee granting the approval of the listing of and permission to deal in the Shares, we may not be able to maintain our existing relationships with our customers. If we are unable to maintain our relationships with our customers, our business, financial condition and results of operations may be materially and adversely affected.

We may not maintain sufficient insurance coverage

As at the Latest Practicable Date, we maintained insurance policies covering, among others things, liabilities under employees' compensation, personal injury, product liability and industrial special risks. For further details on the insurance policies we maintain, please refer to the paragraph headed "Business

– Insurance" in this prospectus. There is no assurance that our insurance coverage is sufficient to cover any or all of our potential losses, or that we will not experience any material increase in insurance premiums in the future. To the extent that we incur losses that are not sufficiently covered by our insurance policies or that we are forced to pay higher insurance premiums, our financial condition and results of operations may be materially and adversely affected.

We are exposed to foreign exchange fluctuation

For the year ended 31 December 2015, we recorded net foreign exchange gains of AUD74,000. For each of the two years ended 31 December 2017 and the three months ended 31 March 2018, we recorded net foreign exchange losses of AUD21,000, AUD165,000 and AUD4,000, respectively. During the Track Record Period, our sales were predominately denominated in AUD, while certain raw materials costs such as costs payable to certain paper suppliers were denominated in USD. There were fluctuations in the exchange rate between the AUD and the USD due to changes in the international political and economic conditions. Accordingly, we are exposed to exchange rate risks.

Our cash flows, revenues, earnings and financial position may be materially and adversely affected if there is any severe fluctuation in exchange rates between the AUD and the USD.

We are exposed to the risks associated with the commercial real estate rental market in Australia

As at the Latest Practicable Date, our Group leased properties for the operations in Australia. Save and except for 13 and 76 Nelson Street and 20 Johnson Street, Maryborough, VIC, Australia, which we owned, we leased all our production facilities in Australia. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, we incurred rental expenses of approximately AUD1.8 million, AUD1.8 million, AUD1.9 million and AUD0.5 million respectively. For details, please refer to the paragraph headed "Business – Properties – Leased properties" in this prospectus.

As such, we are subject to rental fluctuations and renewal of tenancy agreements from time to time. In the event that there is any significant increase in rental expenses for our existing leased properties, our operating expenses and operating cash outflow will increase. There is also no assurance that we will be able to successfully renew the tenancy agreement for the leased properties on commercially acceptable terms, or at all. There is also no assurance that such tenancy agreement will not be terminated before its expiration.

We may experience weak liquidity as we recorded net cash outflow during the three months ended 31 March 2018

For the three months ended 31 March 2018, we recorded net cash outflow of AUD819,000, largely due to the net cash outflow used in operating activities of AUD711,000, net cash outflow from investing activities of approximately AUD91,000 and net cash outflow from financing activities of approximately AUD17,000. Please refer to the section headed "Financial Information" in this prospectus for a more detailed discussion. We cannot assure you that we will not experience another period of net cash outflow in the future.

We are subject to credit risk in collecting trade receivables due from our customers

We generally offer credit terms to customers ranging from 30 to 90 days. During the Track Record Period, the trade receivables turnover days of our Group were 48.0 days, 55.3 days, 58.1 and 51.2 days respectively, which are mostly within our credit period from 30 to 90 days. As at 31 December 2015, 2016 and 2017 and 31 March 2018, we made provision for impairment of trade receivables of approximately AUD0.8 million, AUD0.6 million, AUD0.1 million and AUD0.1 million, respectively. Our Directors considered that a long credit period inevitably increases the potential credit risk of our Group. There is no assurance that all such amounts due to our Group will be settled on time. Accordingly, our Group may face credit risk in collecting trade receivables due from our customers. Our Group's performance, liquidity and profitability will be adversely affected if significant amounts due to our Group are not settled on time. The bankruptcy or deterioration of the credit condition of any of our major customers could also materially and adversely affect our business.

We are exposed to risks of obsolete and slow-moving inventory which may adversely impact our cash flow and liquidity

As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's inventories were approximately AUD6.4 million, AUD3.8 million, AUD5.3 million and AUD5.7 million, respectively, representing approximately 12.8%, 8.0%, 10.1% and 10.9% of our Group's total assets. Our inventory turnover days were approximately 65.8 days, 55.6 days, 67.7 days and 85.7 days for the years ended 31 December 2015, 2016 and 2017 and for the three months ended 31 March 2018, respectively. Any increase in inventory may adversely affect our working capital. If we cannot manage our inventory level efficiently in the future, our liquidity and cash flow may be adversely affected. Further, the volume of obsolete and slow-moving inventory may increase and we may need to either sell off such inventory at a lower price or write off such inventory, in the event of which our financial position and results of operations may be materially and adversely affected.

Any significant decrease in our profitability in the future would have a material adverse effect on our ability to utilise our deferred tax assets, which could have a material adverse effect on our results of operations

As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group had deferred tax assets of approximately AUD3.1 million, AUD2.6 million, AUD2.5 million and AUD2.9 million, respectively. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary difference can be utilised. Therefore, the recognition of deferred tax assets involves significant judgment and estimates of our management on the future taxable profits. When the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and taxation charges in the period in which such estimate is changed, and the carrying amount of deferred tax assets may be reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised. Accordingly, if our profitability in the future is significantly lower than our management's estimates when our deferred tax assets were recognised, our ability to utilise such deferred tax assets would be materially and adversely affected, which could have a material adverse effect on our results of operations.

RISK RELATING TO THE PRINTING INDUSTRY

We are subject to the challenges of increased digital/electronic consumption of content and increase in online retailing

With the increased popularity and convenience in the consumption of content and media electronically, in particular, through personal electronic devices such as mobile phones, electronic readers and tablets together with greater awareness of environmental issues and protection, the changing nature in how information is consumed may impact the demand for printed products and in turn the demand for our printing solutions and services.

According to the Frost & Sullivan Report, although e-books and digital reading have become increasingly popular among the public, printed books have a considerable reader base and a huge number of readers are still keen on printed books. However, if consumers' preferences and trends shift further towards the use of electronic media and platforms, and the popularity and sales of products such as e-book readers and electronic tablet devices continues to increase, our customers, including publishers whose publications cover various sectors, may decide to transfer or increase distribution of their content on digital mediums and reduce the usage of print media.

In addition, as the popularity of online retailing increases in Australia, the need for publishers to ensure that their products are available in traditional bricks and mortar retail outlets has become increasingly urgent. As books tend to be released on the same day globally, the inability to provide such products by publishers in Australia would force consumers to find alternative sources outside of Australia and likely through online retailers. Under such circumstances, consumers may seek to purchase hard copies or e-books through online alternatives, rather than experience any delays from local printers. In such events, our business, financial condition and results of operations may be materially and adversely affected.

Further, with the increased popularity of e-books and online retailing, we cannot assure you that we will be able to compete successfully in the future against electronic book providers and online marketing companies. These companies may be able to compete more successfully than we do if consumers' preferences and trends shift further towards the use of electronic media and platforms. In such circumstances, our business, financial condition, results of operations and prospects may be materially and adversely affected.

We face intensive competition and if we are not able to keep up with the technological developments in the printing industry, our competitiveness may be reduced

The commercial and book printing industries in Australia recorded minimal growth, in terms of revenue, at CAGR of 1.5% and 0.9%, respectively from 2013 to 2017, and are expected to grow at CAGR 0.7% and 0.6%, respectively from 2017 to 2022. Because of the projected low growth of the commercial and book printing industries in Australia, our printing business may be adversely affected. Further, we operate in a highly fragmented and competitive industry, and we cannot assure you that we will be able to compete successfully in the future against many similar companies of varying sizes in the industry. Our success depends on our ability to compete effectively against these competitors in terms of product quality, customer service, price and timely delivery. Our competitors may have access to more advanced technologies or greater access to capital for marketing activities than we do. Our competitors may also operate under more competitive cost structures due to their level of automation or nature of services provided. As a result, these companies may be able to compete more successfully over a longer period of time than we do. In addition, we may face competition from our competitors who may deliberately price their products lower than ours. In such circumstances, our business, financial condition, results of operations and prospects may be materially and adversely affected.

Further, constant refinements to offset printing presses and related machinery as well as the introduction of new technologies are continuously improving the quality, productivity, safety, speed, reliability and energy efficiency within the printing industry. The ability to print faster and more cost-effectively offers printing services providers a competitive edge. Technological improvements and increases in the level of automation, not only in the printing process but also in the pre-press and post-press production stages, not only offers printing services providers cost savings on raw materials, time and labour, but also reduces human error while enhancing the quality of products. In the event that our Group is not able to upgrade our technologies to meet customers' demands, our business, results of operations and prospects may be adversely affected.

Possible lack of growth in the consumer market or general market downturn may lead to reduction in demand for our products

We provide printing services to, among others, international and Australia-based book publishers and media and information providers who wish to print books for sales and distribution within Australia. During periods of economic uncertainty, consumer consumption is typically scaled back, with certain non-essential products, such as books, suffering from reduced demand. Such decrease in demand may in turn reduce the supply of printed products to the market by such publishers and media and information providers. When consumer sentiment remains conservative, there is no assurance that our Group's customers will continue to maintain their market supply in normal volumes, resulting in a decrease in orders we may obtain. Such a general market downturn could result in not only a reduction in the demand for products and services of our Group, but also intensified competition. In such circumstances, our business, financial condition and results of operations may be materially and adversely affected.

RISK RELATING TO CONDUCTING BUSINESS IN AUSTRALIA

We are subject to a range of regulations in Australia

We are currently subject to a range of regulations in Australia. Failure to comply with Australian laws or regulations could adversely impact our business. We may be exposed to changes in the regulatory conditions under which we operate in Australia. Such regulatory changes can include, for instance, changes in taxation laws and policies, accounting policies, standards and practices, environmental laws and regulations that may impact our operations and processes, and employment laws and regulations, including occupational health and safety regulations. Any changes required to be made to our business model as a result of any legislative or regulatory changes may result in a material loss of our revenue for and to the extent that fixed costs cannot be reduced and/or costs cannot be passed onto customers, which could adversely impact our financial performance.

We are subject to work health and safety risks regulations in Australia

As a printing business, we are exposed to work health and safety risks which arise from the various hazards in the workplace, such as manual handling, slips and trips, machinery, flammable materials, harmful chemicals and noise. Australian State and Territory laws impose strict obligations on the operator of a business to ensure the health, safety and welfare of employees and other people in the workplace, such as volunteers, customers and visitors. This includes ensuring safe systems of work, safe use and handling of goods and substances, provision of appropriate information, instruction, training and supervision and reporting obligations. All businesses must have a work health and safety risk assessment that is current and meets legal obligations. The risk management plan should identify the risks and describe ways to minimise the likelihood of an incident by including 'controls' (measures to either prevent or manage hazards). The risks need to be monitored and the plan needs to be reviewed and updated regularly.

In the event that an employee is injured in the course of his/her employment, we may be liable for penalties or damages. This has the potential to impact productivity and harm both the reputation and financial performance of our Group. There are positive duties of due diligence on 'officers' (directors and senior managers) for compliance with work health and safety obligations (in most Australian jurisdictions). 'Officers' should be familiar with work health and safety obligations, company safety systems and processes and site risks. There should be a comprehensive safety management system complying with the industry standards and the legal requirements. A breach of these obligations could mean that we and the managers and directors of our subsidiaries could be exposed to regulatory notices, prosecutions and significant monetary penalties, as well as investigations, inquiries and civil litigations.

The Australian Government and the general public are paying increasing attention to environmental protection which may restrain the growth of our Company

We are subject to significant Australian environmental regulations through federal and State legislation. These regulations impact on us at an operational level, such as the obligation to minimise and prevent environmental harms (including minimising the risk of hazardous materials and contamination, dust or other environmental impacts). The printing industry has potential environmental impacts because of the raw materials and chemicals they use and the waste they generate. A spill, high solvent emissions or other environmental incidents could harm the local environment. The current and historical uses of the properties at which we conduct our business expose us to the presence of contamination at the sites, and the Environment Protection Authority (the "**EPA**") in each State has powers to require the assessment and remediation of sites where the contamination is significant enough to warrant regulations.

The statutory position in Australia is that a person running a business is not authorised to carry it out in a way that causes pollution unless the pollution was authorised by an environment protection licence. Failure to obtain a licence where it is required, or not complying with conditions of a licence, is an offence which can attract substantial fines and regulatory action by the EPA. Businesses that do not require a licence are still required to comply with the environmental laws. Australia also has laws and regulations in relation to using, storing, transporting and disposing of hazardous materials (e.g. dangerous goods and chemicals). Failing to comply with these laws and regulations is an offence for which regulatory action may be commenced. The costs of a fine for an environmental offence and/or the costs associated with any remediation required by a regulatory authority could be substantial and could adversely impact our financial performance.

According to the Frost & Sullivan Report, the Australian government and the general public are paying increasing attention to environmental protection which may restrain the growth of the printing industry. Should the Australian government impose new laws and regulations in respect of environmental protection which may impact our business and which we would need to comply with, we may incur further operating or compliance costs. Our revenue, profit and financial performance may be adversely affected as a result.

We are subject to trade restrictions in Australia

Changes to import barriers by the Australian Government could increase our raw material and machinery costs as we rely on our international paper suppliers and machinery manufacturers. Restrictive trade policies may increase the price of raw materials and machinery purchases, and our Group may need to use different and potentially more expensive suppliers. Generally, the implementation of restrictive trade policies could lead to increased market uncertainties, volatilities and adverse economic conditions.

In addition, our Group may also face challenges with regard to the political relations between Australia, Hong Kong, the PRC and other foreign countries. Trade sanctions, or changes to existing trade policies, may contribute to further changes to our markets and uncertainty in future sales.

Potential impacts of tax laws or changes to tax laws

Upon completion of the Reorganisation, our Company will hold the OPUS Shares. OPUS operates in Australia which is subject to Australian tax law. Australian tax laws are complex and subject to change periodically as is the interpretation by the courts and the tax revenue authorities. There is therefore potential changes to the tax laws during the period of ownership of the OPUS Shares by investors (possibly with retroactive effect). Any changes to the tax laws and tax rates in Australia and other foreign jurisdictions where our Company is registered and/or operates may give rise to uncertainty and may affect returns to our Shareholders. An interpretation of the Australian tax laws by our Group which is contrary to that of a revenue authority in Australia may give rise to additional tax payable.

RISKS RELATING TO THE SHARES AND THE SHARE OFFER

The Shares are exposed to the risk of marketability and possible price and trading volatility

OPUS was listed on the ASX on 12 April 2012. Upon Listing, our Company may not be able to achieve better market liquidity and a premium of approximately 53.5% over OPUS's market capitalisation as at 14 September 2018 (assuming an expected market capitalisation of our Company upon Listing of HK$532.3 million based on the mid-point of the indicative Offer Price range of HK$1.05 per Share). Further, the trading price of the Shares could increase or decrease in response to, inter alia, factors such as the following, which are beyond our control:

i. variations in our operating results;

ii. changes in securities analysts' recommendation, investor behaviour, market perception or estimates of our financial performance;

iii. changes in conditions affecting the industry, general economic conditions or other events or factors;

iv. the operating and share price performance of other companies and other stock market sentiments generally;

v. the liquidity of our Shares;

vi. the differences between our actual financial operating results and those expected by investors and analysts; and

vii. changes in market conditions and broad market fluctuations.

For reasons including the above, our Shares might trade at prices that are higher or lower than our net asset value per Share, and therefore we cannot guarantee that prospective investors can regain the amount invested. It is possible that prospective investors could lose all or a part of their investment in our Shares. A low share price may affect our ability to raise funds by way of issuance of equity at a time and price we deem appropriate.

Potential conflict of interests between our Controlling Shareholders and other minority Shareholders

Immediately following the completion of the Reorganisation and the Share Offer, our Controlling Shareholders will beneficially hold approximately 62.05% of the Shares in issue. The interests of our Controlling Shareholders may differ from the interests of other Shareholders. There is no assurance that our Controlling Shareholders will act in our best interests or that of the minority Shareholders. If there is any conflict of interests between our Controlling Shareholders and the minority Shareholders, our Controlling Shareholders may have power to prevent us from proceeding with any proposed transactions which could be beneficial to us and other Shareholders, regardless of the underlying reasons.

Any disposal by our Controlling Shareholders or sale agent under the share sale facility pursuant to the Scheme of Arrangement of a substantial number of Shares in the public market could materially and adversely affect the market price of our Shares

There is no guarantee that our Controlling Shareholders will not dispose of their Shares following the expiration of their respective lock-up periods after the Listing. We cannot predict the effect, if any, of any future sales of our Shares by any of our Controlling Shareholders, or that the availability of our Shares for sale by any of our Controlling Shareholders may have on the market price of our Shares. Sales of a substantial number of Shares by any of our Controlling Shareholders or the market perception that such sales may occur could materially and adversely affect the prevailing market price of our Shares.

Further, a share sale facility has been put in place for ineligible foreign OPUS Shareholders under the Scheme of Arrangement. Under the share sale facility, the Shares which would otherwise be issued to the ineligible foreign OPUS Shareholders pursuant to the Scheme of Arrangement will instead be issued to a designated sale agent. The designated sale agent will then sell these Shares on the Stock Exchange within 30 days of the Listing Date, the proceeds of which will be returned to these OPUS Shareholders. We cannot predict the effect, if any, of such future sales of Shares under the share sale facility. It may, however, materially and adversely affect the prevailing market price of our Shares.

Shareholders' interests in our Company may be diluted as a result of additional equity fund raising

After the Listing, we may issue additional Shares to raise additional funds to finance our business expansion. Such fund-raising activities may be made through the issue of new equity or equity-linked securities of our Company, which are not made on a pro rata basis to existing Shareholders. In such event, (i) the percentage ownership of those existing Shareholders may be reduced, and they may experience subsequent dilution, or (ii) such newly issued securities may have rights, preferences or privileges superior to those of the ordinary Shares held by existing Shareholders.

An active trading market for our Shares may not develop

The Offer Price is the result of negotiations between our Company and the Sole Global Coordinator (for itself and on behalf of the Underwriters), and may differ from the market prices of the Shares after the Listing. However, there is no assurance that the Listing will result in the development of an active and liquid public trading market for the Shares. Our Company may not be able to achieve better market liquidity and a premium of approximately 53.5% over OPUS's market capitalisation as at 14 September 2018 (assuming an expected market capitalisation of our Company upon Listing of HK$532.3 million based on the mid-point of the indicative Offer Price of HK$1.05 per Share).

The trading volume and share price of our Shares may be volatile

The price and trading volume of our Shares may be volatile. Factors such as variations in our earnings, turnover and cash flows and announcements of new investments, strategic alliances and acquisitions or fluctuations in market prices for comparable companies could cause the market price of our Shares to change substantially. In addition, the market price of the Shares may also fluctuate significantly and rapidly as a result of factors which are beyond our control.

Furthermore, stock markets and the shares of some listed companies in Hong Kong have experienced increasing price and volume fluctuations in recent years, some of which may have been unrelated or disproportionate to the operating performance of such companies. These broad market and industry fluctuations may adversely affect the market price of the Shares.

Our plans for future dividend policy and payments are subject to the discretion of our Board

The amount of dividends that we may declare and pay to our Shareholders in the future will be subject to the discretion of our Board and depend on our earnings, cash flow, financial condition, availability of surplus cash, capital expenditure, future development requirements and other conditions that our Directors deem relevant. The amount of distributions that any company within our Group has paid in the past may not be used as an indication to the dividends that we will pay in the future.

Our Company is incorporated in Bermuda, and the protection to minority shareholders under Bermuda law may be different from that under the laws of Hong Kong or other jurisdictions

Our Company is incorporated in Bermuda and its corporate affairs are governed by the Memorandum of Association, the Bye-laws, the Companies Act and the common law of Bermuda. The laws of Bermuda relating to the protection of minority shareholders 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 Bermuda company law on protection of minorities is set out in the section headed "Summary of the Constitution of our Company and Bermuda Company Law" in Appendix III to this prospectus.

The Scheme of Arrangement and the Reorganisation may not proceed

There is a risk that the Reorganisation will not proceed. The Reorganisation will only be implemented if the conditions precedent to the Scheme of Arrangement (including the requisite shareholders approval and court approval being obtained and not revoked, cancelled or withdrawn) are satisfied or waived and if the Stock Exchange provides formal approval for the Listing and that approval becomes unconditional. If the Scheme of Arrangement does not proceed, the Listing will not go ahead.

The Sole Sponsor, the Sole Global Coordinator and the Underwriters may terminate the Underwriting Agreements

Prospective investors of the Offer Shares should note that the Sole Sponsor, the Sole Global Coordinator and the Underwriters are entitled to terminate its obligations under the Underwriting Agreements when the Sole Sponsor, the Sole Global Coordinator and the Underwriters give notice in writing to our Company upon the occurrence of any of the events stated in the section headed "Underwriting" in this prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date. Such events include, without limitation, any acts of God, wars, riots, public disorder, civil commotion, fire, flood, explosions, epidemic, pandemic, acts of terrorism, earthquakes, strikes or lock-outs. Should the Sole Sponsor, the Sole Global Coordinator and the Underwriters exercise their right to terminate the Underwriting Agreements, the Public Offer will not proceed and will lapse.

RISKS RELATING TO STATEMENTS MADE IN THIS PROSPECTUS

No undue reliance should be placed by prospective investors on the industry and market overview and statistics derived from official government publications contained in this prospectus

Certain statistics, facts, data and forecasts presented in the section headed "Industry Overview" and elsewhere in this prospectus including those relating to Hong Kong and Australia, the Hong Kong economy and the Australian economy have been derived, in part, from various publications and industry-related sources prepared by governmental officials or Independent Third Parties. Such statistics, facts, data and forecasts have not been independently verified by our Group, our Directors, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and the Underwriters, nor any of the parties involved in the Share Offer and no representation is given as to their accuracy and completeness, as such these information should not be unduly relied upon.

Our Group's future results could differ materially from those expressed in or implied by the forward-looking statements

Included in this prospectus are various forward-looking statements that are based on various assumptions. Our Group's future results could differ materially from those expressed in or implied by such forward-looking statements. For details of these statements and the associated risks, please refer to the section headed "Forward-looking Statements" in this prospectus.

Investors should read this entire prospectus carefully and we strongly caution you not to place any reliance on any information (if any) contained in press articles or other media regarding us and the Share Offer including, in particular, any financial projections, valuations or other forward looking statements

Prior to the publication of this prospectus, there may be press or other media, which contains certain information referring to us and the Share Offer that is not set out in this prospectus. We wish to emphasise to potential investors that neither we nor any of the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Underwriters, the directors, officers, employees, advisers, agents or representatives of any of them, or any other parties (collectively, the "**Professional Parties**") involved in the Share Offer has authorised the disclosure of such information in any press or media, and neither the press reports, any future press reports nor any repetition, elaboration or derivative work were prepared by, sourced from, or authorised by us or any of the Professional Parties. Neither we nor any Professional Parties accept any responsibility for any such press or media coverage or the accuracy or completeness of any such information. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. To the extent that any such information is not contained in this prospectus or is inconsistent or conflicts with the information contained in this prospectus, we disclaim any responsibility, liability whatsoever in connection therewith or resulting therefrom. Accordingly, prospective investors should not rely on any such information in making your decision as to whether to subscribe for the Offer Shares. You should rely only on the information contained in this prospectus and the Application Forms.

In preparation for the Listing, the following waivers and exemptions have been sought from strict compliance with certain provisions of the Listing Rules.

WAIVER IN RELATION TO MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, we must have sufficient management presence in Hong Kong. This normally means that at least two executive directors must be ordinarily resident in Hong Kong. Two of our executive Directors, namely Mr. Celarc and Ms. Tang are based in Australia while Mr. Lau, our executive Director, is based in Hong Kong. The core business and operations of our Group are primarily located, managed and conducted in Australia. Our assets are also located in Australia. We, therefore, do not, and in the foreseeable future will not, have a management presence in Hong Kong for the purpose of satisfying the requirement under Rule 8.12 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for, and the Stock Exchange has agreed to grant, a waiver from strict compliance with the requirements under Rule 8.12 of the Listing Rules, on the following conditions:

(i) our Company's authorised representatives will act as the principal channel of communication with the Stock Exchange;

(ii) the authorised representatives have means to contact all Directors promptly at all times as and when the Stock Exchange wishes to contact our Directors on any matters;

(iii) each Director who is not ordinarily resident in Hong Kong possesses or can apply for valid travel documents to visit Hong Kong and can meet with the Stock Exchange within a reasonable period;

(iv) our Company's compliance adviser will act as an additional channel of communication with the Stock Exchange; and

(v) each Director will provide his/her respective mobile phone number, office phone number, e-mail address and fax number to the Stock Exchange.

In order to maintain effective communication with the Stock Exchange, we will put in place the following measures in order to ensure that regular communication is maintained between the Stock Exchange and us:

(i) we have appointed two authorised representatives pursuant to Rule 3.05 of the Listing Rules, namely Mr. Lau and Ms. Tang. The authorised representatives will act as our principal channel of communication with the Stock Exchange. Although Ms. Tang resides in Australia, she possesses valid travel documents and is able to renew such travel documents when they expire in order to visit Hong Kong. Accordingly, the authorised representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable period of time upon request and will be readily contactable by the Stock Exchange by telephone, facsimile and/or email to deal promptly with any enquiries which may be made by the Stock Exchange. Each of the authorised representatives is authorised to communicate on behalf of our Company with the Stock Exchange;

(ii) each of the authorised representatives will have all necessary means to contact all our Directors promptly at all times, as and when the Stock Exchange wishes to contact our Directors on any matters. We will implement a policy whereby:

  (a) each Director must provide his or her mobile phone number, office phone number, facsimile number and email address to these authorised representatives; and

  (b) in the event that our executive Directors expect to travel and/or otherwise be out of the office, he or she will provide the phone number of the place of his or her accommodation to these authorised representatives;

(iii) each Director must provide his or her mobile phone number, office phone number, facsimile number and email address to the Stock Exchange;

(iv) all our Directors who are not ordinarily resident in Hong Kong have or can apply for valid travel documents to visit Hong Kong for business purposes and would be able to meet with the Stock Exchange upon reasonable notice; and

(v) we have appointed a compliance advisor pursuant to Rule 3A.19 of the Listing Rules to act as our additional channel of communication with the Stock Exchange and the compliance advisor will have access at any time promptly to the authorised representatives, our Directors and the other senior management of our Company to ensure that it is in a position to provide prompt responses to any queries or requests from the Stock Exchange in respect of our Company.

DEALING IN SHARES PRIOR TO LISTING

Pursuant to Rule 9.09(b) of the Listing Rules, there must be no dealing in the securities of a new listing applicant for which listing is sought by any core connected person of the issuer from the date which is four clear Business Days before the listing hearing date until listing is granted. As OPUS is a publicly listed company in Australia prior to the Delisting and Listing, save for the OPUS Shareholders who are our Directors and their associates, we have no control over the investment decision of any OPUS Shareholders in general, nor are we in a position to be fully aware of the dealings in the OPUS Shares by any OPUS Shareholder. Other OPUS Shareholders or potential investors may become a substantial OPUS Shareholder before the Delisting and Listing. We therefore do not contemplate that it is within our control to satisfy the strict requirements under Rule 9.09(b) of the Listing Rules. It would also be unfair to our Company if such non-compliance by any OPUS Shareholders or their respective close associates with the securities dealing restrictions under Rule 9.09(b) were to jeopardise the Listing.

We will communicate with the OPUS Shareholders and inform them of the requirements under Rule 9.09(b) of the Listing Rules. However, it is unfeasible for us to inform the future substantial Shareholders and their respective close associates of such requirements under the Listing Rules.

We have therefore applied to the Stock Exchange for, and the Stock Exchange has agreed to grant, a waiver from strict compliance with Rule 9.09(b) of the Listing Rules subject to the following:

(i) the waiver is only applicable to future substantial Shareholders and their respective close associates whose investment decisions of which our Company does not have control over and they have not, or will not be involved in our Group's management and operations or the Listing;

(ii) our Company shall procure that none of our substantial Shareholders, Controlling Shareholders, Directors and senior management and their close associates deals in OPUS Shares from four clear Business Days before the expected hearing date until Listing is granted;

(iii) our Company shall notify the Stock Exchange of any dealing or suspected dealing in OPUS Shares by any core connected persons;

(iv) OPUS will promptly release any inside information to the public on the ASX in accordance with the relevant laws and regulations applicable to OPUS; and

(v) for any person who, as a result of dealing in OPUS Shares from the date which is four clear Business Days before the listing hearing date until Listing is granted, becomes a substantial Shareholder (the "**Potential New Substantial Shareholder**"), we shall:

    (a) procure that such Potential New Substantial Shareholder will not be involved in the Group's management and operations or the Listing and would not become a Director or a member of the senior management of our Group after Listing; and

    (b) confirm that our Company and its management have not had control over the investment decisions of such Potential New Substantial Shareholder or its close associates.

CONTINUING CONNECTED TRANSACTIONS

We have entered into, and are expected to continue after the Listing, certain transactions which will constitute non-exempt connected transactions under Chapter 14A of the Listing Rules. Accordingly, we have applied for, and the Stock Exchange has granted, waivers from strict compliance with the relevant announcement requirements set out in Chapter 14A of the Listing Rules. For further details, please refer to the section headed "Continuing Connected Transactions" in this prospectus.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus, for which our Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the Listing Rules for the purposes of giving information with regard to our Group. Our Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

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 us, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Underwriters, any of 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 of the Share Offer" in this prospectus, and the procedures for applying for the Public Offer Shares are set out in the section headed "How to Apply for Public Offer Shares" in this prospectus and in the relevant Application Forms.

Neither the delivery of this prospectus nor any subscription or acquisition made under it shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus or that the information in it is correct as of any subsequent time.

UNDERWRITING

This prospectus is published in connection with the Share Offer. The Listing is sponsored by the Sole Sponsor. The Public Offer is fully underwritten by the Public Offer Underwriter under the terms and conditions of the Public Offer Underwriting Agreement. The Placing Underwriting Agreement relating to the Placing is expected to be entered on or around the Price Determination Date, subject to agreement on pricing of the Offer Shares between our Company and the Sole Global Coordinator (for itself and on behalf of the Underwriters).

If, for any reason, the Offer Price is not agreed on or before Thursday, 4 October 2018, the Share Offer will not proceed and will lapse. Further details about the Underwriters and the underwriting arrangements are contained in the section headed "Underwriting" in this prospectus.

RESTRICTIONS ON OFFER AND SALE OF OFFER SHARES

No action has been taken to permit a public offering of the Offer Shares 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.

In particular, the Offer Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to the registration requirements under the Securities Act or an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Offer Shares are only being offered and sold outside the United States in offshore transactions in accordance with Regulation S.

If you purchase any of the Offer Shares offered in reliance of Regulation S, you, by accepting delivery of this document, will be deemed to have represented and agreed as follows:

(1) (A) you, and the person, if any, for whose account you are acting, are acquiring the Offer Shares in an offshore transaction in accordance with Regulation S and (B) you are not an affiliate (as defined in Regulation S) of us or a person acting on behalf of us or such an affiliate.

(2) You understand that the Offer Shares have not been and will not be registered under the Securities Act or under any state securities laws of the United States and that you will not offer, sell, pledge or otherwise transfer such Shares unless the Offer Shares are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available, in each case in accordance with any applicable laws of any state or territory of the United States and any foreign jurisdiction.

(3) Any offer, sale, pledge or other transfer made other than in compliance with the above stated restrictions shall not be recognised by us in respect of the Offer Shares.

The Public Offer Shares are offered to the public for subscription solely on the basis of the information contained and the representations made in this prospectus and the related Application Forms. No person is authorised in connection with the Share Offer to give any information, or to make any representation, not contained in this prospectus, and any information or representation not contained in this prospectus must not be relied upon as having been authorised by our Company, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Underwriters, any of their respective directors or any other person involved in the Share Offer.

Each person acquiring the Offer Shares will be required, and is deemed by his acquisition of the Offer Shares, to confirm that he is aware of the restrictions on offer of the Offer Shares described in this prospectus and that he is not acquiring, and has not been offered any Offer Shares in circumstances that contravene any such restrictions.

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 and pursuant to registration with or authorisation by the relevant securities regulatory authorities or an exception therefrom. In particular, the Offer Shares have not been publicly offered or sold, directly or indirectly, in the United States.

No action has been taken to register or qualify the Offer Shares or the Public Offer, or otherwise to permit a public offering of the Offer Shares, in any jurisdiction outside Hong Kong. The distribution of this prospectus and the related Application Forms in jurisdictions outside Hong Kong may be restricted by law, and therefore persons who come into possession of this prospectus or any of the related Application Forms should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the applicable securities law.

Australia

This prospectus:

(i) does not constitute a disclosure document under Chapter 6D.2 of the Australian Corporations Act; and

(ii) has not been, and will not be, lodged with ASIC, as a disclosure document for the purposes of the Australian Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Australian Corporations Act.

Neither this prospectus nor any other document or material in connection with the offer of sale or invitation for subscription or purchase, of any securities offered under this prospectus or such material may be circulated or distributed, nor may any of those securities be offered or sold, or made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Australia other than pursuant to offers that do not need disclosure to investors under Sections 708 or 708A of the Australian Corporations Act.

The securities offered by this prospectus may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the securities may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relation to any securities may be distributed in Australia.

We do not issue this prospectus or any of the securities offered by this prospectus with the purpose of the person to whom they are or may be issued, or any person acting on their behalf, selling or transferring the securities, or granting, issuing or transferring interests in, or options over, them.

By submitting an application for the securities, the applicant represents and warrants to the Company that:

(i) the applicant is not a resident of Australia;

(ii) the applicant has not received this prospectus within Australia; and

(iii) the applicant has not acquired any or all of the securities offered under this prospectus with the purpose of selling or transferring any or all of those securities, or granting, issuing or transferring interests in, or options over, them to investors in Australia within 12 months of the date of the issue of those securities,

(collectively, the "**Warranties**").

As any offer of securities under this prospectus will be made without disclosure in Australia under Chapter 6D.2 of the Australian Corporations Act, the offer of those securities for resale in Australia within 12 months of the date of their issue may, under Section 707 of the Australian Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in Section 708 applies to that resale. By applying for the securities the applicant undertakes to our Company that the applicant will not, for a period of 12 months from the date of issue of the securities, offer, transfer, assign or otherwise alienate those securities to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Australian Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC (the "**Undertaking**").

Neither the Warranties nor the Undertaking apply to any subsequent sale of securities offered under this prospectus, in the ordinary course of trading of any market conducted by the Stock Exchange and where the ultimate purchaser of any of those securities is unknown to the seller of those securities.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

Application has been made to the Listing Committee for the listing of, and permission to deal in, our Shares to be issued pursuant to (i) the Reorganisation; and (ii) the Share Offer.

OPUS was listed on the ASX on 12 April 2012 with the stock code OPG. OPUS will apply to be removed from the official list of the ASX to take effect following the implementation of the Scheme of Arrangement. Our Company was newly incorporated in Bermuda for the purpose of the Reorganisation and Listing.

No part of the share or loan capital 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 (Winding Up and Miscellaneous Provisions) Ordinance, any allotment made in respect of any application will be invalid if the listing of, and permission to deal in, the Offer 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 the Stock Exchange.

HONG KONG BRANCH SHARE REGISTRAR AND STAMP DUTY

Our Company's principal register of members will be maintained by our principal registrar, Conyers Corporate Services (Bermuda) Limited, in Bermuda and our Company's branch register of members will be maintained by our Hong Kong Branch Share Registrar, Boardroom Share Registrars (HK) Limited, in Hong Kong.

No stamp duty is payable by applicants in the Share Offer.

Dealings in the Shares registered in our Hong Kong Branch Share Registrar 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 registered on the Hong Kong branch share register, by ordinary post, at the Shareholders' risk, to the registered address of each Shareholder, or if joint Shareholders, to the first-named therein in accordance with the Bye-laws.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of listing of, and permission to deal in, the Shares on the Stock Exchange and our Company's compliance 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 on the Stock Exchange or any other date as 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 advice of their stock brokers or other professional advisers for details of the settlement arrangements that may affect their rights and interests. All necessary arrangements have been made for the Shares to be admitted into CCASS.

PROFESSIONAL TAX ADVICE RECOMMENDED

Applicants for the Offer Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding and dealing in the Shares. None of our Group, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Underwriters, or any of their respective directors, agents or advisers or any other person involved in the Share Offer accepts responsibility for any tax effects or liabilities of holders of Shares resulting from the subscription, purchase, holding or disposal of, dealing in, or exercising any rights in relation to, our Shares.

COMMENCEMENT OF DEALINGS IN THE SHARES

Assuming that the Share Offer becomes unconditional at or before 8:00 a.m. in Hong Kong on Monday, 8 October 2018, it is expected that dealings in our Shares on the Stock Exchange will commence at 9:00 a.m. on Monday, 8 October 2018. Shares will be traded in board lots of 3,000.

The stock code for our Shares is 1540.

Our Company will not issue any temporary documents of title.

PROCEDURES FOR APPLICATION FOR PUBLIC OFFER SHARES

The procedures for applying for the Public Offer Shares are set out in the section headed "How to Apply for Public Offer Shares" in this prospectus and 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 of the Share Offer" in this prospectus.

ROUNDING

Certain amount and percentage figures included in this prospectus have been subject to rounding adjustments or have been rounded to one or two decimal places. Any discrepancies in any table, chart or elsewhere in this prospectus between totals and sums of individual amounts listed therein are due to rounding.

EXCHANGE RATE CONVERSION

Solely for your convenience, save as specified otherwise, this prospectus contains translations of certain AUD amounts into Hong Kong dollars at specified rates. You should not construe these translations as representations that the AUD amounts could actually be, or have been, converted into Hong Kong dollar amounts at the rates indicated or at all. Unless we indicate otherwise, the translations of AUD amounts into Hong Kong dollars have been made at the rate of AUD1.00 to HK$5.95.

WEBSITE

The contents of any website mentioned in this prospectus do not form part of this prospectus.

LANGUAGE TRANSLATION

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 should be any inconsistency between the English and Chinese versions, the English version shall govern.

DIRECTORS

Name	Residential address	Nationality
Executive Directors		
Mr. Richard Francis Celarc	14 Goobarah Road Burraneer NSW 2230 Australia	Australian
Mr. Lau Chuk Kin (劉竹堅)	G/F, No. 71 – 71A Ng Tung Chai Tai Po Lam Chuen New Territories Hong Kong	British
Ms. Tang Tsz Ying (鄧紫瑩)	112 Millett Street Hurstville NSW 2220 Australia	Chinese
Non-executive Director		
Mr. Paul Antony Young	5 Longview St Balmain NSW 2041 Australia	British and Australian
Independent non-executive Directors		
Mr. Chan David Yik Keung (陳奕强)	27E, Block B Ning Yeung Terrace 78 Bonham Road Hong Kong	British
Mr. Tsui King Chung David (徐景松)	16A Dragon Garden 1 Chun Fai Terrace Tai Hang Road Hong Kong	Chinese
Mr. David Ho (何大衞)	9B, Tower 7 Parc Oasis 1 Parc Oasis Road Yau Yat Chuen Kowloon Hong Kong	Australian

Further information of our Directors is disclosed in the section headed "Directors and Senior Management" in this prospectus.

PARTIES INVOLVED IN THE SHARE OFFER

Sole Sponsor	**Optima Capital Limited** Suite 1501 15th Floor, Jardine House 1 Connaught Place Central, Hong Kong
Sole Global Coordinator	**VMS Securities Limited** 49/F., One Exchange Square 8 Connaught Place Central, Hong Kong
Joint Bookrunners (in alphabetical order)	**Aristo Securities Limited** Room 101, 1st Floor On Hong Commercial Building 145 Hennessy Road Wanchai, Hong Kong **Kingston Securities Limited** Suite 2801, 28th Floor One International Finance Centre 1 Harbour View Street Central, Hong Kong **Success Securities Limited** Suite 1603-7, 16/F, Great Eagle Centre 23 Harbour Road Wanchai, Hong Kong **Sun Securities Limited** Room 805-806, 8/F, Far East Consortium Building 121 Des Voeux Road Central Hong Kong **VMS Securities Limited** 49/F., One Exchange Square 8 Connaught Place Central, Hong Kong

Legal Advisers to the Company	*As to Hong Kong law:* **King & Wood Mallesons** 13/F, Gloucester Tower The Landmark 15 Queen's Road Central Central, Hong Kong *As to Australian law:* **King & Wood Mallesons** Level 30, QV1 Building 250 St. Georges Terrace Perth WA 6000 Australia *As to Bermuda law:* **Conyers Dill & Pearman** 29/F, One Exchange Square 8 Connaught Place Central, Hong Kong
Legal Advisers to the Sole Sponsor and the Underwriters	*As to Hong Kong law:* **Cleary Gottlieb Steen & Hamilton (Hong Kong)** 37/F, Hysan Place 500 Hennessy Road Causeway Bay, Hong Kong *As to Australian law:* **Piper Alderman** Level 23 Governor Macquarie Tower 1 Farrer Place Sydney NSW2000 Australia
Auditors and Reporting Accountants	**BDO Limited** *Certified Public Accountants* 25/F, Wing On Centre 111 Connaught Road Central Hong Kong
Internal control consultant	**SHINEWING Risk Services Limited** 43/F, Lee Garden One 33 Hysan Avenue Causeway Bay, Hong Kong

Industry consultant	**Frost & Sullivan** 1706, One Exchange Square 8 Connaught Place Central, Hong Kong
Compliance adviser	**Optima Capital Limited** Suite 1501 15th Floor, Jardine House 1 Connaught Place Central, Hong Kong
Receiving bank	**Bank of China (Hong Kong) Limited** 1 Garden Road Hong Kong

Registered office	Clarendon House 2 Church Street Hamilton, HM 11 Bermuda
Principal place of business in Hong Kong registered under Part 16 of the Companies Ordinance	26/F, 625 King's Road North Point, Hong Kong
Headquarters and principal place of business in Australia	138 Bonds Road Riverwood NSW 2210 Australia
Website	www.leftfieldprinting.com *(the information contained in this website does not form part of this prospectus)*
Company secretary	Ms. Tang Tsz Ying (鄧紫瑩) *(HKICPA, ICAA (Australia))* 112 Millett Street Hurstville NSW 2220 Australia
Authorised representatives	Mr. Lau Chuk Kin (劉竹堅) G/F, No. 71 – 71A Ng Tung Chai Tai Po Lam Chuen New Territories Hong Kong Ms. Tang Tsz Ying (鄧紫瑩) 112 Millett Street Hurstville NSW 2220 Australia
Audit Committee	Mr. David Ho (何大衞) *(Chairman)* Mr. Chan David Yik Keung (陳奕强) Mr. Tsui King Chung David (徐景松) Mr. Paul Antony Young
Remuneration Committee	Mr. Tsui King Chung David (徐景松) *(Chairman)* Mr. Chan David Yik Keung (陳奕强) Mr. David Ho (何大衞) Mr. Lau Chuk Kin (劉竹堅)

Nomination Committee	Mr. Richard Francis Celarc *(Chairman)* Mr. Chan David Yik Keung (陳奕强) Mr. David Ho (何大衞) Mr. Tsui King Chung David (徐景松)
Hong Kong branch share registrar and transfer office	**Boardroom Share Registrars (HK) Limited** 2103B, 21/F, 148 Electric Road North Point, Hong Kong
Bermuda principal share registrar and transfer office	**Conyers Corporate Services (Bermuda) Limited** Clarendon House 2 Church Street Hamilton, HM 11 Bermuda
Principal banker	**Australia and New Zealand Banking Group Limited** Level 17, 242 Pitt Street Sydney, NSW 2000 Australia

This section contains information which is derived from official government publications and industry sources as well as a commissioned report from Frost & Sullivan. We believe that the information has been derived from appropriate sources and we have taken reasonable care in extracting and reproducing the information. We have no reason to believe that the information is false or misleading in any material respect or that any fact has been omitted that would render the information false or misleading. The information has not been independently verified by us, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Underwriters, or any of their affiliates or advisers, nor any other party involved in the Share Offer and no representation is given as to its accuracy. Our Directors believed, after taking reasonable care, that there have been no material adverse changes in the market information since the date of issue of the Frost & Sullivan Report which may qualify, contradict or have an impact on the information in this section.

SOURCE OF INFORMATION

We commissioned Frost & Sullivan, an independent market research and consulting company, to conduct an analysis of, and to prepare a report on, the commercial printing and book printing industry in Australia for the period from 2013 to 2022. The report prepared by Frost & Sullivan for us is referred to in this prospectus as the Frost & Sullivan Report. We paid Frost & Sullivan a fee of US$65,000, which we believe reflects market rates for reports of this type. Founded in 1961, Frost & Sullivan has 40 offices with more than 2,000 industry consultants, market research analysts, technology analysts and economists globally. Frost & Sullivan's services include technology research, independent market research, economic research, corporate best practices advising, training, client research, competitive intelligence and corporate strategy.

We have included certain information from the Frost & Sullivan Report in this prospectus because we believe this information facilitates an understanding of the commercial printing and book printing industry in Australia for prospective investors. The Frost & Sullivan Report includes information on the commercial printing and book printing industry in Australia as well as other economic data, which have been quoted in the prospectus. Frost & Sullivan's independent research consists of both primary and secondary research obtained from various sources in respect of the commercial printing and book printing industry. Primary research involved in-depth interviews with leading industry participants and industry experts. Secondary research involved reviewing company reports, independent research reports and data based on Frost & Sullivan's own research database. Projected data was obtained from historical data analysis plotted against macroeconomic data with reference to specific industry-related factors. On this basis, our Directors are satisfied that the disclosure of future projections and industry data in this section is not biased or misleading. We believe that the sources of this information are appropriate sources for the information and we have taken reasonable care in extracting and reproducing this information. We have no reason to believe that this 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.

Except as otherwise noted, all of the data, forecasts and statements contained in this section are derived from the Frost & Sullivan Report, various official government publications and other publications.

In compiling and preparing the research, Frost & Sullivan assumed that the social, economic and political environments in the relevant markets are likely to remain stable in the forecast period, which ensures the stable and healthy development of the commercial and book printing industry. In addition, Frost & Sullivan has developed its forecast on the following bases and assumptions: Australia's economy is likely to maintain stable growth in the next decade and the country's social, economic and political environment is likely to remain stable in the forecast period. Additionally, the commercial and book printing industry is expected to grow based on the macroeconomic assumptions of the economy.

OVERVIEW OF THE PRINTING INDUSTRY IN AUSTRALIA

Introduction

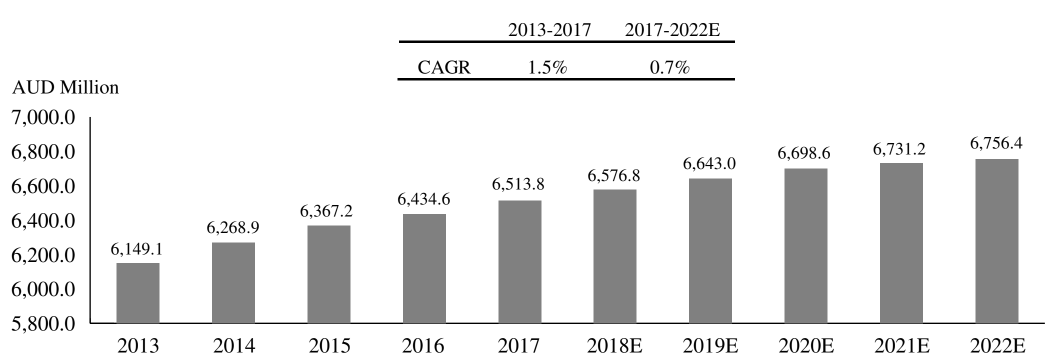
Printing is the process of reproducing information which includes text, images, etc. on manuscripts to a variety of printing substrates such as paper, box. etc. Generally, the printing industry in Australia can be classified into three segments based on applications which are (i) packaging printing; (ii) commercial printing; and (iii) publication printing while it could also be classified based on various printing methods such as digital printing, offset printing also known as lithography or indirect printing, and other forms of direct printing. Publication printing can be further categorised based on different types of publications such as books, magazines, newspaper and other publications.

Market size analysis

In terms of revenue, the market size of the printing industry in Australia grew at a CAGR of 1.5%, from AUD6,149.1 million in 2013 to AUD6,513.8 million in 2017 and is estimated to maintain stable growth trend in the future from 2017 to 2022, representing a CAGR of 0.7%.

In 2017, revenue from the commercial printing segment made up approximately 23.9% of the entire printing industry, while the book printing segment contributed to approximately 8.6% to the overall printing industry in terms of revenue in Australia.

Market Size of the Printing Industry in Australia, by Revenue, 2013-2022E



Source: Frost & Sullivan

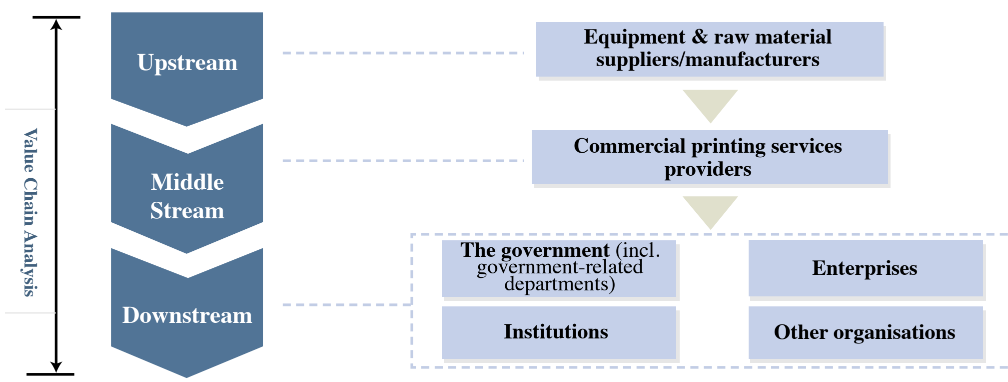
OVERVIEW OF THE COMMERCIAL PRINTING INDUSTRY IN AUSTRALIA

Definition

Commercial printing refers to the process of reproducing information (including text, images, designs, etc.) on manuscripts and transferring it to tangible printing substrates (including paper, metal, plastic, glass, etc.) for businesses with the purpose of business communication, marketing, advertising promotion and so forth. Common end products of commercial printing mainly comprise of official reports, operating and campaign materials, promotional leaflets, business cards and catalogues, cheques and other security papers and so forth. The commercial printing market can be further segmented by different types of customer groups, which generally include governments, enterprises, institutions and other organisations.

Industry value chain analysis

Generally, the upstream of the commercial printing industry is comprised of printing equipment and raw material suppliers. Raw materials may include paper, ink and other auxiliary accessories. The midstream is mainly comprised of commercial printing services and products providers who provide services and products to cater for various demands from downstream customer groups including enterprises, institutions, governments and other organisations. The provision of commercial printing services and products usually follows the B2B model (Business-to-Business), that is, services and products are mainly sold and offered to businesses rather than individuals.



Source: Frost & Sullivan

Market size analysis

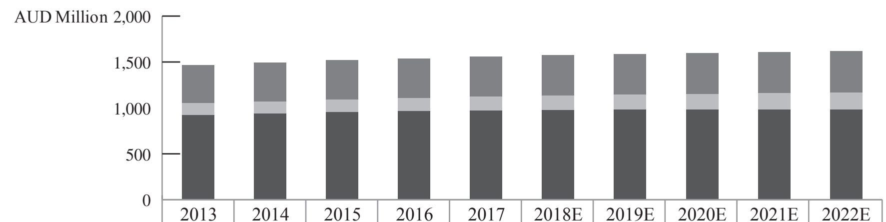
Market size breakdown of the commercial printing industry by printing methods

In terms of printing methods, revenue from the digital printing sector experienced higher growth over the period from 2013 to 2017 with revenue increasing from AUD126.1 million in 2013 to AUD152.2 million in 2017, representing a CAGR of 4.8%, which was due to the fact that in order to improve efficiency of marketing and promotion, some retailers have begun to pay attention to advertising materials that are elaborately printed with bright colour using digital printing. Offset printing in the commercial printing industry grew stably from 2013 to 2017 at a CAGR of 1.2% and is estimated to grow at a CAGR of 0.3% in the future.

Others mainly include screen printing, letterpress printing and gravure.

Market Size Breakdown of the Commercial Printing Industry by Printing Methods in Australia, by Revenue, 2013-2022E

CAGR	2013-2017	2017-2022E
Offset printing	1.2%	0.3%
Digital printing	4.8%	3.4%
Others	1.0%	0.8%



	2013	2014	2015	2016	2017	2018E	2019E	2020E	2021E	2022E
Others	416.9	422.4	425.2	429.3	434.6	438.0	440.7	445.1	449.0	453.0
Digital printing	126.1	129.9	136.8	145.2	152.2	158.3	164.3	169.9	175.0	180.2
Offset printing	924.6	940.2	954.8	964.1	970.3	976.4	980.3	981.7	982.7	983.1

Source: Frost & Sullivan

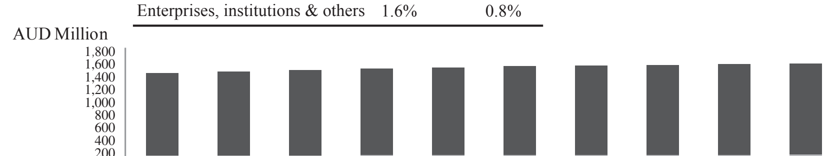
Overall market size and breakdown of the commercial printing industry by customer group

In recent years, the overall commercial printing industry in Australia experienced stable development in terms of revenue, increasing from AUD1,467.6 million in 2013 to AUD1,557.1 million in 2017, representing a CAGR of approximately 1.5%. Based on different customer groups, the government segment occupies a share of approximately 11.3% in terms of revenue of the whole commercial printing industry in Australia in 2017. Revenue generated by the commercial printing industry from the government segment grew from AUD169.1 million in 2013 to AUD176.1 million in 2017 at a CAGR of approximately 1.0% while the rest of the market grew from AUD1,298.5 million in 2013 to AUD1,381.0 million in 2017 at a CAGR of approximately 1.6%.

The overall commercial printing industry is projected to grow at a CAGR of 0.7% from 2017 to 2022 with the government segment expanding at a CAGR of approximately 0.6% over the same period.

Market Size Breakdown of the Commercial Printing Industry by Customer Group in Australia, by Revenue, 2013-2022E

CAGR	2013-2017	2017-2022E
Government segment	1.0%	0.6%
Enterprises, institutions & others	1.6%	0.8%



	2013	2014	2015	2016	2017	2018E	2019E	2020E	2021E	2022E
Enterprises, institutions & others	1,298.5	1,321.5	1,343.9	1,364.1	1,381.0	1,395.3	1,406.6	1,416.9	1,426.0	1,434.6
Government segment	169.1	171.1	172.9	174.5	176.1	177.4	178.6	179.7	180.7	181.7

Source: Frost & Sullivan

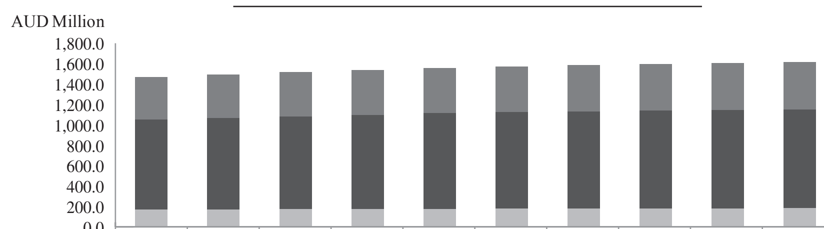
Market size breakdown of the commercial printing industry by printed products

In terms of printed products of commercial printing, revenue from government related documents, which mainly include security papers and official reports, grew stably at a CAGR of 1.0% from 2013 to 2017. The largest share of the industry revenue was derived from advertising materials that took up approximately 60.2% of the entire commercial printing industry in 2017, with revenue of AUD937.7 million. Revenue from advertising materials experienced a CAGR of 1.6% from 2013 to 2017, which was underpinned by the demand from a range of customer groups such as retailers who use advertising materials to promote their products and services.

It is expected that revenue from advertising materials will grow at a CAGR of 0.7% from 2017 to 2022 influenced by the growth in online advertising. Others mainly include business cards, catalogues and operational papers for companies.

Market Size Breakdown of the Commercial Printing Industry by Printed Products in Australia, by Revenue, 2013-2022E

CAGR	2013-2017	2017-2022E
Government related documents	1.0%	0.6%
Advertising materials	1.6%	0.7%
Others	1.5%	1.0%



	2013	2014	2015	2016	2017	2018E	2019E	2020E	2021E	2022E
Others	418.0	427.4	434.2	440.9	443.3	448.3	454.1	459.0	462.0	464.8
Advertising materials	880.6	894.1	909.7	923.2	937.7	946.9	952.6	958.0	964.0	969.8
Government related documents	169.1	171.1	172.9	174.5	176.1	177.4	178.6	179.7	180.7	181.7

Source: Frost & Sullivan

Key drivers for the commercial printing industry in Australia

- ***Updated technology***

The shift from traditional offset printing to digital printing is currently underway in the commercial printing industry due to the growing demand for shorter production time, and flexibility in provision of printing services such as the provision of customised printed products. Some leading printing press equipment suppliers in Australia have introduced a series of advanced equipment to the market, such as the sheet-fed UV inkjet press that can deliver offset-style quality and flexibility with the digital advantage in a more effective way without incurring high costs. Such technology would potentially open up new revenue streams for commercial printing service providers, thus driving the overall commercial printing market including the government segment in Australia.

- ***Sustained demand from the government and related sectors***

For the government sector and its related institutions and departments, apart from sharing information or files in electronic forms, paper documents are required to support daily works. For example, public awareness campaign materials are typically printed on paper so that they are better publicised and can reach more people. Meanwhile, official reports and informational publications are printed to make it more convenient for information spreading and communication. As a result, the sustained demands from the government and related sectors are expected to stimulate the continuous growth in the commercial printing industry.

Market constraints for the commercial printing industry in Australia

- ***Shortage of labour force***

The commercial printing industry in Australia has faced the problem of insufficient labour in recent years. According to data from Australian Bureau of Statistics, the number of full-time employees in the printing industry decreased from 39,282 in 2013 to 27,697 in 2017, representing a negative CAGR of 9.1%. Under such condition, market players in the commercial printing industry of Australia are likely to suffer from shortage of professional talents or may be confronted with an increase in labour cost, which tends to constrain the sustainable development of the commercial printing industry in Australia.

- ***Environmental protection***

As the Australian Government strives to promote environmental awareness, some organisations are implementing the idea of paperless office in order to facilitate the environmental protection compliance. Moreover, benefiting from the convenience of the internet as well as mobile internet and their high penetration rate, documents and reports could be sent electronically such as through email instead of being delivered in printed version. Thus, the shift towards digital documents may, to some extent, restrain the further expansion of the commercial printing industry.

Development trends for the commercial printing industry in Australia

- ***More value-added services***

The commercial printing industry in Australia is likely to embrace the growing trend of providing value-added services to customers, in order to expand the customer base by enhancing the loyalty of existing customers and also attracting new customers. For customers, especially the Australian Government and related entities, they are expecting additional categories of printing services, including designing, temporary storage, 24-hour operation and so forth. Therefore, commercial printing companies may seek to further specify and refine their service scope to create more comprehensive and better user experience for their customers.

- ***Market consolidation***

As the commercial printing industry in Australia is currently at a mature stage in terms of production technology and labour force, the industry will gradually move towards consolidation with large players acquiring smaller ones to further expand market share and to maintain market position while small-to-medium sized players may merge with each other to compete with market leaders. Moreover, in order to reduce operating costs, commercial printing companies may further integrate industry resources by cooperating with upstream vendors to improve bargaining power and to strengthen their market competitiveness.

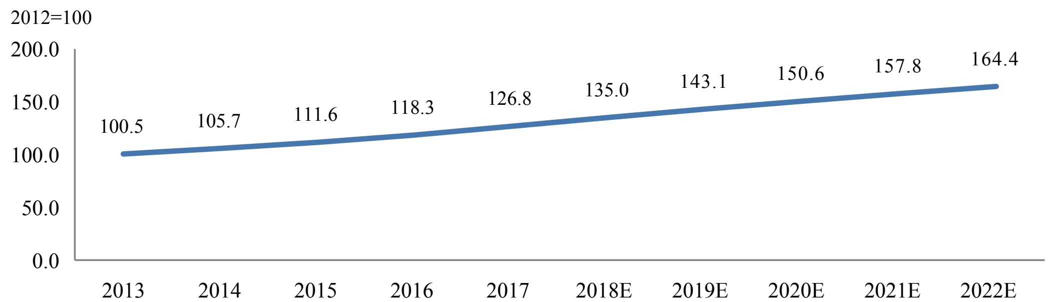
Cost factor analysis

- ***Labour cost***

According to the Australian Bureau of Statistics, based on the base year of 2012 (i.e. 2012 = 100), the wage index of the printing industry in Australia increased from 100.5 in 2013 to 126.8 in 2017, representing a CAGR of 6.0%, which was mainly due to the shortage of available labour in the printing industry in Australia. It is estimated that the wage index is likely to continue to grow from 2017 to 2022, as the issue of a lack of a skilled labour force is likely to continue in the future.

Wage Index of the Printing Industry in Australia, 2013-2022E

	2013-2017	2017-2022E
CAGR	6.0%	5.3%



Source: Australian Bureau of Statistics, Frost & Sullivan

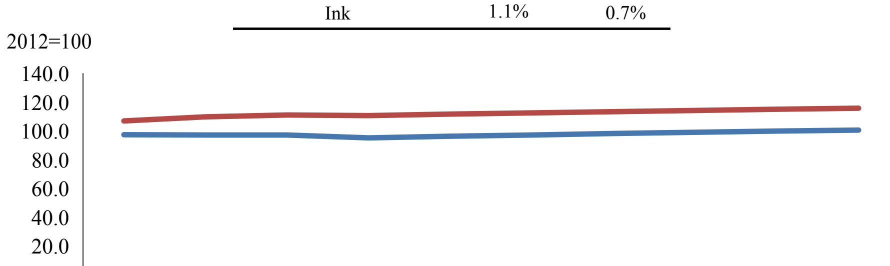
- ***Key raw materials***

Paper and ink are two major raw materials used in the production of printing products, including commercial printing products, printed books, etc.

Over the period from 2013 to 2017, the price index of ink in Australia grew from 106.8 in 2013 to 111.6 in 2017, representing a CAGR of 1.1% while the price index of paper experienced a negative CAGR of 0.3% during the same period according to data from the Australian Bureau of Statistics. In the near future, from 2017 to 2022, the price index of paper and ink is expected to maintain stable growth at estimated CAGRs of 0.9% and 0.7%, respectively.

Price Index of Key Raw Materials for Commercial Printing Products in Australia, 2013-2022E

CAGR	2013-2017	2017-2022E
Paper	-0.3%	0.9%
Ink	1.1%	0.7%



	2013	2014	2015	2016	2017	2018E	2019E	2020E	2021E	2022E
Paper	97.3	97.0	96.9	95.0	96.1	97.1	98.0	98.9	99.7	100.4
Ink	106.8	109.6	110.9	110.6	111.6	112.5	113.3	114.1	114.9	115.6

Source: Australian Bureau of Statistics, Frost & Sullivan

- ***Price index of commercial printing products***

According to Frost & Sullivan, based on the base year of 2012 (i.e. 2012 = 100), the price index of commercial printing products in Australia rose from 103.4 in 2013 to 111.8 in 2017, representing a CAGR of 2.0%.

With sustained market demand from end customer groups such as enterprises, organisations, the Australian Government and related entities, it is estimated by Frost & Sullivan that the price index of commercial printing products in Australia is likely to continue to increase, reaching 121.4 in 2022.

Competitive landscape analysis

Overview

The commercial printing industry in Australia was fragmented and competitive in 2017 with thousands of players sharing the market, including a large number of small-to-medium sized companies and several large companies. Large companies are characterised by the provision of comprehensive printing services and integrated printing solutions to customers while small-to-medium sized companies usually focus on single printing business scope. Additionally, players especially small-to-medium sized printers may face competition from new entrants who may deliberately price their products lower than the average in order to gain access to this industry.

In addition to commercial printing, large companies are also capable of providing publication printing services including the printing of magazines and books to a wide range of customer groups. Meanwhile, due to years of industrial experience and market expansion, large companies have gained economies of scale and have displayed comparatively stronger bargaining power along the industrial chain. Some of the leading players have also cooperated with distribution centres or set up their own distribution divisions to further provide highly efficient delivery services thereby improving their supply chain services offering.

Ranking of commercial printing industry

As for the commercial printing industry in Australia, the top five players contributed approximately AUD527.2 million to the overall market in terms of revenue.

Company A ranked first with a market share of 14.4% in 2017 while the Group ranked fifth in the commercial printing market in Australia, taking up a share of approximately 2.2% of the overall market.

Ranking	Name	Business description	Revenue from commercial printing in 2017 (AUD million)	Estimated market share (%), 2017
1	Company A	An Australia- and New Zealand-based company specialising in providing commercial and book printing products, including operating materials, business catalogues and books.	223.6	14.4%
2	Company B	A group focusing on the provision of commercial and book printing services for a wide range of sectors like government, financial services, retail, education, telecommunications, not-for-profit organisations, etc. in Australia	138.6	8.9%
3	Company C	A commercial printing services provider based in Australia focused on the provision of related products for integrated marketing solutions, etc.	75.1	4.8%
4	Company D	An integrated printing services provider based in Western Australia offering one-stop commercial printing solutions, including design, production, etc.	56.1	3.6%
5	***The Group***	***Provision of commercial printing and book printing services to enterprises, government and related sectors and publishers, etc.***	***33.8***	***2.2%***
		Top five total	527.2	33.9%
		Total revenue	**1,557.1**	**100.0%**

Source: Frost & Sullivan

Ranking of printing services to the government sector within the commercial printing industry

The government segment represented 11.3% of the overall commercial printing industry in Australia in 2017, with the segment of enterprise, institutions and other organisations occupying the rest. The top five players in the government segment contributed approximately AUD49.3 million to the overall commercial printing industry in the segment of government in terms of revenue.

The Group was among the leading players in this segment and ranked first in 2017, taking up approximately 8.7% of the government segment of the commercial printing industry.

Ranking	Name	Business description	Revenue from commercial printing in the segment of government in 2017 (AUD million)	Estimated market share (%), 2017
1	***The Group***	***Provision of commercial printing and book printing services to enterprises, government and related sectors and publishers, etc.***	***15.4***	***8.7%***
2	Company B	A group focusing on the provision of commercial and book printing services for a wide range of sectors like government, financial services, retail, education, telecommunications, not-for-profit organisations, etc. in Australia	13.5	7.7%
3	Company D	An integrated printing services provider based in Western Australia offering one-stop commercial printing solution, including design, production, etc.	8.4	4.8%
4	Company E	A commercial printing services provider based in Australia delivering related products and services to businesses and government and related institutions	7.1	4.0%
5	Company F	A printing services provider based in Australia offering commercial printing products to government and related institutions	4.9	2.8%
		Top five total	49.3	28.0%
		Total revenue	**176.1**	**100.0%**

Source: Frost & Sullivan

Key entry barriers to the commercial printing industry in Australia

- ***Customer relationship***

Clients of the commercial printing service providers in Australia are mainly enterprises, government and other organisations and professional institutions. They prefer to engage well-known companies who have already accumulated rich industry experience and formed good brand reputation, and would like to establish long-term cooperation relationship with those printing services providers. In particular, government-related institutions have comparatively higher criteria including high level security requirements in selecting printing services vendors. However, for new entrants who lack the scale, industrial experience and word-of-mouth reputation, they may not be able to establish a reliable business network in a short time.

- ***Skilled workforce***

As for the commercial printing industry, clients such as Australian government related entities usually have strict requirements on the quality of finished printing products, which requires that commercial printing companies should be equipped with sufficiently skilled labour force who are capable of operating commercial printing activities with lower error rate and higher quality. Additionally, professionals with responsibility for maintaining customer relationships and expanding customer networks are also important for commercial printing companies to secure market position. New entrants, however, may lack such ability to cultivate a skilled labour and sales force.

- ***Initial investment***

In order to establish a commercial printing business, a huge amount of capital investment is required to purchase printing press equipment, facilities, etc. and to rent offices. In order to provide timely response and services to clients, particularly governmental institutions, commercial printing companies usually rent offices in central regions of a city, which means commercial printing companies have to bear considerable rental cost. Thus, it is likely that new entrants could not afford such high investment to maintain daily operation.

OVERVIEW OF THE BOOK PRINTING INDUSTRY IN AUSTRALIA

Definition

Book printing refers to the business activities of printing different types of books including read-for-pleasure books such as fiction and non-fiction books, education books and others.

Industry value chain analysis

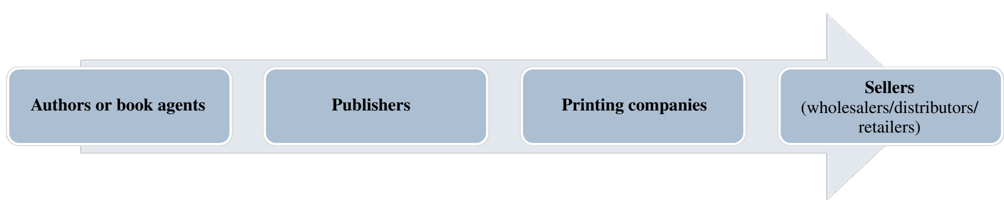
Generally, four participants are engaged in the value chain of the book printing industry: authors or book agents, book publishers, book printing services providers and sellers (including wholesalers, distributors and retailers).

1) Authors provide content to book agents and commission specialised book agents who then introduce authors to publishers. In some instances, authors may turn to printing services providers directly for self-publishing.

2) Publishers who accept authors or books to be published then take charge of typographic designing, pricing, producing and marketing of printed books. Generally, publishing houses outsource the book production (mainly book printing) to professional printing service providers. Publishers in Australia tend to operate through traditional retail channels.

3) Printing services providers print books based on different requirements from publishers. In addition to basic printing services, book printing companies may also provide services such as colour management or guidance on typesetting and so forth.

4) After the completion of book printing, printed books are usually transferred to the wholesalers for temporary storage. Book retailers may purchase books from wholesalers or distributors. It is also likely that books are delivered directly to book retailers as requested by publishers or authors.

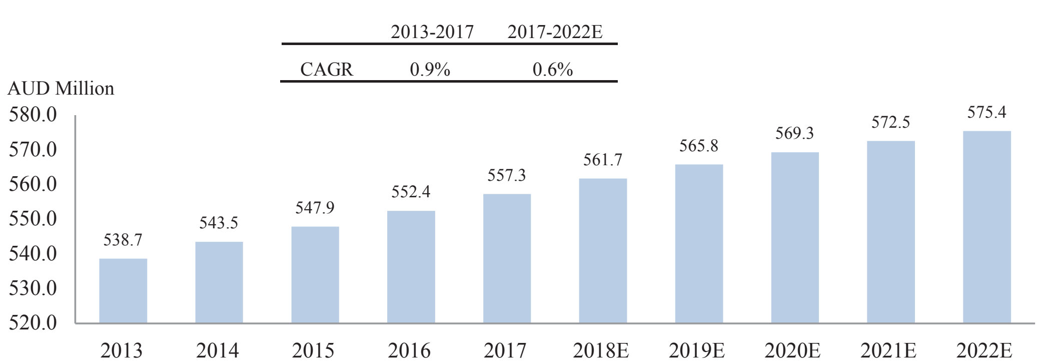


Source: Frost & Sullivan

Market size analysis

The book printing industry in Australia experienced stable development over the past five years with revenue generated from the industry growing from AUD538.7 million in 2013 to AUD557.3 million in 2017, representing a CAGR of approximately 0.9% which was sustained by the stable domestic demand and consumption. According to Frost & Sullivan, the book printing industry is expected to continue to grow stably, reaching approximately AUD575.4 million in 2022, representing a CAGR of approximately 0.6%.

Market Size of the Book Printing Industry in Australia, by Revenue, 2013-2022E



Source: Frost & Sullivan

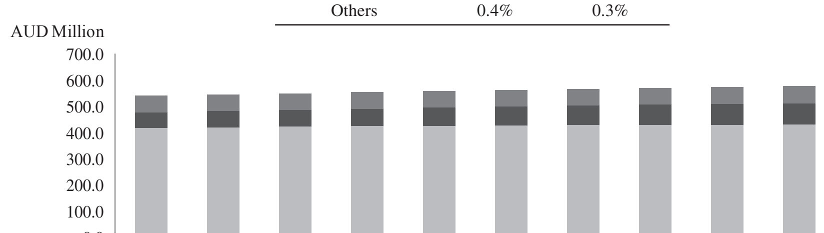
Market size breakdown of the book printing industry by printing methods

The book printing industry in Australia in the sector of digital printing grew at a CAGR of 3.7% over the period from 2013 to 2017 as more publishers used digital printing to self-publish their own books that are usually in small quantities and require higher printing quality in perspective of colour saturation, image pixel and clarity, while revenue generated from the offset printing sector increased at a CAGR of 0.5% from 2013 to 2017, which was sustained by the demand for bulk printing of books. The market size of the offset printing sector within the book printing industry is estimated to reach AUD429.0 million in 2022, representing a CAGR of 0.2% from 2017, as large quantities of books will still be printed via offset printing method due to its lower cost.

Others mainly include screen printing, letterpress printing and gravure.

Market Size Breakdown of the Book Printing Industry in Australia by Printing Methods, by Revenue, 2013-2022E

CAGR	2013-2017	2017-2022E
Offset printing	0.5%	0.2%
Digital printing	3.7%	3.3%
Others	0.4%	0.3%



	2013	2014	2015	2016	2017	2018E	2019E	2020E	2021E	2022E
Others	63.2	63.4	63.4	63.8	64.1	64.2	64.5	64.6	65.0	65.2
Digital printing	59.8	61.1	63.2	65.4	69.1	71.5	74.2	76.6	79.1	81.2
Offset printing	415.7	419.0	421.2	423.2	424.1	426.0	427.1	428.1	428.4	429.0

Source: Frost & Sullivan

Market size breakdown of the book printing industry by printing products

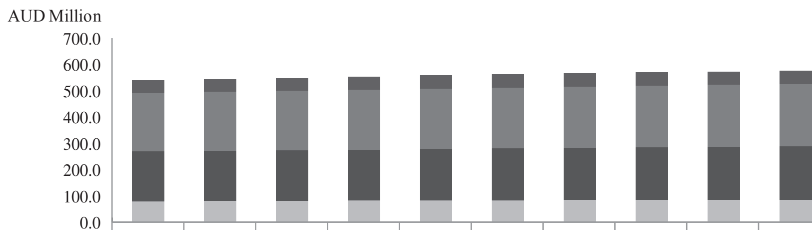
Revenue from the segment of children's books printing increased from AUD79.5 million in 2013 to AUD82.4 million in 2017 at a CAGR of 0.9% and is estimated to keep growing at a CAGR of 0.7% from 2017 to 2022 sustained by the stable demand from end users.

The market size of the leisure and lifestyle books printing sector took up approximately 41.2% of the overall book printing market in 2017, where the revenue generated grew from AUD221.3 million in 2013 to AUD229.8 million in 2017 at a CAGR of 0.9%. It is projected that market size of this segment would maintain steady growth and reach AUD236.7 million in 2022.

Others include some religious related books, encyclopedia and so forth.

Market Size Breakdown of the Book Printing Industry in Australia by Printing Products, by Revenue, 2013-2022E

CAGR	2013-2017	2017-2022E
Children's books	0.9%	0.7%
Educational text books and learning books	0.8%	0.7%
Leisure and lifestyle books	0.9%	0.6%
Others	0.7%	0.4%



	2013	2014	2015	2016	2017	2018E	2019E	2020E	2021E	2022E
Children's books	79.5	80.1	80.7	81.5	82.4	83.0	83.6	84.2	84.7	85.2
Educational text books and learning materials	189.4	190.8	192.3	193.9	195.3	196.9	198.4	199.9	201.3	202.7
Leisure and lifestyle books	221.3	223.8	225.9	227.6	229.8	231.6	233.3	234.5	235.7	236.7
Others	48.5	48.7	48.9	49.4	49.8	50.2	50.6	50.7	50.8	50.7

Source: Frost & Sullivan

Key drivers for the book printing industry in Australia

- ***Sustained market demand for printed books***

Although e-books and digital reading have become increasingly popular among the public, printed books have a considerable reader base. A huge number of readers are still keen on printed books. They enjoy the unique reading experience such as going to a book store to select a good book, writing notes or reviews on the blank of book pages and so forth, which they would not otherwise be able to do with e-books or other electronic devices. Additionally, reading printed books is considered to be more relaxing as compared to viewing text from a screen, which may lead to eyestrain due to screen glare.

- ***Easy access to online printing platforms***

With the rapid development of internet technology, a number of online printing platforms have begun to emerge in the book printing market. Individuals who may not be represented by literary agents or traditional book publishers can now seek to self-publish and order book printing services via personal computer or mobile applications, relatively inexpensively. Meanwhile, publishers can communicate online with service agents for new or urgent requests through the online portal and could send electronic files to online platforms, which brings efficiency to the overall book printing process.

Market constraints for the book printing industry in Australia

- ***Customers' price sensitivity***

As there is an increasing number of authors who would like to conduct self-publishing, pricing for printing books becomes the priority when selecting book printing services providers. Unlike enterprises, institutions or institutional publishers who tend to seek long-term relationship with stable printing partners, individual customers are likely to switch book printing companies once they find another book printing services providers offering lower prices in the market. Thus, in order to retain or attract customers, book printing companies are confronted with fierce competition as they have to ensure that their price is competitive enough in the market.

- ***Diversified customer demands***

Book printing companies in Australia are currently faced with the challenge of changing customer demands. During recent years, the printed books market in Australia has witnessed an increasing number of books with diversified themes. In addition to traditional fiction books, the increasing popularity of non-fiction lifestyle-themed books creates opportunities but also challenges for book printing companies, as lifestyle books tend to be produced in a variety of specifications, using different paper materials, colour saturation and resolutions, etc. so as to bring unique experience to readers.

Development trends for the book printing industry in Australia

- ***Eco-friendly printing***

In view of the fact that book printing consumes a large volume of paper which results in the depletion of forest resources, the Australian Government as well as the public are paying increasing attention to the environmental issues within the publishing industry. To support sustainability and environmental protection, book printing companies are expected to source raw materials such as recyclable paper and inks with organic and stable chemical additives that reduce the impact on the environment. Meanwhile, in order to stay competitive in the market, more book printing companies would thus actively obtain environmental certification to strengthen brand reputation and to further attract more cooperation partners.

- ***Pre-planning for providing printing services***

In order to cater for the higher requirements and demands from readers, book publishers are expecting services and products with higher and more stable quality provided by book printing service providers, including printing effect, production lead time and so forth. Additionally, as print production runs are becoming smaller, book printing services providers are confronted with an increase in the frequency of reprints and turnaround times are becoming tighter. Therefore, to guarantee the delivery quality within the agreed time, book printing services providers are expected to emphasise more on working out a comprehensive plan with regard to the sample set, the details collating, appropriate management of connection between each printing step, etc. ahead of printing so as to minimise errors and to improve overall printing efficiency.

Impact of e-books on printed books

Although compared with printed books, e-books offer a convenient and sometimes interactive reading experience to the book readers, printed books remain a better option for many readers, as some regard tangible books to offer better reading experience than the intangible ones. From the market perspective, some hard-back, classical printed books are seen as collectables with higher value while intangible e-books are not. Besides, reading printed books may reduce the eye strain caused by long reading time on some electronic devices.

Printed books are still preferred by the readers in Australia. In 2017, the proportion of e-books from the perspective of sales value in all the books was 22.8%, while traditional printed books accounted for the remaining 77.2%. The sales value of printed books grew from AUD910.0 million in 2013 to AUD972.8 million in 2017, representing a CAGR of 1.7%. Sustained by the increasing demand for children's books and stable preference for printed books, the sales value of printed books is projected to reach AUD1,088.9 million in 2022 growing at a CAGR of 2.3% over the period from 2017 to 2022. Due to the republishing of certain books in electronic version and increasing acceptance of e-readers, the sales value of e-books increased at a CAGR of 7.6% from AUD213.8 million in 2013 to AUD286.9 million in 2017. It is estimated that the sales value of e-books will maintain a stable growth trend, reaching AUD335.7 million in 2022, representing a CAGR of 3.2% from 2017 to 2022. In 2017, e-books accounted for 34.5% of the sales volume of total books, while the printed books represented the remaining 65.5%. In 2022, printed books are estimated to take up a share of 60.4% in the total sales volume of books, while e-books are estimated to take up the remaining 39.6%. Printed books are expected to remain the mainstream format of preference and electronic book providers will not impact the expected growth of the Australia commercial and book printing industry substantially in the future. Printed books are still the mainstream given that some readers have a preference of reading and purchasing printed books. Preference and demand for reading printed books exist in all age groups. The demand points in each age group can be elaborated from the following perspectives: 1) for preschool children aged below six, parents and teachers tend to encourage them to read printed books to protect their eyesight as well as to retain and improve literacy skills; 2) for students between 7 and 24, they are encouraged by teachers to use textbooks in printed versions at school as teachers think printed books tend to fix students' attention on study while e-books may cause distraction; 3) for the group of people between 25 and 40, the demands for self-promotion with diversified reasons lead to their reading preferences for printed books. For those who have become parents, they tend to purchase printed books for parent-child reading in order to enhance parent-child relationship. For working people especially those who have been facing great pressure, reading books such as novels is perceived as a relaxing way to uplift mood and to further release work pressure. Additionally, reading books keeps working people informed of the latest changing trends and enrich themselves with professional knowledge, which tends to broaden their knowledge scope and is likely to benefit their work promotion; 4) for people aged above 40, most of them may have formed a habit of reading printed books especially during fragmented time, such as when taking a subway, etc. Therefore, it is expected that readers' preference on printed books tends to remain stable in the near future.

Cost factor analysis

The whole printing industry (book printing industry included) shares the same type of labour cost. Also, in terms of key raw materials, book printing industry shares the same raw materials with that of the commercial printing industry. Please refer to the paragraph headed "Overview of the commercial printing industry in Australia – Cost factor analysis" in this section.

Competitive landscape analysis

Overview

The overall book printing industry in Australia was considered relatively fragmented with hundreds of market players in 2017. For book printing service providers, the ability to consistently produce high quality products, on shorter runs and re-prints and deliver them within days has become the hallmark of the book printing industry and is critical to their success. Moreover, the ability to print faster and in a more cost-effective manner will give printing services providers a competitive edge in the book printing industry.

Ranking of book printing industry

Revenue generated by the top five companies in the book printing industry in Australia amounted to 22.5% of the overall book printing market, contributing a total revenue of AUD125.6 million in 2017.

According to Frost & Sullivan, the Group ranked first in 2017, taking up a share of approximately 8.1% of the book printing market in Australia.

Ranking	Name	Business description	Revenue from book printing in 2017 (AUD million)	Estimated market share (%), 2017
1	***The Group***	***Provision of commercial printing and book printing services to enterprises, government and related sectors and publishers, etc.***	***45.4***	***8.1%***
2	Company A	Australia- and New Zealand-based company specialising in providing commercial and book printing products, including operating materials, business catalogues and books.	31.1	5.6%
3	Company G	A printing company based in Australia providing services, including book printing, cover design, formatting, distribution, and promotion	23.6	4.2%
4	Company H	A book printing and publishing company based in Australia mainly targeting self-publishing customers	15.1	2.7%
5	Company I	A printing company based in Australia providing services including design, publishing, promotion, and sales of printed books	10.4	1.9%
		Top five total	125.6	22.5%
		Total revenue	**557.3**	**100.0%**

Source: Frost & Sullivan

Key entry barriers to the book printing industry in Australia

- ***Industry experience***

The operation and development of the book printing industry requires companies to be equipped with a strong management team and skilful workers. The managers and experienced workers have accumulated know-how. Furthermore, in the book printing industry with clear division, workers will be trained with knowledge and skills for individual production step including production planning, pre-press, colour management and post-press. Participants with experienced staff will have an advantage in gaining market share, which creates a high entry barrier for new entrants to enter the book printing industry in Australia.

- ***Relationship with customers and suppliers***

Relationship with publishers and authors in the book printing industry is significant for those new entrants because clients prefer choosing existing market players with previous experience. Meanwhile a stable relationship with key raw materials suppliers is also important for players in the book printing industry. Thus, it poses another challenge for new entrants to establish stable relationships through the value chain at the early stage.

COMPETITIVE ADVANTAGES OF THE GROUP

- ***Extensive network***

According to Frost & Sullivan, benefiting from the provision of commercial and book printing products with high quality and considerable value-added services including supply chain, warehousing, mailing and so forth, the Group has achieved wide recognition from customers especially from the Australian Government and related entities and book publishers, which further strengthens the cooperative relationship between the Group and its customers. Furthermore, the market reputation has increased the Group's brand awareness in the industry, thus assisting the Group to expand its customer network and to maintain its market position in the commercial and book printing industry of Australia.

- ***Effective management team***

According to Frost & Sullivan, members of the Group's management team including its executive Directors and senior management have accumulated rich experience in the printing related industry as well as a wealth of management experience, based on which they set strategic plans that guide the Group to develop operational efficiencies and industry leading practice.

- ***Advanced technology***

According to Frost & Sullivan, in order to meet dynamic changes of demands from customers and to retain its competitive edge in the commercial printing market, the Group keeps upgrading its technology in particular in its printing press equipment and online management platform. The advanced digital printing equipment enables the Group to shorten the production cycle that could increase the overall production volume in a certain period which is advantageous to the profitability of the Group. Meanwhile, the online platform connects the Group and its customers with agility, allowing the Group to respond to customers' request in a timely manner and to provide on-time supply chain services to customers.

- ***Integrated services provider***

The Group is an integrated printing services and solutions provider in Australian printing industry with major focus on commercial and book printing. The Group offers comprehensive printing services to its customers, with the capabilities to provide print-on-demand services, EDI (electronic data interchange), content and colour management, warehousing, packaging and delivery and other consultation service. Such capabilities of providing integrated services strengthen the competitive forces of the Group and allow the Group to keep the stable relationship with its customers.

LAWS AND REGULATIONS IN AUSTRALIA

Overview

This section sets out a summary of the major laws and regulations applicable to our operations in Australia. The laws of Australia are sourced in both government legislation (at the Commonwealth, State and local government levels) and the common law developed by the courts, as follows:

- **Commonwealth/Federal:** the Australian Government has power derived from the Federal Constitution to legislate in relation to specific areas including corporations, trade and commerce, taxation, banking and foreign investment. For example, the Australian Corporations Act is the legislation that governs financial services licensing, company registration and company operations.

- **State and Territory:** the States and Territories make laws which apply to their own jurisdiction. State based legislation covers the regulation of property ownership and environmental compliance.

- **Local Government:** local governments (or councils) provide governance for communities at a local level, including on environmental aspects, permitted uses of land and building approvals. There are usually many local government areas and bodies within a capital city of each State and Territory.

- **Courts:** the meaning and application of legislation is interpreted and developed through decisions of Australian courts (common law). The system of binding precedent requires courts to consider or follow the reasoning established in previous cases, depending on the courts position in the hierarchy of the judicial system. The High Court is the supreme judicial body in Australia, meaning that the Federal Court and the State based Supreme Courts are bound to follow the reasoning in its judgments.

Regulations on corporations

ASIC

Companies are subject to a large range of corporate governance requirements and guidelines in Australia which, primarily arise from the Australian Corporations Act. ASIC, the main regulator of corporations and the financial market in Australia, is responsible for administering and supervising compliance with the Australian Corporations Act.

The powers of ASIC are set out in the *Australian Securities and Investment Commission Act 2001* (Cth), and include:

(i) investigations of companies suspected to be contravening the Australian Corporations Act;

(ii) examinations and interviews of persons;

(iii) inspection of books and audit information-gathering powers;

(iv) to start proceedings in order to prosecute offenders after investigations; and

(v) to hold hearings or inquiries.

Separate from its role of enforcing legal compliance, part of ASIC's purpose is to facilitate and improve the performance of the Australian financial system by reducing business costs, promoting efficiency and ensuring that financial information is available as soon as practicable for access by the public. To that end, ASIC acts as a repository to receive, process and store financial reporting from companies.

In addition to ASIC, ASX has a role in corporate governance regulation for public companies listed on the Australian stock exchange. The rules which regulate public companies are set out in the ASX Listing Rules. The rules which regulate public companies are set out in the ASX Listing Rules. However, because OPUS will not be a publicly listed company in Australia once the Delisting occurs, the ASX Listing Rules will no longer apply to OPUS. For this reason, this prospectus does not contain an explanation of the obligations under the ASX Listing Rules.

Financial reporting

The Australian Corporations Act requires all companies, registered schemes and disclosing entities to keep financial records. Reporting obligations imposed on companies vary depending on the type and size of the company. A large proprietary company (a company with two of the following criteria: annual revenue of AUD25 million, gross assets of AUD12.5 million and 50 or more employees), has the following financial reporting obligations to ASIC and its shareholders:

- keep financial records;
- prepare an annual financial report;
- prepare a director's report;
- arrange audit of financial report and obtain auditor's report;
- send financial report, director's report and auditor's report to shareholders; and
- lodge the financial report, director's report and auditor's report with ASIC.

Failing to lodge an annual report will amount to a breach of the Australian Corporations Act and an offence. This breach is an offence of strict liability, meaning that a director of a company can be convicted even though he or she was genuinely ignorant of the factors making their act or omission an offence.

Directors duties

In Australia, obligations and duties are imposed on directors and company officers from a number of sources, including the common law, equity, the Australian Corporations Act, the company's constitution and contracts. Directors are in a fiduciary relationship with the company and owe fiduciary duties to the company. Essentially, this means that directors cannot use the power conferred upon them for personal advantages.

As fiduciaries, the directors owe stringent duties:

- to act honestly;
- to exercise care and diligence;
- to act in good faith in the best interests of the company and for a proper purpose;
- not to improperly use their position or company information to gain an advantage for themselves or someone else or cause detriment to the Company; and
- to disclose their material personal interests and avoid conflicts of interest.

As well as the duties above, a director can be found personally liable for the actions of a company, such as insolvent trading, breaches of relevant occupational health and safety laws, environmental protection laws and intellectual property laws.

When a director breaches a duty, the consequences depend on whether it is a general law duty or a statutory duty that is breached, and also what sort of remedy is being sought. Breach of the director's general law duties can result in liability to pay compensation or account for any profit gained. Based on the nature of the director's breach of fiduciary duties, the breach may yield civil consequences or criminal consequences.

Restrictions on company ownership

Takeovers regulation

The sale and purchase of shares in Australia is regulated by laws which restrict the level of ownership or control by any one person (either alone or in combination with others).

The takeover provisions in Chapter 6 of the Australian Corporations Act restrict acquisitions of shares in listed companies, and unlisted companies with more than 50 members, if the acquirer's (or another party's) voting power would increase to above 20%, or would increase from a starting point that is above 20% and below 90%, unless certain exceptions apply. The Australian Corporations Act also imposes notification requirements on persons having voting power of 5% or more in Australian listed companies either themselves or through an associate.

Foreign Acquisitions and Takeovers Act 1975 (Cth)

Foreign investment in Australia is regulated principally by the *Foreign Acquisitions and Takeovers Act 1975* (Cth) (the "**FATA**"). The Federal Treasurer administers the FATA with the advice and assistance of the Foreign Investment Review Board. Generally, the FATA applies to acquisitions of shares and voting power in a company of 20% or more by a single foreign person and its associates ("**Substantial Interest**"), or 40% or more by two or more unassociated foreign persons and their associates ("**Aggregate Substantial Interest**"). Where a foreign person holds a Substantial Interest in the company or foreign persons hold an Aggregate Substantial Interest in the company, the company itself will be a "foreign person" for the purposes of the FATA.

Where an acquisition of a Substantial Interest or an Aggregate Substantial Interest meets certain criteria, the acquisition may not occur unless notice of it has been given to the Federal Treasurer and the Federal Treasurer has either stated that there is no objection to the proposed acquisition or the statutory period has expired without the Federal Treasurer objecting. An acquisition of a Substantial Interest or an Aggregate Substantial Interest meeting certain criteria may also lead to divestment orders unless a process of notification, and either a statement of non-objection or expiry of a statutory period without objection, has occurred.

In addition, acquisitions of a direct investment in an Australian company by foreign governments and their related entities should be notified to the Foreign Investment Review Board for approval, irrespective of value. A "direct investment" will typically include any investment of 10% or more of the shares (or other securities or equivalent economic interest or voting power) in an Australian company but may also include investment of less than 10% where the investor is building a strategic stake in the target or obtains potential influence or control over the target investment.

After implementation of the Scheme of Arrangement and the Delisting, OPUS will continue to be considered a foreign person for the purposes of the FATA as the Company, which is a foreign person, will hold 100% of the shares in OPUS.

Certain further investments by a foreign person may be subject to review and prior approval by the Federal Treasurer, which may or may not be given or may be given only subject to certain conditions imposed by the Federal Treasurer. If such approval is required and not obtained in relation to an investment, such foreign person will not be able to proceed with that investment.

Planning and environmental requirements

Planning controls

Control of land use is heavily regulated through statutory planning instruments. Each State and Territory has its own system of zoning land which designates permissible and prohibited uses. The planning instruments are extensive, covering not only permissible land uses but also design limitations, height controls, impacts on native vegetation, impact of other natural hazards and heritage, among other matters.

Planning approvals

Under the various State and Territory planning instruments, many land uses and developments will need to obtain planning approvals. Approvals are most often granted by the local council, and for some larger projects, approvals can be granted by the State government. The planning approvals can be very detailed and include conditions governing the built form, hours of operations, amenity impacts and payment of development contributions to the authorities.

Any proposed new development will require further approval and be required to undergo an assessment process under the planning and/or environmental legislation of the relevant State. There are generally appeal rights to State courts in relation to decisions arising out of the assessment process. Obtaining approvals can take some time.

Environmental laws

The main Australian Government environmental legislation is the *Environmental Protection and Biodiversity Conservation Act 1999* (Cth) which regulates actions that have or are likely to have a significant impact on one of the following: world heritage properties; national heritage places; wetlands of international importance; listed threatened species and ecological communities; migratory species protected under international agreements; Commonwealth marine areas; the Great Barrier Reef marine park; nuclear actions including uranium mines; and actions that will affect the land owned by the Australian Government. If the activities of an entity have a significant impact on the protected categories listed above, approval would be required from the Australian Government. Carrying out such activities without a required approval is a serious offence. In general, the majority of environmental regulation in Australia is carried out at the level of the State government, as set out below.

Environmental licences

State based environmental protection legislation states that specified activities which have an adverse environmental impact require a licence or authorisation. Licensing is most often related to management of waste and industrial-type premises but can include other premises which are deemed to have an impact on the environment. These licences will govern many aspects of environmental regulation at a site and generally require annual fees, ongoing monitoring of emissions and annual reporting. The requirement for a licence or authorisation of a printing company will depend on whether production or waste levels at the facility meet a certain threshold. A typical licence for a printing facility may include conditions for the management of waste, discharges to air and water, pollution of waters, dust control and noise control. These conditions will depend on the activities and impact on the environment of the premises. For example, a condition for dust control may apply in suburban premises, but not to a regional premises where dust will not have an adverse impact on the surrounding environment.

Offences

Under the State environmental protection legislation, it is an offence to pollute air, water, or land without a licence. The most serious offences carry substantial penalties. The EPA is also empowered to issue environment protection notices (such as remedial notices and directions) when an incident has occurred or is occurring. Most of these offences are strict liability, meaning that there are very limited defences. Pollution incidents are often prosecuted by the relevant EPA in each State, resulting in fines and restitution orders, and more rarely imprisonment.

Contamination

Certain levels of soil and groundwater contamination will require notification to the EPA. Each State's EPA can also order investigation and clean-up of contaminated sites. Typically, the EPA will order the current owner of a site to carry out clean up but the general principle in Australia is that "polluter pays", at least where the polluter is able to be identified. That owner may then seek to bring court proceedings to recover the clean-up costs against the original polluter, assuming the original polluter can be found. Clean-up of contaminated sites and groundwater can run into millions of dollars. A polluter will always remain responsible for its contamination, including any contamination that the person or company had caused on sites it has now vacated or sold.

Possible changes to environment and planning laws

The Victorian Government is simplifying and improving the Victoria Planning provisions (the planning policies and control upon which all land use planning decisions are made) as part of a formal amendment in mid-2018. Also in 2018, the Victorian Government is expected to introduce a further bill into Parliament which will include substantive amendments to the *Environmental Protection Act 2017* (Vic). The key recommendations include the introduction of a general duty to take reasonably practicable steps to minimise risk of harm to human health and the environment, the introduction of new requirements for pollution incident planning and incident notification and increasing penalties (in line with penalties for environmental offences in other jurisdictions such as NSW).

In NSW, State Environmental Planning Policy No 55 ("**SEPP 55**") is being reviewed by the NSW government with the aim of providing for the better management of remediation works. The current proposal is for the new Remediation of Land State Environmental Planning Policy to require approval authorities to consider the potential for land to be contaminated when determining development applications; to clearly list the remediation works that require approval and introduce certification and operational requirements for remediation works that can be undertaken without approval. SEPP 55 will continue to apply for development applications already within the planning system and remediation work carried out without prior approval, where notice of that proposed work has already been given to the local council at the time of commencement of the new SEPP.

Workplace health and safety laws

Overview

The work health and safety (the "**WHS**") laws are based on the national model *Work Health and Safety Act 2011* (Cth) (WHS Act). which now applies in all Australian States and Territories, except VIC and Western Australia. In VIC and Western Australia, earlier occupational health and safety (the "**OHS**") laws still apply, although the basic principles of the legislation in these states are similar. These laws aim to protect people's health and safety at work by imposing obligations on all parties who are in a position to contribute to the management of workplace risks, including manufacturers and suppliers of equipment and substances, as well as employers, workers, contractors and others.

The primary purpose of the WHS legislation is to give a general overview of how to make workplaces safe and healthy and to outline legal responsibilities and duties. The primary health and safety duty is on a person conducting a business or undertaking (the "**PCBU**"). The PCBU must ensure, so far as is reasonably practicable, the health and safety of workers at the workplace. Duties are also placed on officers of a PCBU. workers and other persons at a workplace. All duties under WHS legislation are qualified by the term 'reasonably practicable'. The WHS legislation also sets out the requirements for:

- incident notification (see s.38 of the WHS Act), where a PCBU must ensure the regulator is notified immediately after becoming aware of a notifiable incident at the workplace;

- consultation with workers (see ss.46 – 48 of the WHS Act), where a PCBU has a duty to consult with workers who carry out work for the business who are likely to be directly affected by WHS;

- issue resolution (see s.80 of the WHS Act), where a PCBU must take all reasonable efforts to achieve timely, effective and final resolution of a WHS issue;

- inspector powers and functions (see s.160 of the WHS Act), providing extensive powers for the regulator to provide advice and education and to obtain information and investigate legislative compliance; and

- offences and penalties (see ss.30 – 34 of the WHS Act), when a PCBU, worker or other person in the workplace does not comply with the WHS legislative requirements.

All duties relating to health and safety involve risk management, which means that a duty holder must be proactive in avoiding risks to health and safety. There are also other specific laws dealing with particular safety issues, such as hazardous materials, electrical safety and transport safety.

The WHS legislation is supplemented by regulations which set out the standards companies need to meet for specific hazards and risks, such as noise, machinery and manual handling. They also set out the licences required for specific activities, the records companies need to keep and the reports companies need to make. For example, licences are required before individuals are permitted to carry out certain high risk work and a PCBU has a duty to keep records and information in relation to all WHS management and control (see Regulations, 81 – 85, 228, 237, 378, 388, 418, 444 and 461 of the WHS

Act). The WHS legislation is also supported by codes of practice that provide practical guidance in achieving the standards of health and safety required by law. Model WHS codes of practice are also developed at the national level and typically adopted by the various state and territory authorities. In each jurisdiction, there is a WHS or OHS regulator (generally known as WorkCover or WorkSafe). They are responsible for inspecting workplaces, providing advice and help, as well as enforcing the law through its inspectorate.

Possible changes to work health and safety laws

Industrial manslaughter laws are in place in the ACT, and the other States and Territories (including NSW and VIC) are considering or likely to consider introducing such laws in the near future. In the ACT, an employer may be liable for industrial manslaughter if a worker dies in the course of their employment, the employer has been criminally negligent or reckless and that negligent or reckless behaviour caused the death of the worker. Industrial manslaughter is a criminal offence and applies to any "senior officer" of an employer, which will likely capture any person who is part of a company's board and management team.

Real property

Australia operates a system of land registration known as the Torrens system. Under this system, legal title to property is perfected by the act of registration. This means that on a sale of Torrens system land, the buyer obtains legal title on registration of the transfer, rather than on execution of the instrument of transfer. Most, but not all, of the land in Australia is Torrens system land.

Each State or Territory maintains a property registry, which is a State government-run public repository of information on property tenure. Although the rules, requirements and forms differ across the States and Territories, the register contains title information and details of registered interests affecting Torrens system land. Examples of registered interests include easements, restrictive covenants, mortgages and leases.

Title to Torrens system land is recorded on a certificate of title which is issued by and kept at the registry. A duplicate certificate of title is issued to the registered owner in most States and Territories.

In Australia, the Torrens system is underpinned by a principle known as "indefeasibility". Registration of title provides indefeasibility i.e. once a transfer or grant of title to the land is registered, then as a general rule, the title cannot be defeated by other unregistered interests. This means that a buyer of land acquires its interest subject to earlier registered interests but free from all unregistered interests (even if the buyer knew about those unregistered interests), other than a number of statutory and equitable exceptions. The exact scope of these exceptions varies between the various States and Territories, but generally includes fraud, short-term leases, easements, misdescription of boundaries and, sometimes, adverse possession.

Legislation in most States and Territories provides for compensation to be payable to persons who suffer loss as a result of the operation of the system, for instance where fraud occurs or there is an error or omission in the registry. In practical terms, the effect of indefeasibility of title is that a buyer of property in Australia can generally rely on the certificate of title as evidence of title. Time and expense does not need to be incurred in investigating title beyond the register, other than in respect of the specific exceptions (although these are not always of themselves possible to investigate). Title insurance is generally not obtained as part of property acquisitions in Australia, where the property is Torrens system land.

Leases/tenancies in Australia

Lease terms and conditions in Australia are subject to market standards and practice, and there are also terms implied by legislation and common law. In particular, there is a large body of retail tenancy legislation which has been developed to protect retail tenants, especially smaller specialty tenants. Generally the parties cannot contract out of these provisions.

The leasing practice differs in the various States and Territories in relation to registration. Generally speaking, short term leases to tenants in possession do not need to be registered to grant an indefeasible leasehold title. In all jurisdictions except VIC and South Australia (where it is one year or less), a short term lease means a lease of three years or less.

In all jurisdictions (except VIC), registration of a lease (other than a short term lease) is required to obtain indefeasible leasehold title. The exception is VIC where a lease to a tenant who is in possession grants an indefeasible leasehold title regardless of the term. As a result, leases are rarely registered in VIC.

Data security

Australian privacy law regulates the collection, storage, use and disclosure of personal information by organisations carrying on business in Australia, and the rights of individuals to access information held about them. A company that holds personal information must take reasonable steps to protect the information from misuse, interference and loss, as well as unauthorised access, modification or disclosure.

Services providers to the Australian Government, such as companies engaged in printing services are often required by government agencies to comply with confidentiality undertakings as part of service provision arrangements and they are also subject to common law principles which regulate the use and disclosure of confidential information such as the equitable duty of confidence.

Intellectual property

The principal forms of intellectual property protection available in Australia are trade-marks, designs, patents and copyright. All of these forms of protection are governed by legislation. The common law also provides remedies against a person passing off goods or services as those of another, as well as protection for confidential information or trade secrets.

Trade marks

Trade-marks and service marks can be registered in Australia under the *Trade Marks Act 1995* (Cth). Trade marks can be obtained for names, logos, aspects of packaging, shapes, colours, sounds and scents.

Trade marks, names and brands may also be protected under the common law doctrine of passing off and under the *Competition and Consumer Act 2010* (Cth), which prohibits corporations from engaging in misleading or deceptive conduct in trade or commerce. In both cases, it is necessary to establish a reputation for the particular trade mark.

Patents

Patents for inventions can be granted under the *Patents Act 1990* (Cth) (the "**Patents Act**") for a period of 20 years, conferring an exclusive right to exploit the invention during that time. In order to qualify for standard patent protection, an invention must be novel, inventive and useful. The Patents Act also recognises innovation patents, which are intended for less important inventions and have a lower inventive threshold. The innovation patent has a term of eight years and cannot be extended.

Copyright

Copyright is protected under the *Copyright Act 1968* (Cth) (the "**Copyright Act**"). Registration of copyrights is not required. Australia, like a vast majority of countries is a signatory to the Berne Convention for the Protection of Literary and Artistic Works (Berne Convention). Therefore, works created by a national or resident of another country which is also a signatory will be treated as if created in Australia for the purposes of Australian copyright protection, and Australian copyright law will apply to those works. Computer programs are protected by copyright, as are literary works, while circuit layouts are protected by the *Circuit Layouts Act 1989* (Cth).

Designs

Designs are protected under the *Designs Act 2003* (Cth). Designs relate to the overall visual appearance of a product including features of shape, configuration, pattern and ornamentation. In order to register a design in Australia, it must be new and distinctive. New means that the design has not been publicly used in Australia nor published in a document in or outside of Australia before the application date. Distinctive means substantially different in overall appearance to other designs already in the public domain. A design can be registered for a period of five years and can be renewed for a further five years. Convention priority can be claimed for designs filed internationally six months prior to the application date in Australia.

Taxation

The following categories of tax are applicable to the Australian subsidiaries of the Company:

Corporate income tax

An Australian tax resident company is subject to income tax on its non-exempt worldwide income. A foreign tax resident company is subject to Australian income tax only on Australian sourced income. The Australian Company Tax Rate (the "**CTR**") is currently 30%. There is a proposed change to provide for lower CTR (of 27.5% for income year 2019-2020 to 2023-2024 and gradually overtime to 25% for the income year 2026-2027) to all corporate entities from the 2019 income year onwards with scaling aggregated annual turnover threshold from AUD100 million in the 2019-2020 income year to AUD1 billion in the 2022-2023. The proposed changes have not been legislated by the Commonwealth Parliament and therefore not yet law. Income of non-resident companies from Australian sources is similarly taxable at the company tax rate if it is not subject to any withholding tax or treaty protection. However, a company that is tax resident of a country that has a double tax agreement with Australia, not operating in Australia through a permanent establishment is generally subject to tax only on Australian sourced passive income, such as rent, interest, royalties and dividends.

Companies incorporated in Australia are generally residents of Australia for income tax purposes. If a company is carrying on business in Australia with either their central management and control in Australia or their voting power controlled by Australian residents, the company can be considered as Australian resident for tax purposes.

Capital gains tax

Australian tax law distinguishes income (revenue) gains and losses from capital gains and losses, using principles from case law. Broadly, items which are solely capital gains and losses are not assessable or deductible under the ordinary income tax rules. However, the capital gains tax (the "**CGT**") provisions in the tax law may apply. For companies, capital gains are taxed at the relevant CTR. The CGT provisions apply to gains and losses from designated CGT events. The list of designated CGT events includes disposal of assets, grants of options and leases, and events arising from the tax consolidation rules. Capital gains are calculated by identifying the capital proceeds (money received or receivable or the market value of property received or receivable) with respect to the CGT event and deducting the cost base. CGT gains are reduced by amounts that are otherwise assessable. Capital losses are deductible only from taxable capital gains. Capital losses are not deductible from ordinary income. However, ordinary or trading losses are deductible from net taxable capital gains.

Goods and services tax

GST is a broad-based tax of 10% on most goods, services and other items sold or consumed in Australia. Certain goods and services are not subject to GST, being either GST free or input taxed. Generally, businesses and other organisations registered for GST will:

- include GST in the price they charge for their goods and services; and

- generally, claim credits for the GST included in the price of goods and services they acquire for their business, except to the extent that the acquisitions relate to the making of input taxed supplies.

Stamp duty

Stamp duty is a tax on written documents and on certain transactions. It is imposed by Australian state and territory governments and the rates vary depending on the state or territory. The main transaction that may be subject to stamp duty is the transfer of property (such as real estate and business assets). The rate of stamp duty varies according to the type and value of the transaction involved. Depending on the nature of the transaction, certain concessions and exemptions may be available.

Fringe benefits tax

Fringe benefits tax (the "**FBT**") is a tax paid on certain benefits provided by employers to their employees or employees' associates in addition to, or in place of, salary and wages. Benefits can be provided by an employer, associate of the employer, or by third party under an arrangement with the employer. An employee can be a current, future or former employee. Fringe benefits include rights, privileges or services. Some benefits, such as computers and mobile phones that are primarily used for work, are exempt from FBT.

Payroll tax

Payroll tax is levied on a state basis. However, the total wages paid Australia-wide is included when calculating the payroll tax threshold. Each Australian State and Territory has its own payroll tax rate and threshold e.g. from financial year commencing 1 July 2017, NSW payroll tax rate is 5.45% and the annual wages threshold is AUD750,000. The ACT payroll tax rate is 6.85% and the annual wages threshold is AUD2,000,000. The VIC payroll tax rate is 4.85% and the annual wages threshold is AUD625,000. Payroll tax is imposed on an employer's taxable wages to the extent that the wages making up that payroll are paid or payable:

- for or in relation to services performed by an employee in the respective state or territory, or

- for or in relation to services by an employee in two or more Australian state or territory, or

- by an employer for or in relation to services performed by an employee and are paid or payable in the respective state or territory.

The following categories of tax may be applicable to the Company and/or its subsidiaries:

Dividends

Dividends paid by Australian tax resident companies are franked with an imputation credit to the extent that Australian corporate income tax has been paid by the company on the income being distributed. Unfranked dividends are dividends paid out of profits which have not been subject to Australian corporate income tax. Tax rules discourage companies from streaming imputation credits to those shareholders that can make the most use of the credits, at the expense of other shareholders.

A company may select its preferred level of franking with reference to its existing and expected franking account surplus and the rate at which it franked earlier distributions. However, under the "benchmark rule," all distributions made by a company within a franking period must generally be franked to the same extent. The consequences of receiving a franked dividend vary depending on the nature of the recipient Shareholder e.g. Australian individuals, Australian complying superannuation entities, Australian trusts, etc.

Withholding taxes on dividends

Dividends paid by Australian company to non-residents are subject to Australian withholding tax. For dividends paid, the withholding tax rate of 30% applies only to the unfranked portion of the dividend. A reduced rate applies if dividends are paid to residents of treaty countries. An exemption from dividend withholding tax applies to the part of the unfranked dividends that is declared in the distribution statement to be conduit foreign income. A unilateral exemption from dividend withholding tax is available for dividends paid to certain foreign charitable institutions and certain foreign pension funds. The payer of the dividend shall withhold the tax amount.

Non-Australian tax residents receiving dividend from Australian tax resident companies do not need to lodge an Australian tax return if the only Australian-sourced income was interest, dividends or royalties from which non-resident withholding tax has been correctly withheld.

Investors holding the Shares shall not be required to lodge any form with Australian tax authority solely because of acquiring, holding or selling the Shares. Investors shall not be responsible for payment of tax to the Australian tax authority solely because of acquiring, holding or selling the Shares.

OUR CORPORATE HISTORY

OPUS was founded in 1983. However, our history can be traced back to 1967 when Union Offset (which was acquired by OPUS in 2009) was established. As such, our Group, through our various subsidiaries, has been providing printing solutions and services in Australia for nearly 50 years. Set out below are the types of printing solutions and services provided by our Group's notable subsidiaries:

(i) MPG was founded in 1971 when it acquired an interest in a printing business in Maryborough, VIC, Australia. The MPG Business expanded in subsequent years through acquisitions of various printing companies in Australia. MPG currently specialises in the productions of read-for-pleasure books and catalogues, operating manuals and promotional leaflets.

(ii) Ligare was founded in 1979 by Mr. Celarc as one of the co-founders and currently specialises in the production of Quick Turnaround Time Education Books and catalogues, operating manuals and promotional leaflets. It became one of our subsidiaries upon being acquired by OPUS Australia in May 2007.

(iii) CanPrint Communications was founded in 1997 and is one of Canberra's premier providers of printing, publishing and logistics management services. It offers fully integrated print management services to a wide range of Australian government related entities, publishers, businesses and national associations. It was acquired by CanPrint Holdings via the acquisition of Union Offset in 2009.

Following the listing of OPUS on the ASX in 2012, our Group has undergone a series of restructurings and is currently focused on the provision of one stop shop printing solutions and services at three production facilities namely, the CanPrint Facility, the Ligare Facility and the MPG Facility.

Business milestones

The following table sets out the key milestones of our Group:

Year	Event
1967	Union Offset was incorporated in Australia
1971	MPG was incorporated in Australia
1979	Ligare was incorporated in Australia and specialised in the businesses of bookbinders and printers
1983	OPUS was incorporated in Australia
1997	CanPrint Communications was incorporated in Australia
2007	OPUS Australia was incorporated in Australia and acquired Ligare

Year	Event
2009	CanPrint Holdings acquired Union Offset which then wholly-owned CanPrint Communications, thus enabling it to expand into the Government Printed Matters production market
2011	The IPALM system was established and began to operate
2012	OPUS was listed on the ASX after the merger of MPG and (i) Cactus Imaging Holdings Pty Ltd.; (ii) CanPrint Holdings; (iii) OPUS Australia; and (iv) OPUS NZ
2013	We introduced at MPG the HP T410 all-in-one colour inkjet web press printer, a versatile high speed digital printing press which is capable of printing 7,000 mono pages per minute and was the first of its kind in Australia
2014	Bookbuilders BVI, an indirect wholly-owned subsidiary of Lion Rock, became the controlling shareholder of OPUS

Our subsidiaries

As at the Latest Practicable Date, our Group consisted of the following subsidiaries, details of which are set out in the table below:

Name of subsidiary	Place of incorporation	Date of incorporation/ commencement of business	Principal business
CanPrint Communications	Australia	4 September 1997	Production of Government Printed Matters and catalogues, operating manuals and promotional leaflets
CanPrint Holdings	Australia	4 December 2008	Investment holding
Integrated Print	Australia	5 February 1999	Investment holding
Ligare	Australia	17 September 1979	Production of Quick Turnaround Time Education Books and catalogues, operating manuals and promotional leaflets
MPG	Australia	1 November 1971	Production of read-for-pleasure books and catalogues, operating manuals and promotional leaflets

Name of subsidiary	Place of incorporation	Date of incorporation/ commencement of business	Principal business
OPUS	Australia	7 June 1983	Investment holding
OPUS Australia	Australia	23 May 2007	Investment holding
Union Offset	Australia	24 August 1967	Production of Government Printed Matters and catalogues, operating manuals and promotional leaflets

CanPrint Communications

CanPrint Communications was incorporated in Australia on 4 September 1997 with an initial authorised share capital of AUD1,000,000 divided into 1,000,000 shares. During the Track Record Period and as at the Latest Practicable Date, Union Offset held 17,333 issued ordinary shares of CanPrint Communications, representing the entire issued share capital of CanPrint Communications. During the Track Record Period, CanPrint Communications was principally engaged in the production of Government Printed Matters and catalogues, operating manuals and promotional leaflets.

CanPrint Holdings

CanPrint Holdings was incorporated in Australia on 4 December 2008 with one issued share. During the Track Record Period and as at the Latest Practicable Date, OPUS held 9,680,357 issued class A shares and 1,019,643 issued class B shares of CanPrint Holdings, representing the entire issued share capital of CanPrint Holdings. During the Track Record Period, CanPrint Holdings was an investment holding company.

Integrated Print

Integrated Print was incorporated in Australia on 5 February 1999 with one issued share. During the Track Record Period and as at the Latest Practicable Date, CanPrint Holdings and CanPrint Communications held 1,300 and 1,000 issued ordinary shares of Integrated Print, respectively, representing 56.52% and 43.48% shareholding of Integrated Print, respectively. During the Track Record Period, Integrated Print was an investment holding company.

Ligare

Ligare was incorporated in Australia on 17 September 1979 with an initial authorised share capital of AUD10,000 divided into 10,000 shares. During the Track Record Period and as at the Latest Practicable Date, OPUS Australia held four issued A class management shares of Ligare, representing the entire issued share capital of Ligare. During the Track Record Period, Ligare was principally engaged in the production of Quick Turnaround Time Education Books and catalogues, operating manuals and promotional leaflets.

MPG

MPG was incorporated in Australia on 1 November 1971 with an initial authorised share capital of AUD20,000 divided into 20,000 shares. During the Track Record Period and as at the Latest Practicable Date, OPUS held 255,000 issued ordinary shares of MPG, representing the entire issued share capital of MPG. During the Track Record Period, MPG was principally engaged in the production of read-for-pleasure books and catalogues, operating manuals and promotional leaflets.

OPUS

OPUS was incorporated in Australia on 7 June 1983 with an initial authorised share capital of AUD100,000 divided into 100,000 shares.

Bookbuilders BVI, an indirect wholly-owned subsidiary of Lion Rock, became the controlling shareholder of OPUS on 3 November 2014. On 3 May 2017, Bookbuilders BVI exercised 20 million share options of OPUS granted by OPUS on 3 November 2014 at AUD0.35 per OPUS Share pursuant to which 20 million fully paid OPUS Shares were issued to Bookbuilders BVI. During the Track Record Period, an aggregate of 11,058,026 OPUS Shares were repurchased and cancelled by OPUS, at a total cost of AUD5.31 million pursuant to the resolutions of OPUS Shareholders dated 8 December 2016 on the on-market share buyback of up to 20 million OPUS Shares which commenced on 9 December 2016 and remained opened until 8 December 2017. Pursuant to the on-market share buyback, 4,155,934 and 6,902,092 OPUS Shares have been repurchased and cancelled by OPUS during the years ended 31 December 2016 and 2017, respectively. After the on-market share buyback, there were 105,355,570 issued OPUS Shares.

On 14 June 2018, OPUS declared the Special Dividend of AUD0.13 per OPUS Share. In addition, OPUS had put in place the Dividend Reinvestment Plan, where each OPUS Shareholder could elect to receive additional new OPUS Shares in lieu of cash for all or part of the Special Dividend that they were entitled to receive. On 22 August 2018, (i) the Special Dividend in the amount of AUD1,930,000 was settled in cash; and (ii) pursuant to the Dividend Reinvestment Plan, 60 OPUS Shareholders (whether in full or in part) opted to receive additional new OPUS Shares to settle the Special Dividend in the amount of approximately AUD11,766,000 and 28,614,371 fully paid ordinary OPUS Shares were issued to the following OPUS Shareholders:

Name of OPUS Shareholders	Number of OPUS Shares
Bookbuilders BVI	25,183,435
Navigator Australia Limited (as the custodian for the Richard Celarc Family Trust)	2,651
D.M.R.A. Property	922,648
Richard Celarc Family Trust	603,162
Ligare Superannuation Nominees Pty Ltd	474,221
Clapsy Pty Ltd	232,516
54 public OPUS Shareholders	1,195,738
Total	28,614,371

Prior to the Reorganisation, there were 133,969,941 issued OPUS Shares and OPUS was held as to approximately 78.26%, 6.22%, 0.72% and 14.80% by Bookbuilders BVI, Mr. Celarc and his associates, Clapsy Pty Ltd and other public OPUS Shareholders, respectively. During the Track Record Period, OPUS was an investment holding company. Upon completion of the Reorganisation, OPUS will become a wholly-owned subsidiary of the Company.

OPUS Australia

OPUS Australia was incorporated in Australia on 23 May 2007 with one issued share. During the Track Record Period and as at the Latest Practicable Date, OPUS held 6,061,531 issued class A shares and 638,469 issued class B shares of OPUS Australia, representing the entire issued share capital of OPUS Australia. During the Track Record Period, OPUS Australia was an investment holding company.

Union Offset

Union Offset was incorporated in Australia on 24 August 1967 with an initial authorised share capital of AUD200,000 divided into 200,000 shares. During the Track Record Period and as at the Latest Practicable Date, CanPrint Holdings held 120,000 issued ordinary shares of Union Offset, representing the entire issued share capital of Union Offset. During the Track Record Period, Union Offset was principally engaged in the production of Government Printed Matters and catalogues, operating manuals and promotional leaflets.

DISPOSAL OF SUBSIDIARIES

During the Track Record Period, we disposed of the following subsidiaries:

Cactus Imaging Holdings Pty Ltd.

Cactus Imaging Holdings Pty Ltd. was incorporated in Australia on 11 February 2008 and was principally engaged in grand and large format printing for outdoor media in Australia. Immediately before its disposal, Cactus Imaging Holdings Pty Ltd. was a wholly-owned subsidiary of OPUS.

With the view to ceasing the outdoor media business in Australia in order to dedicate management and strategic resources to the printing solutions and services business in Australia, on 26 July 2016, OPUS, as vendor, and oOh!media Group Pty Limited and oOh!media Limited, as purchasers, both being Independent Third Parties, entered into a sale and purchase agreement for the disposal of the entire issued share capital of Cactus Imaging Holdings Pty Ltd. at a consideration of AUD5,839,000, determined after arm's length negotiation and with reference to the net asset value of the Cactus Group (comprising Cactus Imaging Holdings Pty Ltd. and its wholly-owned subsidiary, Cactus Imaging Pty. Ltd.) as at June 2016. The disposal has been properly and legally completed and the consideration was settled on 1 August 2016. Our Directors confirmed that Cactus Imaging Holdings Pty Ltd. had not been involved in any claims, complaints, sanctions, or litigations prior to its disposal.

Cactus Imaging Pty. Ltd.

Cactus Imaging Pty. Ltd. was incorporated in Australia on 29 January 1996 and was principally engaged in grand and large format printing for outdoor media in Australia. Immediately before its disposal, Cactus Imaging Pty. Ltd. was a wholly-owned subsidiary of Cactus Imaging Holdings Pty Ltd., which was in turn wholly-owned by OPUS.

As a result of the disposal of Cactus Imaging Holdings Pty Ltd. as mentioned above, Cactus Imaging Pty. Ltd., being a wholly-owned subsidiary of Cactus Imaging Holdings Pty Ltd., ceased to be the indirect wholly-owned subsidiary of OPUS on 1 August 2016. Our Directors confirmed that Cactus Imaging Pty. Ltd. had not been involved in any claims, complaints, sanctions, or litigations prior to its disposal.

C.O.S. Printers

C.O.S. Printers was incorporated in Singapore on 19 July 1980 and was principally engaged in printing services in Singapore. Immediately before its disposal, C.O.S. Printers was a wholly-owned subsidiary of OPUS NZ.

In view of (i) the lack of any realisable synergy between the printing business of C.O.S. Printers in Singapore and that of OPUS in Australia due to the geographical difference; (ii) the desire to allocate greater management resources and focus on OPUS's printing solutions and services business in Australia without the distraction of having to manage an offshore undertaking; and (iii) managements' strategy to focus on maximising OPUS's return, on 29 March 2016, OPUS NZ and Notable Global Investments Limited, a wholly-owned subsidiary of Lion Rock, entered into an agreement for the sale of the entire issued share capital of C.O.S. Printers at a consideration of AUD11,300,000, determined after arm's length negotiation and with reference to the net tangible assets value of C.O.S. Printers as at 10 May 2016. The disposal has been properly and legally completed and the consideration was settled on 10 May 2016. Our Directors confirmed that C.O.S. Printers had not been involved in any claims, complaints, sanctions, or litigations prior to its disposal.

Ligare (NZ)

Ligare (NZ) was incorporated in New Zealand on 23 February 2010 and was principally engaged in printing services in New Zealand. Immediately before its disposal, Ligare (NZ) was a wholly-owned subsidiary of OPUS NZ.

In view of the limited growth of Ligare (NZ) and managements' desire to focus efforts on the printing solutions and services business in Australia, on 1 January 2017, OPUS NZ and Mr. Celarc entered into an instrument of transfer for the sale and purchase of the entire issued share capital of Ligare (NZ) at a consideration of NZD1.0, which was determined after arm's length negotiation with reference to the net assets value of Ligare (NZ) and the relatively high costs of dissolution of Ligare (NZ), in particular, the liabilities relating to redundancy payments and termination of lease. The disposal has been properly and legally completed and the consideration was settled on 1 January 2017. Our Directors confirmed that Ligare (NZ) had not been involved in any claims, complaints, sanctions, or litigations prior to its disposal.

DEREGISTRATION OF SUBSIDIARIES

During the Track Record Period and as at the Latest Practicable Date, the following subsidiaries were deregistered:

F'Digital Limited

F'Digital Limited was incorporated in New Zealand on 14 June 2002 and was dormant since it was acquired by our Group on 29 August 2006. On 17 February 2016, F'Digital Limited was deregistered according to the applicable New Zealand laws and was accordingly dissolved on deregistration. As advised by our Directors, F'Digital Limited was deregistered due to no business activities being conducted. Our Directors confirmed that F'Digital Limited had not been involved in any claims, complaints, sanctions, or litigations prior to its deregistration.

F'Displays Limited

F'Displays Limited was incorporated in New Zealand on 7 April 2004 and was dormant during the Track Record Period. On 17 February 2016, F'Displays Limited was deregistered according to the applicable New Zealand laws and was accordingly dissolved on deregistration. As advised by our Directors, F'Displays Limited was deregistered due to no business activities being conducted. Our Directors confirmed that F'Displays Limited had not been involved in any claims, complaints, sanctions, or litigations prior to its deregistration.

Cactus Imaging (NZ)

Cactus Imaging (NZ) was incorporated in New Zealand on 13 July 1978 and was principally engaged in the production of outdoor media material and corporate signage in New Zealand. With the view to ceasing the outdoor media business in New Zealand in order to dedicate management and strategic resources to the printing solutions and services business in Australia, on 18 September 2015, Cactus Imaging (NZ), as vendor, and Omnigraphics Holdings Limited and Janette Partington as purchasers, both are being Independent Third Parties, entered into a sale and purchase agreement for the sale and purchase of the business of the grand and large format digital printing and display business carried out by Cactus Imaging (NZ) as at the date of the said agreement together with the goodwill, plant and equipment owned by Cactus Imaging (NZ) and used in connection with the business by Cactus Imaging (NZ) at a consideration of AUD1,954,000. The consideration was determined after arm's length negotiation and with reference to the equipment value and the net asset value of Cactus Imaging (NZ) as at June 2015. The disposal has been properly and legally completed on 30 October 2015 and the consideration was settled in full on 5 November 2015. On 16 February 2018, Cactus Imaging (NZ) was deregistered according to the applicable New Zealand laws and was accordingly dissolved on deregistration. As advised by our Directors, Cactus Imaging (NZ) was deregistered due to no business activities being conducted since the completion of the disposal of the outdoor media business on 30 October 2015. Our Directors confirmed that Cactus Imaging (NZ) had not been involved in any claims, complaints, sanctions, or litigations prior to its deregistration.

Cactus Imaging Limited

Cactus Imaging Limited was incorporated in New Zealand on 17 September 2007 and was dormant during the Track Record Period. On 14 February 2017, Cactus Imaging Limited was deregistered according to the applicable New Zealand laws and accordingly dissolved on deregistration. As advised by our Directors, Cactus Imaging Limited was deregistered due to no business activities being conducted. Our Directors confirmed that Cactus Imaging Limited had not been involved in any claims, complaints, sanctions, or litigations prior to its deregistration.

OPUS NZ

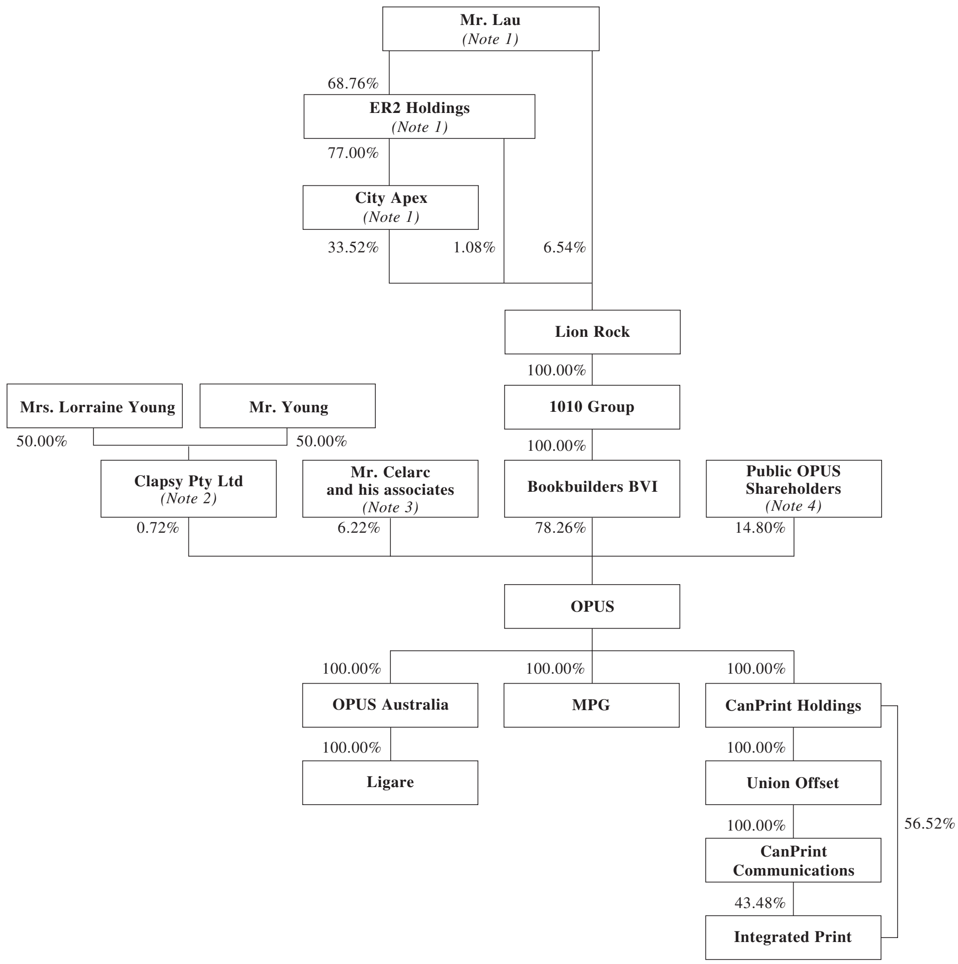
OPUS NZ was incorporated in New Zealand on 6 August 2007 as an investment holding company during the Track Record Period. On 22 May 2018, OPUS NZ was deregistered according to the applicable New Zealand laws and accordingly dissolved on deregistration. As advised by our Directors, OPUS (NZ) was deregistered due to no business activities being conducted. Our Directors confirmed that OPUS (NZ) had not been involved in any claims, complaints, sanctions, or litigations prior to its deregistration.

REORGANISATION

The companies comprising our Group will undergo the Reorganisation to establish and rationalise our Group structure in preparation for the Listing. Following the Reorganisation, our Company will become the holding company of our Group.

Group structure prior to the Reorganisation

Set out below is the shareholding and corporate structure of our Group immediately prior to the completion of the Reorganisation.



Notes:

(1) City Apex is an investment holding company and is owned as to 77.00% by ER2 Holdings. ER2 Holdings is an investment holding company and is owned as to 68.76% by Mr. Lau.

(2) Clapsy Pty Ltd, a company owned as to 50% and 50% by Mr. Young and his wife, Mrs. Lorraine Young, held 967,989 OPUS Shares prior to the completion of the Reorganisation.

(3) Prior to the completion of the Reorganisation, Mr. Celarc was deemed to be interested in 8,337,329 OPUS Shares, which comprised (i) 11,039 OPUS Shares held by Navigator Australia Limited (as the custodian for the Richard Celarc Family Trust); (ii) 3,841,056 OPUS Shares held by D.M.R.A. Property; (iii) 2,511,013 OPUS Shares held by the Richard Celarc Family Trust by virtue of Mr. Celarc being the trustee; and (iv) 1,974,221 OPUS Shares held by Ligare Superannuation Nominees Pty Ltd as the trustee for Ligare Staff Superannuation Fund of which both Mr. Celarc and his wife are the only members of the superannuation fund.

(4) As at the Latest Practicable Date, there were 587 public OPUS Shareholders. To the best of the Directors' knowledge, information and belief, having made reasonable enquiries, these 587 public OPUS Shareholders were Independent Third Parties.

Incorporation of our Company

Our Company was incorporated in Bermuda on 18 April 2018 with an authorised share capital of HK$100,000 comprising 10,000,000 ordinary shares of HK$0.01 each, of which one fully paid Share was issued to an independent nominee Shareholder, in cash at par on 20 April 2018 and one fully paid Share was issued to another independent nominee Shareholder, in cash at par on 20 April 2018.

Share swap of OPUS from the OPUS Shareholders to our Company pursuant to a Scheme of Arrangement

On 14 June 2018, OPUS and our Company entered into the Scheme Implementation Agreement which outlined the agreed steps to be taken for the implementation of the Scheme of Arrangement. A Scheme of Arrangement is a court and shareholder approved procedure based on statute under Australian law used to effect transfers of shares held by shareholders to another party. Schemes of arrangement are commonly used to effect transactions in widely held companies in Australia.

Conditions precedent to the Scheme of Arrangement were set out in the Scheme Implementation Agreement which included, among others, approval by the OPUS Shareholders and approval of the Federal Court of Australia. Implementation of the Scheme of Arrangement is also subject to our Company receiving final written approval from the Stock Exchange for the Listing and that approval becoming unconditional.

A share sale facility has been put in place for ineligible foreign OPUS Shareholders (i.e. OPUS Shareholders unable to take up shares due to their domicile) under the Scheme of Arrangement. Under the share sale facility, the Shares which would otherwise be issued to the ineligible foreign OPUS Shareholders pursuant to the Scheme of Arrangement will instead be issued to a designated sale agent. The designated sale agent will then sell these Shares on the Stock Exchange within 30 days of the Listing Date, the proceeds of which will be returned to these ineligible foreign OPUS Shareholders.

On 3 September 2018, the authorised share capital of our Company was increased from HK$100,000 to HK$100,000,000 by the creation of an additional 9,990,000,000 Shares.

On 26 July 2018, the first court hearing was held to initiate the approval of the Scheme of Arrangement. On 13 September 2018, the second court hearing was held to approve the Scheme of Arrangement, which became effective on 14 September 2018 and trading in OPUS Shares has been suspended since close of trading on 14 September 2018.

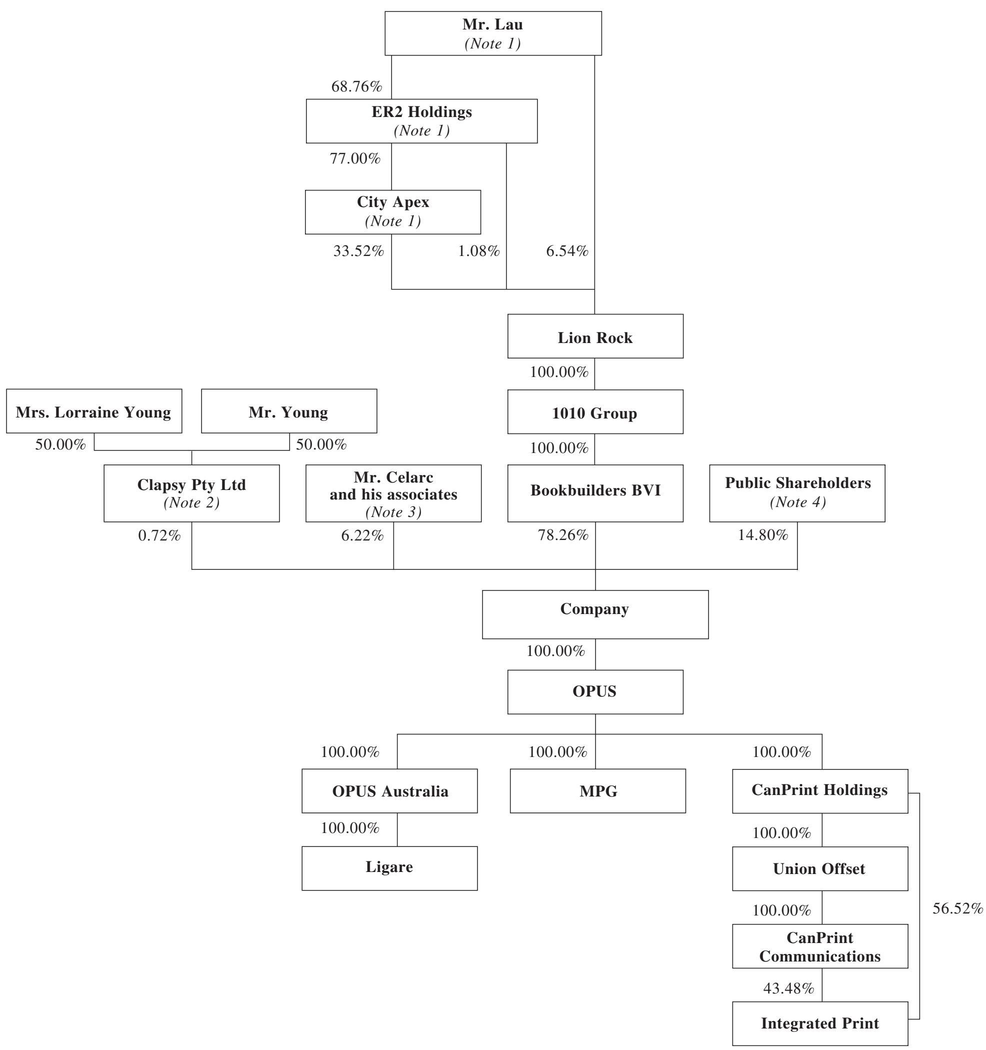
Upon implementation of the Scheme of Arrangement and in accordance with the orders of the Federal Court of Australia, on the Listing Date, our Company will issue 401,909,823 Shares credited as fully paid to the then existing OPUS Shareholders (excluding the ineligible foreign OPUS Shareholders) and the designated sale agent under the share sale facility (as the case may be) in consideration for which, the entire issued share capital of OPUS held by the OPUS Shareholders will be transferred to our Company on the basis that one OPUS Share will be swapped for three Shares.

Upon completion of the share swap, (i) OPUS will be wholly-owned by our Company; and (ii) all the then existing OPUS Shareholders (excluding the ineligible foreign OPUS Shareholders) and the designated sale agent (until the relevant Shares under the share sale facility are sold) will become the Shareholders of our Company.

Repurchase and cancellation of the two initial Shares of the Company

Concurrently with the share swap above, our Company will repurchase the two initial Shares from the two independent nominee Shareholders at the consideration of HK$0.01 per Share and the two initial Shares will be cancelled upon repurchase.

Set out below is our corporate structure immediately after the Reorganisation but before the Share Offer:



Notes:

(1) City Apex is an investment holding company and is owned as to 77.00% by ER2 Holdings. ER2 Holdings is an investment holding company and is owned as to 68.76% by Mr. Lau.

(2) Clapsy Pty Ltd, a company owned as to 50.00% and 50.00% by Mr. Young and his wife, Mrs. Lorraine Young, will hold 2,903,967 Shares immediately after the Reorganisation but before the Share Offer.

(3) Mr. Celarc will be deemed to be interested in 25,011,987 Shares immediately after the Reorganisation but before the Share Offer, which comprises (i) 33,117 Shares held by Navigator Australia Limited (as the custodian for the Richard Celarc Family Trust); (ii) 11,523,168 Shares held by D.M.R.A. Property; (iii) 7,533,039 Shares held by the Richard Celarc Family Trust by virtue of Mr. Celarc being the trustee; and (iv) 5,922,663 Shares held by Ligare Superannuation Nominees Pty Ltd as the trustee for Ligare Staff Superannuation Fund of which both Mr. Celarc and his wife are the only members of the superannuation fund.

(4) As at the Latest Practicable Date, there were 587 public OPUS Shareholders. To the best of the Directors' knowledge, information and belief, having made reasonable enquiries, these 587 public OPUS Shareholders were Independent Third Parties. The public OPUS Shareholders (excluding ineligible foreign OPUS Shareholders) and the designated sale agent will become public Shareholders upon completion of the Reorganisation.

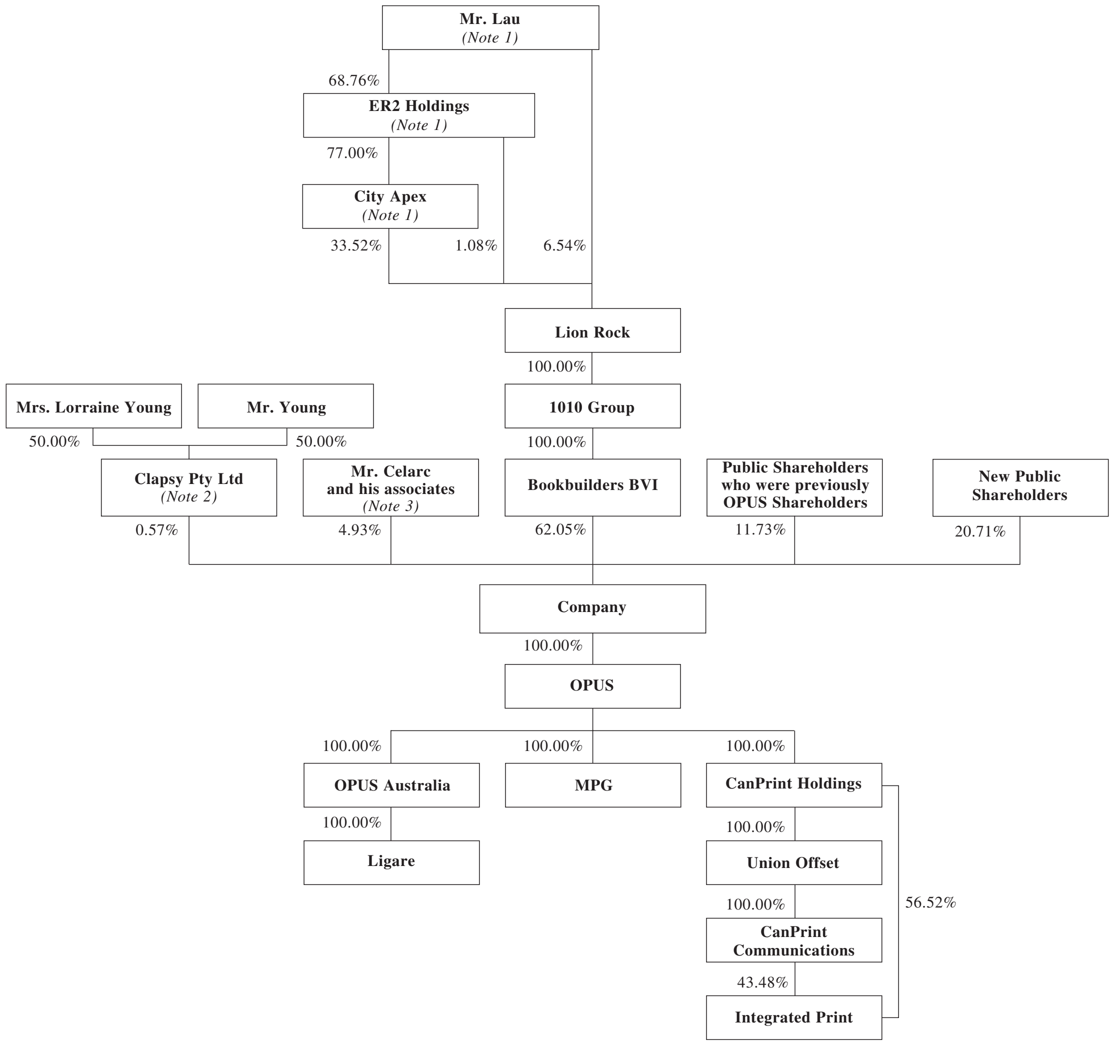
Share Offer

The Share Offer comprises the Public Offer and the Placing.

The shareholding structure of our Company immediately following the completion of the Share Offer will be as follows:

	Shares in issue immediately before the Share Offer	Shares to be issued pursuant to the Share Offer	Shares issued after the completion of the Share Offer	Percentage of shareholding after the completion of the Share Offer
Bookbuilders BVI	314,521,734	–	314,521,734	62.05%
Mr. Celarc and his associates	25,011,987	–	25,011,987	4.93%
Clapsy Pty Ltd	2,903,967	–	2,903,967	0.57%
Public Shareholders who were previously OPUS Shareholders	59,472,135	–	59,472,135	11.73%
New Public Shareholders	–	105,000,000	105,000,000	20.71%
Total number of issued Shares	401,909,823	105,000,000	506,909,823	100.00%

Set out below is the shareholding structure of our Group immediately after completion of the Reorganisation and the Share Offer above:



Notes:

(1) City Apex is an investment holding company and is owned as to 77.00% by ER2 Holdings. ER2 Holdings is an investment holding company and is owned as to 68.76% by Mr. Lau.

(2) Clapsy Pty Ltd, a company owned as to 50.00% and 50.00% by Mr. Young and his wife Mrs. Lorraine Young will hold 2,903,967 Shares.

(3) Mr. Celarc will be deemed to be interested in 25,011,987 Shares, which comprises (i) 33,117 Shares held by Navigator Australia Limited (as the custodian for the Richard Celarc Family Trust); (ii) 11,523,168 Shares held by D.M.R.A. Property; (iii) 7,533,039 Shares held by the Richard Celarc Family Trust by virtue of Mr. Celarc being the trustee; and (iv) 5,922,663 Shares held by Ligare Superannuation Nominees Pty Ltd as the trustee for Ligare Staff Superannuation Fund of which both Mr. Celarc and his wife are the only members of the superannuation fund.

OPUS will apply to be removed from the official list of the ASX and this will take effect following implementation of the Scheme of Arrangement. The Delisting of OPUS Shares from the ASX is expected to take place on or shortly after the Listing Date.

SCHEME OF ARRANGEMENT, DELISTING FROM THE ASX AND LISTING ON THE STOCK EXCHANGE

OPUS was listed on the ASX on 12 April 2012 with the stock code OPG. On 14 June 2018, OPUS and our Company entered into the Scheme Implementation Agreement which outlined the agreed steps to be taken for the implementation of the Scheme of Arrangement. Conditions precedent to the Scheme of Arrangement were set out in the Scheme Implementation Agreement which included, among others, approval by the OPUS Shareholders and approval of the Federal Court of Australia. Implementation of the Scheme of Arrangement is also subject to our Company receiving final written approval from the Stock Exchange for the Listing and that approval becoming unconditional. Upon implementation of the Scheme of Arrangement, the OPUS Shareholders will exchange their OPUS Shares for our Shares on the basis of one OPUS Share for three Shares. Upon completion of the share swap, (i) OPUS will be wholly-owned by our Company; and (ii) all the then existing OPUS Shareholders (excluding the ineligible foreign OPUS Shareholders) and the designated sale agent (until the relevant Shares under the share sale facility are sold) will become the Shareholders of our Company. The Listing will not proceed unless the Scheme of Arrangement has become effective and been implemented.

Upon completion of the Share Offer and subject to the Listing Committee granting approval of the listing of and permission to deal in the Shares, our Company will be listed on the Stock Exchange. The Delisting of OPUS Shares from the ASX is expected to take place on or shortly after the Listing Date. During the Track Record Period and as at the Latest Practicable Date, OPUS complied with the ASX Listing Rules and there is no other matter which should be brought to the investors' attention in respect of the existing listing of OPUS on the ASX.

Rationale for Delisting from the ASX

Our Company's rationale for Delisting of OPUS from the ASX is:

(i) as at the Latest Practicable Date, approximately 78.26% of the shareholding of OPUS was beneficially held and controlled by one OPUS Shareholder, namely, Lion Rock, who is resident outside Australia;

(ii) as at the Latest Practicable Date, besides Lion Rock, a further approximately 11.43% of the number of OPUS Shareholders, who held 0.75% of the issued OPUS Shares, were also not resident in Australia;

(iii) our Directors believed that there is expected to be greater investor interest for our Shares once they have been listed on the Stock Exchange; and

(iv) in view of the subdued investor interest in our Group from current Australian resident OPUS Shareholders, it is considered worthwhile for our Company to incur additional costs of the Listing in place of an Australian listing of OPUS.

Rationale for Listing on the Stock Exchange

Possible greater investor interest in Hong Kong

As noted above, as at the Latest Practicable Date, approximately 78.26% of OPUS's shareholding was beneficially held and controlled by one OPUS Shareholder, namely, Lion Rock, who is resident outside Australia. We also noted the general appreciation of investors in Hong Kong for cross-border listings, as our material operations are in Australia.

The trading prices and volumes of OPUS Shares on the ASX have been subdued over the past few years. The following table sets out selected trading information of OPUS Shares during the Track Record Period and up to 14 September 2018 (being the last trading day before the suspension of trading the OPUS Shares on the ASX):

Period	Closing price range *(AUD)*	Average closing price *(AUD)*	Daily trading volume Minimum *(Note 2)*	Daily trading volume Maximum	Daily trading volume Average *(Note 2)*	Average daily trading volume as a percentage of OPUS's issued shares capital as at the end of the respective period *(%)*
2015						
(1 Jan – 31 Dec)	0.350 – 0.520	0.426	4	770,000	37,232	0.04
2016						
(1 Jan – 31 Dec)	0.425 – 0.625	0.510	26	4,376,316 *(Note 3)*	82,361	0.09
2017						
(1 Jan – 31 Dec)	0.450 – 0.540	0.501	6	6,000,000 *(Note 3)*	96,366	0.09
2018						
(1 Jan – 14 Jun) *(Note 1)*	0.355 – 0.475	0.412	30	416,845	60,802	0.06
(15 Jun – 14 Sep) *(Note 4)*	0.385 – 0.695	0.514	12,302	1,559,727	188,967	0.14

Notes:

(1) 14 June 2018 represented the last trading day immediately prior to the announcement by OPUS on 15 June 2018 of the execution of the Scheme Implementation Agreement and proposed Listing

(2) Excluded zero traded days

(3) This amount represented OPUS Shares purchased by OPUS under a share buyback exercise

(4) 14 September 2018 represented the last trading day before the suspension of the OPUS Shares from trading on the ASX

(5) Source: ASX website/Bloomberg

Historically, subdued investor interest in the OPUS Shares impinged on OPUS's ability to raise further capital while listed on the ASX on terms acceptable to the directors of OPUS and in the best interests of OPUS Shareholders.

Moreover, as at 14 September 2018 (being the last trading day before the suspension of the OPUS Shares from trading on the ASX), the market capitalisation of OPUS was approximately AUD58.3 million (equivalent to approximately HK$346.7 million), calculated based on 133,969,941 OPUS Shares in issue and the closing price of the OPUS Share of AUD0.435 as at 14 September 2018.

Based on the mid-point Offer Price of HK$1.05 and a proposed issued share capital of 506,909,823 Shares, the expected market capitalisation of our Company upon completion of the proposed Listing would be approximately HK$532.3 million, representing a premium of approximately 53.5% over OPUS's market capitalisation as at 14 September 2018.

Our Directors believed that the difference between the market capitalisation of OPUS as at 14 September 2018 and that of our Company upon Listing is due in large part to the under appreciation of our business and prospects by investors in the Australian market. This is enhanced somewhat by the lack of comparable companies listed on the ASX which are engaged in the provision of printing solutions and services, as compared to the number of such companies listed on the Stock Exchange. Moreover, given that investors have not re-valued OPUS since the turnaround in financial performance and improvement in financial position of OPUS during the Track Record Period, our Directors believed that its value as an investment opportunity is overlooked in Australia.

Our Directors further believed that our Company should be able to command a premium on the Stock Exchange since: (i) we are in a leading position in the government printing, commercial printing market and book printing market in Australia and have competitive strengths in offering unique range of solutions and services to customers with focus on technology and security; and (ii) there is a greater recognition and appreciation by investors in Hong Kong for companies engaged in the printing industry as evidenced by the higher representation and valuation of printing companies which are listed on the Stock Exchange as compared to the ASX. Based on the aforementioned, our Directors believed that Hong Kong investors will better recognise our Group's qualities, performance and potential which would justify not only management's decision to seek the Listing but also support its expected market capitalisation upon Listing.

As such, we believe that we would be able to extract a valuation which is more reflective of our true value from the valuation range of comparable listed companies in Hong Kong.

Our Directors were of the view that there is a strong indication that our Company can attract higher investor interest, achieve greater liquidity in our Shares and an expected uplift in the Company's market capitalisation by having our Shares listed in Hong Kong.

BUSINESS OVERVIEW

We are a one stop shop printing solutions and services provider based in Australia. Our printing production process and services cover printing solution consultation, production planning and scheduling, pre-press, offset printing, digital printing, post-press, quality check, packaging and delivery. Our printed products include (i) read-for-pleasure books; (ii) Government Printed Matters; (iii) Quick Turnaround Time Education Books; and (iv) catalogues, operating manuals and promotional leaflets. According to the Frost & Sullivan Report, in terms of revenue generated in 2017, we are (i) the largest government segment printing services provider within the overall commercial printing industry in Australia (ranking fifth largest in the overall commercial printing industry in Australia); and (ii) the largest printing services provider in the book printing industry in Australia.

We also provide printing related services, such as warehousing and direct mailing, call centre services and ancillary services through our proprietary IPALM platform. In order to better serve our customers through the use of technology, our Company is focused on the continual development of our IPALM system so that we are able to offer customers a wide spectrum of electronic services to enhance their (or their end-user customers') experience, supply chain management and/or business. The IPALM system is our proprietary technology which was developed in-house to provide our customers with supply chain and process automation services where our customers can better manage the production process and its supply chain efficiently. Different IPALM modules can be designed and customised which offer a wide range of solutions to our customers including, among other things, online supply chain services and order processing. Customers can, through the IPALM system, host their shopfront with the support of shopping cart function and real-time credit card payment processing. Orders can be placed via the shopfront hosted by IPALM and streamed to our warehouse directly for printing, packing and despatch. Such services, which are built around the printed products which we produce for our customers, can remove multiple burdens for them, such as inventory monitoring and management, re-stock ordering, warehousing, end-user customer ordering, mailing and database management and communications. For further details of our IPALM platform, please refer to the paragraph headed "Application of technology in our printing solutions and services" in this section.

OPUS was founded in 1983. However, our history can be traced back to 1967 when Union Offset (which was acquired by OPUS in 2009) was established. Since that time, our Group has evolved through the acquisition (and disposal) of various print related businesses in Australia, New Zealand and Singapore. Following the listing of OPUS on the ASX in 2012, our Group has undergone a series of restructurings and is currently focused on the provision of one stop shop printing solutions and services at three production facilities namely, the CanPrint Facility, the Ligare Facility and the MPG Facility.

During the Track Record Period, our Group was also engaged in the provision of grand and large format printing for outdoor media in Australia and New Zealand, but such business was ceased upon completion of the disposal of the outdoor media business of Cactus Imaging (NZ) in 2015 and the disposal of the Cactus Group in 2016. In addition, we were engaged in the provision of printing services in Singapore and in New Zealand during the Track Record Period but ceased such businesses following the disposals of C.O.S. Printers and Ligare (NZ) in 2016 and 2017, respectively.

For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, our revenue from continuing operations was approximately AUD80.7 million, AUD87.0 million, AUD79.2 million and AUD19.3 million, respectively, while our profit from continuing operations was approximately AUD7.2 million, AUD5.5 million, AUD5.7 million and AUD0.9 million, respectively.

The following table sets out a breakdown of our Group's revenue from continuing operations by product during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Printing solutions and services										
Read-for-pleasure books	19,632	24.3	23,689	27.3	27,314	34.5	5,688	27.6	6,512	33.8
Government Printed Matters	15,589	19.3	19,046	21.9	15,396	19.4	3,249	15.8	3,325	17.2
Quick Turnaround Time Education Books	20,337	25.2	20,467	23.5	18,046	22.8	6,598	32.0	5,654	29.3
Catalogues, operating manuals and promotional leaflets	25,187	31.2	23,775	27.3	18,450	23.3	5,055	24.6	3,800	19.7
Total	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

Our customers are principally comprised of (i) Australia-based book publishers and media and information providers; (ii) international book publishers; (iii) Australian government related entities; and (iv) business owners and other organisations in Australia. During the Track Record Period, we mainly sold our products in Australia, which, in aggregate, amounted to approximately 97.8%, 98.2%, 99.4% and 99.8% of our total revenue for each of the three years ended 31 December 2017 and the three months ended 31 March 2018, respectively. The following table sets out a breakdown of our Group's revenue from continuing operations based on the geographical location of delivered products during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Australia	78,976	97.8	85,379	98.2	78,722	99.4	20,463	99.4	19,247	99.8
New Zealand	1,334	1.7	1,482	1.7	230	0.3	78	0.4	8	0.0
Overseas *(Note)*	435	0.5	116	0.1	254	0.3	49	0.2	36	0.2
Total:	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

Note: Overseas mainly includes the United Kingdom, the United States of America and Papua New Guinea.

We conduct all our production at the CanPrint Facility, the Ligare Facility and the MPG Facility in Australia.

The CanPrint Facility has a total land area of approximately 8,676 sq.m. and comprises production facility and office in 16 Nyrang Street, Fyshwick, ACT, Australia. We also have a warehousing facility with a total land area of approximately 12,000 sq.m., which is located at 1 Tralee Street, Hume, ACT, Australia.

The Ligare Facility has a total land area of approximately 7,391 sq.m. and comprises production facility, office and warehouse at 138-152 Bonds Road and 23-25 Skinner Avenue, Riverwood, NSW, Australia and Unit 3, 13 Larkin Street, Riverwood, NSW, Australia.

The MPG Facility has a total land area of approximately 44,945 sq.m. and comprises production facility, office and warehouse at 13 and 76 Nelson Street and 20 Johnson Street, Maryborough, VIC, Australia and Lot 2, 5 and part of 13 Brick Kiln Road, Carisbrook, VIC, Australia.

The CanPrint Facility, the Ligare Facility and the MPG Facility were equipped with 16 major printing presses and binding machines as at 31 March 2018. As at the Latest Practicable Date, our major production machines were self-owned, which include printing presses and binding machines. Please refer to the paragraph headed "Our production facilities and machinery" in this section for further details.

OUR COMPETITIVE STRENGTHS

Our Directors believed that we possess the following competitive strengths, which have contributed to our success and distinguished us from our competitors:

We are an established printing solutions and services provider with a long history in Australia

OPUS was founded in 1983. However, our history can be traced back to 1967 when Union Offset (which was acquired by OPUS in 2009) was established. As such, our Group, through our various subsidiaries, have been providing printing solutions and services in Australia for over 50 years. Our Group has gained extensive experience and developed a strong reputation in each of the printed products in which we specialise, namely, read-for-pleasure books, Government Printed Matters, Quick Turnaround Time Education Books and catalogues, operating manuals and promotional leaflets.

We believe that as a result of our legacy, history and experience in the Australian printing market, the companies within our Group have developed strong reputations and brand recognition within specific segments of the commercial and book printing industry. For example, we believe that MPG has developed a strong reputation as a book printing solutions and services provider to publishers of read-for-pleasure books, such as novels, fiction, non-fiction and other monotone book products, whereas Ligare has built a reputation among publishers of professionals and academic books, in particular loose leaf products. The CanPrint Business, which was formed from the Australian Government's own printing operation, has remained a core provider of printed products and services to Australian government related entities and is widely recognised for such products and services.

According to the Frost & Sullivan Report, our revenue represented approximately 8.7% of the revenue generated from the government segment within the overall commercial printing industry and 2.2% of the total revenue generated from the commercial printing industry in Australia in 2017. According to the Frost & Sullivan Report, our revenue also represented approximately 8.1% of the total revenue generated from the book printing industry in Australia in 2017. Our Directors considered us to be a leading one stop shop printing solutions and services provider in Australia.

We provide high quality, multi-scale and time sensitive printing services in Australia

As noted in the Frost & Sullivan Report, the commercial and book printing industry in Australia is characterised in recent years by shorter print runs and increasing time sensitivity. Such increasing demands by publishers has required printing services providers to respond by adopting new technology, in particular digital printing presses, which can be more efficient when producing lower print runs of books on tight timelines. As such, our Directors believed that responsiveness and operational efficiency have become the new norm within the commercial and book printing industry. The ability of printing services providers to consistently produce high quality products, on multiple short runs and quick production and delivery cycles has become the hallmark of the industry and is critical to their success. We believe that in order to respond to such demands we need to have strong customer relationships, good communication channels with our customers, a robust ERP system which can handle orders and support production schedules for multiple customers, the machinery, equipment and resources to produce books and products under such timelines as well as the expertise in managing our raw material and supplies.

Our Group is equipped with a range of offset and digital printing presses at each of our production facilities. During the Track Record Period, we produced single print runs as small as one book to single print runs as large as 400,000 books. During the Track Record Period, we invested in four new digital printing presses, which we believe provides our customers with the comfort and assurances that we are investing in machinery and equipment which addresses the needs of the market. Furthermore, we have a team of highly experienced production managers, each having not less than 10 years of experience in the printing industry, at all of our facilities which enables us to best manage our production schedules. On top of this, we also utilise our ERP system which facilitates our production scheduling and allows real-time tracking of all of our customers' orders, production and progress.

We provide unique supply chain and customer relationship management solutions for our customers through our proprietary IPALM system

The IPALM system is our proprietary technology which was developed in-house to provide our customers with supply chain and process automation services where our customers can better manage the production process and its supply chain efficiently. Through the IPALM system, our customers can place orders, track the production process and schedule and manage stock and digital assets. Such system therefore provides our customers with unique and customisable solutions and services beyond our core print production services.

Our Directors believed that the IPALM system, when integrated with our ERP system and our customers' own online platforms, provides us with a distinct advantage as compared to our competitors, as it provides our customers with greater control over not only their production, inventory and warehousing needs but also their engagement with their end-user customers. We believe that the application of the IPALM system has not only enhanced our production efficiency and flexibility, but also allowed us to better plan and deploy our resources more efficiently.

We place a strong focus on security

Our Directors believed that one of the key features of our business is our focus on security. In order to ensure that the security of the content and intellectual property of our customers' products is protected at all times, we are committed to maintaining strong security systems and protocols to ensure that the content, data and/or finished products of our customers remain secure at all times. Whilst security remains important throughout our business, security is especially important at our CanPrint Facility, which carries out most of our printing for our Australian government related entities customers. Such customers may have a higher requirement for security, as their printed products may, from time to time, contain sensitive information or materials. Our Australian government related entities customers may require us to print materials ranging from documents used by Australian Government departments or Parliament, which may contain sensitive political content, to materials such as official forms, certificates, examination papers, etc. which are handled or typically distributed by official departments or bodies.

In order to retain such business from our Australian government related entities customers, it is critical that our Group retains a solid focus on and commitment to security as well as effective procedures to protect our customers' content and the integrity of our business. Our Directors believed that the success of our CanPrint Business is in part due to our ability to maintain high levels of security and that our Australian government related entities customers recognise our strength in and focus on security, which has led to continued business from such customers.

We have established relationships with our top five customers and top five suppliers

During the Track Record Period, our top five customers were comprised of (i) Australia-based book publishers and media and information providers; (ii) international book publishers; and (iii) Australian government related entities. As at the Latest Practicable Date, our top five customers had been working with us for periods ranging from approximately three to over 20 years. Certain of these relationships have been nurtured over long periods while others are relatively new and were developed through tendering processes. Our Directors believed that our top five customers have selected our Group as their printing partner of choice as we have a proven track record in providing our customers with high quality printing solutions and services in a cost-effective, flexible and timely manner. Moreover, our Directors considered the relationship with all of our customers to be one based on partnership and that the objectives of both printer and publisher are unified and shared.

During the Track Record Period, our top five suppliers were mainly comprised of, among others, domestic and international paper suppliers. As at the Latest Practicable Date, our top five suppliers had been working with us for periods ranging from approximately three to over 10 years. Our Directors believed that our established relationships with our top five suppliers have been and will continue to be our valuable assets enabling us to ensure stable supply and timely delivery of raw materials in compliance with our quality, customer and production requirements.

We have an experienced and dedicated management team

We have an experienced and dedicated management team with extensive knowledge of and experience in commercial and book printing. Our executive Director, Mr. Lau, has been engaging in the ownership, operation and management of printing companies in Asia since 1990. In addition, Mr. Celarc, our chairman and our executive Director, is a co-founder of Ligare and has around 40 years of experience in the printing industry in Australia. Moreover, Mr. Celarc has been a central figure in the development of Ligare's business and reputation and has assisted our Group with establishing deep relationships with our customers and suppliers.

Our management also strives to keep track with the latest developments in the printing industry. For example, in 2013, our management was key to introducing at MPG the HP T410 all-in-one colour inkjet web press printer, a versatile high speed digital printing press which is capable of printing nearly 7,000 mono pages per minute and was the first of its kind in Australia. The said printing press and its in-line binding solution can conduct multiple functions including printing, post-press and binding functions. For details of the profile of our management team, please refer to the section headed "Directors and Senior Management" in this prospectus. Under the leadership of our management team, we have built up our capacity, expanded our scope of services and enhanced our market presence. The broad know-how and industry knowledge acquired and accumulated over the years by our management team have been and will continue to be beneficial to our business and prospects.

OUR BUSINESS STRATEGIES

Business objective and future plans

Our business objective is to retain our position as a leading one stop shop printing solutions and services provider in Australia. In order to maintain our position and reputation in the market, we intend to implement the following strategies to achieve sustainable growth in our business:

Continue to provide end-to-end printing solutions and services

Over many years of collaboration with Australian and international book publishers and Australian government related entities, our Directors believed that our Group has accumulated extensive understanding of the printing requirements of our customers, as well as market awareness, industry and technical know-how.

We offer a range of customisable services to enhance the value of our services to our customers. On top of our core printing production services, we also provide end-user customer relationship management and warehousing and logistics management services and platforms, which enable our customers to better manage their production, inventory and product orders from their end-user customers. In general, our read-for-pleasure book customers prefer for finished book products to be delivered to their own warehouses or directly to their retailers, so that their book products can enter into the market as soon as possible. As such, for publishers who tend to operate through traditional retail channels, speed to market is a factor in their warehousing and logistics requirements.

For all of our customers, our Group is able to provide a number of service offerings supplemental to our core printing production services, which are more supportive or representative of their own distribution channels. For example, we possess the technical platforms and know-how to provide online and offline product purchasing services. During the Track Record Period, we have incorporated our online purchasing platform into the websites of certain customers in order to enable their end-user customers to purchase their products online. Through such platform, we are capable of managing the entire purchasing process and experience on behalf of our customers from receipt of online orders to payment and delivery. In addition, we also provide call centre management and customer support services so that orders or enquiries can be made and received via our dedicated telephone call centres.

We also offer warehousing facilities which are aimed at reducing the warehousing and inventory burden and costs to our customers. Together with our direct-mailing capabilities which enable us to mail products directly to our customers' end-users from our warehouses, we are able to offer our customers a unique and customised printing and distribution platform to better serve their end-user customers. By providing such services, we seek to provide additional value to our customers by fully managing their product supply chain and costs, and to ensure that we are able to achieve quick delivery of products, or updates, to our customers' end-users.

Although the commercial and book printing industries in Australia only recorded minimal growth at CAGR of 1.5% and 0.9%, respectively, from 2013 to 2017, and are expected to grow at a CAGR of 0.7% and 0.6%, respectively, from 2017 to 2022, we strive to maintain our competitiveness and market share through (i) the continued focus on our one stop shop printing solutions and services, which emphasise the quality of our printed products and in particular the continued development of our printing related services, in order to strengthen the relationship with our customers through the provision of value added services to them; (ii) the further development of our IPALM system which will enable us to provide better printing services and address the specific needs of our customers and the industry as it evolves; and (iii) increasing our production capacity to address the demands of the market.

Our Directors believed that being a one stop shop printing solutions and services provider not only allows our Group to offer customers a full range of services, but also enables us to better manage our business. The ability to continue to provide end-to-end printing solutions and services enables us to retain a high level of control in ensuring the production and delivery of consistent and high quality printed products, and enables our customers to operate in a more cost-effective and efficient manner. In addition, our Directors believe that the ability to provide such printing related services enables our Group to develop deeper long-term relationships with our customers, to build customer loyalty and to entrench ourselves as partners by entrusting our Group with their complete printing needs.

Enhance our printing solutions and services through technology

Our Directors believed that it is essential for our Company to remain at the forefront of the printing industry, and when possible, to be able to apply technology to grow our business. On top of adopting digital printing presses to improve efficiencies in the actual print production process, we also seek to better serve our customers through the use of technology. In this respect, our Company is focused on the continual development of our IPALM system so that we are able to offer to our customers a wide spectrum of electronic services to enhance their (or their end-user customers') experience, supply chain management and/or business. The IPALM system is our proprietary technology which was developed in-house to provide our customers with supply chain and process automation services where our customers can better manage the production process and its supply chain efficiently. For further details of our IPALM platform, please refer to the paragraph headed "Application of technology in our printing solutions and services" in this section.

Due to its highly versatile nature, the IPALM platform can be customised to offer a wide range of solutions including, among other things, online supply chain services and order processing. Such services, which are built around the printed products which we produce for our customers, can remove multiple burdens for them, such as inventory monitoring and management, re-stock ordering, warehousing, end-user customer ordering, mailing and database management and communications. By providing our customers such solutions through our platform, we are able to provide a complete and seamless end-to-end procurement and print product management system. As such, we plan to expand our marketing efforts of our IPALM products and services in order to provide our customers with such supplemental services.

Moreover, we propose to continue to monitor trends in the market as well as feedback from our customers to further develop the modules within our IPALM platform to address their specific needs. Given that the IPALM system is highly customisable, we believe that each and every one of our customers can benefit from efficiencies in their management across the entire printing services and procurement supply chain. Our Directors believed that the ability to offer such unique and customised solutions would further foster long term relationships with our customers and supports our overall philosophy of being the partner of choice to such content publishers.

Furthermore, our Directors believed that in order to remain competitive, it is critical to cultivate strong customer engagement. On a day-to-day basis, communications between the production floor and our customers are typically conducted through our sales and customer services team and much of this relates to the production and delivery of their orders. Given the large number of customers and the range of printed products produced, strong planning and scheduling of production is essential to ensure an orderly and timely production process. In addition, the ability to provide our sales and customer services team and our site operations team with visibility of our production pipeline as well as providing our customers with the trust and confidence that we have planned and organised our production schedules to ensure that we are able to deliver their products on time is critical.

We currently utilise an ERP system, which facilitates our production scheduling and allows real-time tracking of the production process. Possessing an effective ERP system which offers our site operations team maximum flexibility to adjust printing schedules according to, among other things, printing volumes, number of printing jobs and urgency enables us to address our customers' needs. However, as print production runs are becoming smaller, which leads to an increase in the frequency of re-prints, the production and delivery cycles have, in turn, become shorter, and the need for increased efficiency is critical. As such, our Directors believed that further investment is required to enhance or optimise our current ERP system to ensure that we possess the most up-to-date, effective and efficient systems in order to provide the best possible products to our customers in a timely manner.

We intend to make upgrades to our ERP system and IPALM platform in order to improve their general functionality with the aim of maximising the efficiency of our production and operations as well as enhancing product offerings to our customers. Such upgrades will involve the purchase and installation of equipment, such as servers, wifi networks and radio frequency identification (RFID) equipment at our warehouses, as well as the development and/or purchase of software and new applications, which can be integrated into our ERP system and IPALM platform. We consider it to be the right timing to fully upgrade the IPALM system after the Listing for the following reasons: (i) general technological advancements (including for example, standard security protocols) have surpassed the architecture/

protocols in which the IPALM system was originally designed and requires updating; (ii) as is typical with certain ageing programs or applications, support from software services providers is phasing out on certain elements of the IPALM system; (iii) the IPALM system has grown to a point where the number of modules which have been created and modified over the years may not operate as efficiently with each other within the overall IPALM system; (iv) customer demand for new tailor made solutions can be designed from a more up to date architecture or one which operates on our customers' own systems, which simplifies the EDI communication; and (v) an upgrade of the IPALM system would enable us to develop more effective and efficient modules which integrate with our warehousing capabilities, which our Directors considered to be a significant value added service to our customers. As such, as the demands from our customers adapt, our Directors believed that it is critical for us to remain at the technological forefront so as to ensure that we are able to offer the best possible products and services to our customers.

Moreover, as part of our IPALM platform upgrades, we propose to focus on the development of new services and applications for our customers which will further enhance the supply chain management capability, particularly in our warehouse management solutions and services. We plan to develop the following modules and functionalities of the IPALM system:

- RFID functionality – we propose to augment our physical warehouses with RFID functionality in order to further streamline our back-end operations with our production, sales and customer facing teams, all of which require enhancements to our IPALM systems and additional EDI integration. With RFID tracking, the IPALM system can communicate with RFID controller devices to maintain a real time stock record in association with the internal bin location scheme where labels will be placed on racks, through which operators can easily locate the whereabouts of stocks/products. Furthermore, RFID tags can be attached to products when the stocks/products enter the warehouse so that the IPALM system can automatically track the whereabouts of such stock/product within the warehouse using the RFID receiver devices;

- Wireless operation – we propose to develop an app for mobile devices where warehouse operators can utilise the camera on a mobile device as a barcode scanner to scan the product and link up the system at the rack side instead of taking the product to the workstations. Operators are no longer required to input the details of the products which have been collected for packing as the scanning of the product would update the internal stock system. The efficiency of packing can be increased as a result;

- Security control – due to advancements in technology, the security control modules of the current IPALM system require upgrade so that they are compatible with the latest internet security requirements.

The total expenditure for such upgrades is estimated to be approximately HK$17.7 million (equivalent to approximately AUD3.0 million) and we plan to make such expenditure in phases within the last quarter of 2018 and in 2019, which will be financed from the net proceeds of the Share Offer.

Expand our warehousing facilities and/or streamline our printing facilities

To capture the opportunities in the market and improve our production efficiency, we plan to make various improvements to expand our warehousing facilities and/or streamline our printing facilities. Such improvements may include enhancements to our existing facilities or potential relocations to larger premises. In particular, the current set up and arrangement of our machinery and equipment within our production facilities may not be organised in a manner which allows us to operate at an optimum level of efficiency and effectiveness. In addition, we operate our printing and warehousing facilities in separate premises in Canberra due to the lack of available space on site. As such, management would consider a potential relocation or reorganisation of our CanPrint Facility and the warehousing facility at Hume, ACT, Australia under a single production and warehousing facility in order to accommodate the expected expansion of capacity and streamline our business. In addition, although the estimated average utilisation rate of our warehousing facility in Canberra during the Track Record Period was between the range of 74.1% to 81.9%, our Directors believed that it is necessary to relocate or reorganise our printing facility in Canberra under a single production and warehousing facility as: (i) our major paper supplier no longer stored the papers we ordered in its warehouse, which required our Group to expand our warehousing facilities to store the paper stock as a result; and (ii) under a new framework agreement, one of our Australian government related entities customers required us to reserve warehousing capacity of 4,000 pallets for their products. Given the utilisation rate for our warehouses, our warehousing facilities did not have such capacity. It is intended that the expected location of the expanded CanPrint Facility will remain in the ACT and the expected land area will be around 32,000 sq.m.. It is expected that its warehousing capacity will be doubled compared to the existing warehousing capacity in Hume, ACT. It is also expected that preliminary preparation such as site inspection and investigation will be conducted in 2019 and the production of the expanded CanPrint Facility will be commenced in the first quarter of 2020. As at the Latest Practicable Date, we had yet to identify any premises for relocation, nor have we determined any specific location for any potential relocation.

We believe that by further streamlining and modernising our production processes, not only at our CanPrint Facility but across all our production facilities, we will be able to increase production and warehousing capacity, thereby enjoying economies of scale and production efficiencies, which will enable us to compete more effectively and improve our financial performance. We believe that we can also achieve additional long term cost savings from the streamlined and modernised production process which will allow us to meet the additional demand for our products and further expand our production capacity.

Our Group's total expenditure for such expansion and/or streamlining of our existing printing and warehousing facilities is estimated to be approximately HK$9.5 million (equivalent to approximately AUD1.6 million) and we plan to make such expenditure in phases within 2019 and 2020. Of such expenditure (assuming an Offer Price of HK$1.05 per Offer Share, being the mid-point of the indicative Offer Price range of HK$1.00 to HK$1.10 per Offer Share, the estimated aggregate net proceeds from the Share Offer will be approximately HK$73.3 million), approximately HK$6.4 million (equivalent to approximately AUD1.1 million) will be financed from the net proceeds of the Share Offer and approximately HK$3.1 million (equivalent to approximately AUD0.5 million) will be financed by our internal resources.

Maintain investment in key machinery and equipment and enhance our production capabilities

Since we are (i) the largest government segment printing services provider within the larger commercial printing industry in Australia (ranking fifth largest in the overall commercial printing industry in Australia); and (ii) the largest printing services provider in the book printing industry in Australia in terms of revenue generated in 2017 according to the Frost & Sullivan Report, our Directors believed that we possess a strong understanding of the commercial and book printing market and in particular the behaviour and demands of our customers. Such understanding and awareness enables us to anticipate how the market is likely to evolve and the trends which will emerge. This in turn provides us with the insights required to planning our strategies, resources and investments. In particular, the ability to anticipate the needs and demands of our customers enables us to prepare capital investments and organise resources to ensure that we maintain a strong balance in machinery and equipment to match our customers' demands.

Moreover, our Directors believed that a strong understanding of our customers' needs can help determine how to allocate our investments and resources. Given the increasing trend of shorter print runs and more time sensitive printing, when upgrading, replacing or investing in new machinery, our Directors will ensure that we maintain a well balanced mix of printing presses and associated equipment and machinery. In general, offset printing presses are used for larger production runs but may require more time to produce due to the number of stages required to print and produce on traditional offset printing presses, whereas digital printing presses are more effective for short run products and typically require fewer processes. However, to ensure that our Group is able to address the demands of the market, it is critical that we manage our investments to ensure that when preparing our printing schedules, we are able to maximise our efficiencies and in particular manage our costs to ensure that prints are as profitable as possible. Moreover, our Directors also believed that it is important that we invest in the relevant non-printing machinery and equipment, such as cutters, sheet folders, lamination machines, etc., to ensure that we can provide the relevant post-press solutions to our customers in a cost effective and timely manner.

In order to expand our production capacity (particularly at our MPG Facility) and reduce binding related sub-contracting works, we schedule to utilise approximately HK$34.8 million of the net proceeds from the Share Offer to purchase one additional new digital printing press, two binding machines and warehouse equipment. With the additional new digital printing press, the estimated practicable maximum printing capacity at the MPG Facility will be increased by approximately 11.5%. We further propose to utilise approximately HK$7.1 million of the net proceeds from the Share Offer to purchase replacement machinery in order to enhance our efficiency, such replacements will include three digital printing presses, two binding machines and one pre-press machine. We also intend to replace one offset printing press at our MPG Facility, however such replacement cost will be financed by our internal resources.

We evaluate the efficiency of our offset printing presses and the machine by the product printing requirement, such as colour and size of paper, the make ready time and/or downtime, while for our digital printing presses, we evaluate their efficiency based on the product printing requirement and downtime of the machine. Make ready time is the time required for the setting up of the machine before commencement of printing. Downtime is the time during which the machine fails to perform because of mechanical error, such as paper jam. The printing press and the machine are considered to be more efficient when the make ready time and/or downtime of the printing press and the machine are short.

The new digital printing presses to be purchased can increase efficiency, the work flow of the printing process and the quality of the printed products. The make ready time for the digital printing process, such as folding and trimming, can also be reduced. The new binding machines to be purchased are expected to increase efficiency as well as to allow us to undertake more binding works in-house while reducing the volume of binding works outsourced to sub-contractors. Our Directors believed that undertaking more binding works in-house enables us to effectively monitor the quality of our binding works and hence the products delivered to our customers. We also propose to purchase additional warehousing equipment to cope with our expansion in production capacity and enable our warehousing staff to work in a more efficient manner and hence strengthen our overall production capabilities.

In respect of machines to be replaced, we intend to purchase three replacement digital printing presses, namely, a Canon C8000, an OCE 6160 and an OCE 6250. The downtime of the existing printing presses to be replaced is long which has led to reductions in their efficiency. For example, the operating team has experienced frequent machine failure, in particular, issues such as paper jam, which disrupted the production flow and increased downtime due to repair and maintenance. The replacement digital printing presses are expected to increase efficiency as the downtime of the presses can be reduced. The binding machine to be replaced was an old model which was not able to handle certain glues for binding of perfect bound books. As a result, the replacement binding machines to be purchased are expected to better cater for our business needs. In addition to increasing efficiency, by replacing such printing presses and machines, our repair and maintenance costs are expected to be lower as we do not expect to encounter the problem of out-of-production components or lack of maintenance services provided by the manufacturers of older or obsolete machinery.

As at 31 March 2018, our Group's total expenditure to purchase machinery and equipment is estimated to be approximately HK$72.6 million (equivalent to approximately AUD12.2 million). Of such expenditure (assuming an Offer Price of HK$1.05 per Offer Share, being the mid-point of the indicative Offer Price range of HK$1.00 to HK$1.10 per Offer Share, the estimated aggregate net proceeds from the Share Offer will be approximately HK$73.3 million), approximately HK$41.9 million (equivalent to approximately AUD7.0 million) will be financed from the net proceeds of the Share Offer and we plan to make this portion of the expenditure within the last quarter of 2018 and in 2019. The remaining expenditure of approximately HK$30.7 million (equivalent to approximately AUD5.2 million) will be financed by our internal resources and such expenditure will be made throughout 2018 and 2019.

Grow our business strategically through merger, acquisition and business collaboration

The history of our Group can be characterised by the identification and acquisition of independent printing businesses which have unique or specialised products or services which would benefit under a centralised management. As such, while our Group will continue to maintain our performance within the industry and enhance our competitiveness, our Directors believed that investing in new business opportunities will be critical in enabling our Group to achieve economies of scale, enlarging our customer base and broadening and diversifying our service offerings to the market.

We believe that this can be achieved by accretive acquisitions where we would look to maximise synergies or leverage off technologies to provide printed products or services which enhance the competitiveness of our Group as a whole. Upon identification of a potential target in the future, our Directors will take into account several major factors in determining whether to proceed with the proposed investment, including but not limited to: (i) whether the business of the target is profitable and sustainable; (ii) whether its business plans are in line with our Group's business strategies; and (iii) whether the target is in compliance with its own financial, legal and regulatory requirements.

As at the Latest Practicable Date, our Company had not identified any specific acquisition and merger targets.

SUSTAINABILITY OF OUR BUSINESS

Our Directors were of the view that our business is sustainable based on the following factors:

Sustained growth of market size and market opportunities

The size of the commercial printing industry for enterprises and government segments as well as the size of book printing market in Australia is expected to continue to grow, which will continue to benefit our Group's future prospects. According to the Frost & Sullivan Report, (i) revenue generated by the government segment of the commercial printing industry in Australia grew from AUD169.1 million in 2013 to AUD176.1 million in 2017 at a CAGR of approximately 1.0% while the rest of the market rose from AUD1,298.5 million in 2013 to AUD1,381.0 million in 2017 at a CAGR of approximately 1.6%; (ii) the commercial and book printing industries in Australia recorded minimal growth, in terms of revenue, at CAGR of 1.5% and 0.9%, respectively from 2013 to 2017; (iii) the overall commercial printing industry is projected to grow at a CAGR of 0.7% from 2017 to 2022 with the government segment, expanding at a CAGR of approximately 0.6% over the same period; and (iv) the book printing industry in Australia is expected to grow at a CAGR of approximately 0.6% from 2017 to 2022. It indicates the sustained growth in demand for commercial and book printing in these markets. Furthermore, according to the Frost & Sullivan Report, although e-books and digital reading are becoming increasingly popular among the public, a huge number of readers are still keen on printed books. They enjoy the unique reading experience such as going to a book store to select a good book, writing notes or reviews on the blanks of book pages and so forth, which they would not otherwise be able to do with e-books or other electronic devices. Additionally, reading printed books is considered to be more relaxing as compared to viewing text from a screen, which may lead to eyestrain due to screen glare. According to the Frost & Sullivan Report, printed books are still preferred by readers in Australia. In 2017, the proportion of e-books by sales value was 22.8%, while traditional printed books accounted for the remaining 77.2%.

We believe that the growing market size is beneficial to the development of printing solutions and services providers with good and consistent printing quality, advantages of competitive pricing and offering, relatively large scale of production, and capability to provide value-added printing related services like our Group, and provides us more potential business opportunities for future growth.

Our ability to grow

According to the Frost & Sullivan Report, in terms of revenue generated in 2017, we are (i) the largest government segment printing services provider within the overall commercial printing industry in Australia; and (ii) the largest printing services provider in the book printing industry in Australia. In respect of the overall commercial printing market in Australia, which includes printing for customers such as enterprises, government entities, institutions and other organisations, our Group ranked fifth largest in Australia by revenue in 2017. We believe that the size of the commercial and book printing market, which is estimated to reach approximately AUD1,616.3 million and AUD575.4 million in 2022, respectively, has sufficient growth for us to gain market share.

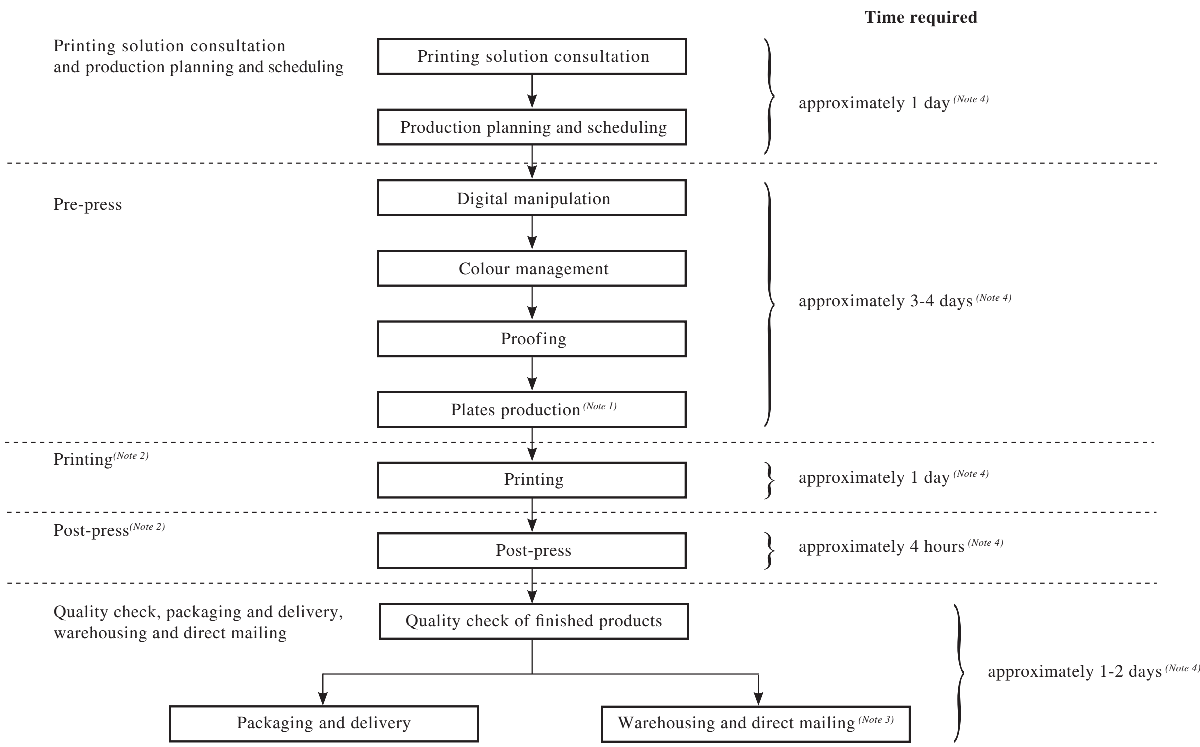
Apart from our long history in the market, we have fostered strong relationships with Australia-based and international book publishers, multinational media and information providers and Australian government related entities by offering our innovative one stop shop printing solutions and services. Our Directors believed that we differentiate ourselves from our competitors through our continual investment in technology and equipment to drive efficiency and quality. Moreover, our in-house developed proprietary IPALM system, an online supply chain service and order processing platform, creates value for our customers and has strengthened our position in the market among our peers by providing a platform to provide our customers with supply chain and process automation services where our customers can better manage the production process and its supply chain efficiently. Our IPALM system is also gaining traction among some of our major customers including, but not limited to, Australian government related entities and international publishers. As information security is highly valued by Australian government related entities, due to the highly versatile nature of our IPALM system, we are entrusted by one of the Australian government related entities to develop a customised module in the IPALM system catered for their product control with enhanced security and interactive voice response features. For further details of our IPALM system, please refer to the paragraph headed “Application of technology in our printing solutions and services” in this section.

Furthermore, our senior management team, who possess in-depth industry knowledge and have developed long-term relationships with our major suppliers and customers, will be able to guide us towards sustainable business development. Our executive Director, Mr. Lau, has been engaged in the ownership, operation and management of printing companies in Asia since 1990. In addition, Mr. Celarc, our chairman and our executive Director, is a co-founder of Ligare and has around 40 years of experience in the printing industry in Australia. Moreover, Mr. Celarc has been a central figure in the development of Ligare’s business and reputation and has assisted our Group with establishing deep relationships with our customers and suppliers. For further information of our executive Directors, please refer to the section headed “Directors and Senior Management” in this prospectus. We believe that the industry knowledge and diversified experience of our executive Directors together with their knowledge of market trends and customers’ needs constitute an essential element of our success and provide a solid foundation for our future development.

Considering the abovementioned and the potential positive impact, the Directors are confident and the Sole Sponsor concurs that our Group’s operation and business development is sustainable.

OUR BUSINESS MODEL AND OUR OPERATION FLOW

The following flow chart is a general overview of the major steps involved in our printing production process:



Notes:

(1) Printing plates are not required in digital printing.

(2) Our quality control is performed throughout the whole production process. Please refer to the paragraph headed "Quality control – In-process quality control" in this section for details.

(3) Such services are optional but can be provided to our customers upon request.

(4) The above time required is based on a typical production process of perfect bound book, which is a common product of the Company. The time required for each production stage is an estimate only, which depends on different printed product, binding and job type, number of pages and size of the printed products, requirement on embellishment and colour requirement from customers and actual schedule of the production sites.

(i) Printing solution consultation

Generally, when we receive requests to provide quotations on individual printing jobs, our sales and customer services team will seek to understand the job specification, including the type of product or products to be produced, product/paper size and quality, cover design, colour, post-press finishings or specifications, printing volume and delivery requirements.

In general, upon receiving such information or request and having analysed the specifications provided, our sales and customer services team will consult with our estimating and pricing team, who are responsible for providing the estimates on workflow and resources planning for quotation purposes, and our sales and customer services team will then prepare a quotation, which contains, among other things, unit price, quality and terms of delivery. Such quotations are based on several factors such as the estimated raw material and labour costs, ordering quantity, expected delivery schedule and our expected profit margin, as well as other special requirements from the customers. From time to time, we may also receive requests for tender on individual printing jobs from customers. We will prepare a tender proposal in accordance with the job specifications.

In the event that the customer rejects a quotation or proposal, if and where possible, our sales and customer services team will review the estimate to consider providing a more accommodating offer.

From time to time, we may be invited by a customer (which tends to be one of the larger international book publishers or media and information providers) to tender as their principal supplier for printing services. These customers may also request additional printing related services such as warehousing and direct mailing, call centre services, or other ancillary services through our IPALM platform. In such circumstances, we would provide a more extensive proposal which would likely involve our executive Directors and senior management. Given the greater anticipated revenue likely to be generated from such invitations to tender, we may spend a number of months preparing such quotations, meeting and negotiating with the customers (and potentially their procurement teams) to reach a proposal.

Once we have been awarded the tender, we would typically enter into a framework agreement with the customer which sets out the agreed terms between the parties including, among other things, product descriptions, unit price, quantity, terms of payment, terms of delivery, requirements on restricted or hazardous substances and product warranty. With certain customers and as part of the framework agreement, we may fix the price of our printing services so that there is no need for them to seek quotations from us each time they require our services. Such customers can submit purchase orders knowing that the price for such jobs is determined by a pre-agreed pricing grid or matrix with reference to various specifications such as book size and paper specification, page numbers, order volume and finishing. For further details please refer to the paragraph headed “Pricing strategies – Pricing policy” in this section.

Regardless of whether there is a framework agreement or not, customers typically place purchase orders to us on a job-by-job basis. Whilst customers usually place orders with our sales and customer services team via email, customers can also input their purchase orders through our IPALM system. Once purchase orders have been received, they will be inputted into our ERP system. Our site operations team, which is responsible for setting production schedules, planning the utilisation of the production capacity in a cost-effective manner, will determine the production plan with the customer’s detailed specifications, so that the planning and scheduling of the production process can be arranged.

(ii) Production planning and scheduling

After receipt of a purchase order, if necessary, we will devise a raw material procurement plan to procure raw materials from our suppliers. Alternatively, we would utilise raw materials, which is principally paper, from our existing inventory. We will also devise a production plan in accordance with our customers' requirements to facilitate us to eliminate unnecessary and avoidable issues and identify production obstacles at the outset.

If requested by our customers, we will make mockup samples (to demonstrate the size and shape of the final printed product) of the products for their approval. The mockup samples may also be used for testing of the raw materials proposed to be used, to ensure that they satisfy our customer's requirements. These mockup samples will act as a reference during the quality control process. For reprint purchase orders from existing customers, this process may be shortened or skipped, depending on our customer's request.

The main responsibility of our site operations team is to ensure that our production sites have the requisite resources, raw materials, personnel, technical support, capacity and quality control in order to meet the requirements of the job order. Where sub-contractors are required to perform specific printing procedures, including but not limited to, cast bind and embellishment, we will arrange for quotations and will take such sub-contractors into account in the planning of the overall production schedule. For further details, please refer to the paragraph headed "Suppliers and sub-contractors – Sub-contracting" in this section.

(iii) Pre-press

Pre-press activities generally involve a series of steps such as digital manipulation, colour management, proofing and, in respect of offset printing only, plate production.

In this stage, we receive the output file from our customers, typically in digital format, which will then be converted by or made compatible with our pre-press systems. To minimise the colour difference, our colour management system is implemented through the whole colour separation process, covering colour correction, imposition, digital proof, plate output and press machine. Once the output file is checked and imposed, our site operations team will prepare an inkjet ozalid or colour proof of the product for our quality control purposes.

For offset printing, our site operations team will transfer the images onto the printing plate for printing. The printing plates are then mounted onto a cylindrical blanket on the offset printing presses.

(iv) Printing

After the machines have been set up and adjusted, the printed sheets will be checked against the ozalids or colour proofs. Once this is approved, the bulk printing will commence. Our machine technicians will then monitor the output and check the printed sheets to ensure consistent print quality.

In the offset printing process, ink is applied on the plate and transferred to an intermediate blanket cylinder and then onto the paper that passes through the printing unit. Our auto-ink supply system and colour management system ensures the efficiency and quality of our printing process. When a sheet of paper passes through multiple printing units, different colours are printed on the paper. Offset printing process will be used when handling large amount of printing volume of the publication.

In the digital printing process, no plates are required as the digital image is sent directly from a file to the digital printing press and the ink or toner is sprayed directly onto the paper and bound with heat for permanence. As digital printing does not require the additional step of plate creation, it can be more time and cost effective, especially for short print run orders.

(v) Post-press

Once printing has been completed, the printed sheets must undergo post-press and finishing processes. Post-press operations typically involve cutting, folding, collating (not required in digital printing), sewing/binding and trimming of the individually printed sheets.

For the manufacture of a typical book, the printed sheets are machine-folded to form a set of pages or a "signature". These signatures are collated in numerical order to be machine-sewn to form a book block, which is then glued with the cover and machine-trimmed to a specified size.

For book covers, the post-press process typically requires a coating to be applied onto the printed surface to protect it from scratching and to brighten the colour fidelity. This is usually accomplished by a coating machine which applies film lamination onto the printed paper or cardboard. Further processing of the individually printed sheets may be required, which mainly includes foiling, embossing and spot coating.

(vi) Quality check

Quality check is performed to examine the quality of our work-in-progress and finished goods against the acceptance quality level standard at different stages of the production process. Colours are matched against the colour proof sheet. Finished goods undergo a number of tests and visual inspections, before packaging and delivery to ensure the exact specifications of the customers are met. Please refer to the paragraph headed "Quality control" in this section for details about our quality check measures. Our senior management closely monitors the operations at our production sites, so as to ensure that our Group's guidance and instructions are being strictly followed.

(vii) Packaging and delivery

Finished printed products are typically delivered to our customers by land. Our customers either request us to deliver our printed products to their designated addresses in Australia, such as their warehouse/office addresses or, from time to time, directly to their retailers or their customers. We have vehicles or we will engage third party logistic companies to handle delivery of our products.

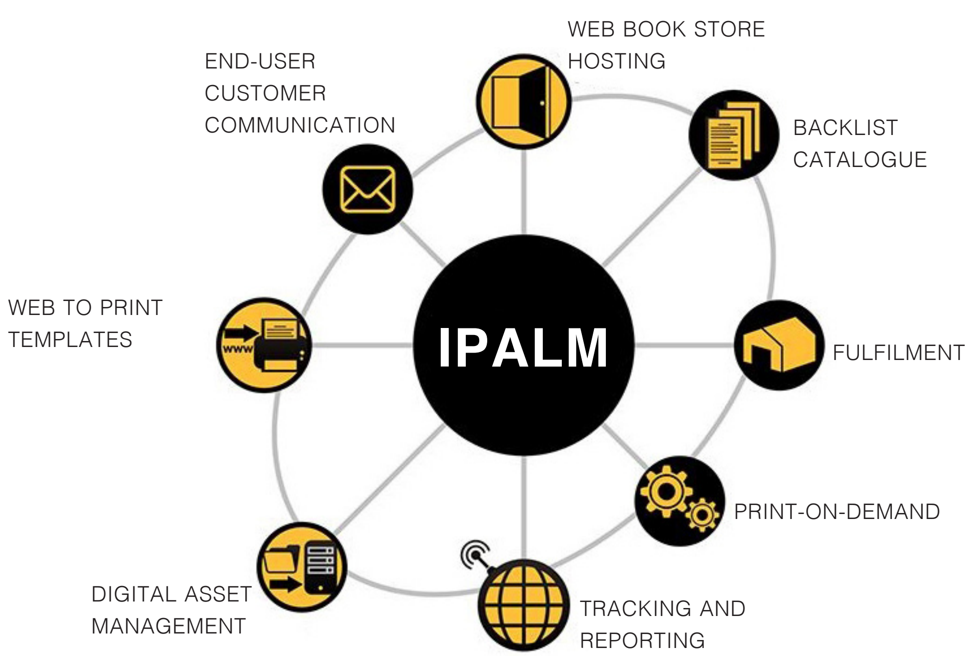
The time span from the placement of orders by customers to the completion of production (and issuing of invoice to the customers) may vary from case to case, which typically ranges from approximately one week to a few months. This is dependent upon customers' needs and specific requirements.

(viii) Warehousing and direct mailing

In addition to delivery of finished printed products to our customers or directly to their retailers or their customers, we also provide warehousing and direct mailing services to our customers upon their request. For further details, please refer to the paragraph headed "Our products and services – Our printing related services – Warehousing and direct mailing" in this section.

APPLICATION OF TECHNOLOGY IN OUR PRINTING SOLUTIONS AND SERVICES

As part of our continuing effort to provide comprehensive and efficient printing solutions and services to our customers, we have developed the IPALM system, an online supply chain service and order processing platform. Upon our customers' request, we may design and modify our IPALM system, to provide our customers with a tailor-made supply chain solution based on our customers' request.



The Integrated Print and Logistics Management system – the IPALM system is our proprietary online supply chain service and order processing platform, which was developed as a strategic initiative focused on transforming communication solutions between the supply chain and customer relationship management system. The IPALM system is an enabling technology that provides a customised suite of supply chain and print management tools from one integrated platform. The software is hosted by us but is designed to become an extension of the customer's supply chain.

Through the IPALM system, our customers can place orders, track the production process and schedule and manage stock and digital assets. Our Directors believed that the application of the IPALM system has not only enhanced our production efficiency and flexibility, but also allowed us to better plan and deploy our resources more efficiently.

The IPALM system is trademarked in Australia. Please refer to the paragraph headed "Statutory and General Information – B. Further information about the business – 2. Our intellectual property rights" in Appendix IV to this prospectus for further details.

The IPALM system acts as a complete supply chain solution, which moves traditional print, warehousing and fulfilment capabilities online, providing our customers with access to the following IPALM modules processes:

Web book store hosting

Our customers' end-users can place orders through our customers' own websites on a web shopfront designed and hosted by us. We incorporate our online purchasing platform into the websites of our customers, thereby allowing their end-user customers to place orders through our customers' websites. Orders received from our customers' own shopfront will then be passed to and processed by IPALM. Our customers can also use the content management system (CMS) to manage what publications to make available for sale online. Incoming online orders link automatically to our warehouse system to check stock availability. If stock is available, it will be delivered to the end-user directly from our warehouse. If stock is not available, production will be automatically scheduled for such product. Through the IPALM system, orders can be handled automatically and by real-time credit card payment processed through the eWAY payment gateway. Through such platform, we are able to manage the entire purchasing process and end-user experience on behalf of our customers from receipt of online orders to payment, and ultimately, printing (if necessary) and delivery.

Print-on-demand

The IPALM system provides one stop shop short print run and quick turnaround time printing service for publishers of varying sizes, from large multinational publishers to self-publishing authors. Users can log on to their IPALM accounts and submit orders or digital files online, which are then sent to our print-on-demand system to print on digital printing presses. The IPALM system can process the digital files uploaded by our customers, which will then be converted into digital print-ready files. The IPALM system can also create customised cover artwork and schedule print jobs directly into our production systems. We can regroup order volumes and better utilise all digital printing presses between our facilities by redirecting print-on-demand jobs to different sites within our Group. Large publishers can also utilise our print-on-demand system for re-printing of small quantities of products which were previously printed by our offset printing presses.

Web to print templates

Once our customers submit their digital files via our IPALM system for printing, our IPALM system can convert the file into a ready-to-print document during the pre-press process. IPALM eliminates the proofing process and thereby reducing the turnaround times.

Fulfilment

Through the IPALM system, we can respond to customer orders by completing the process from point of sales inquiry to delivery of product to the customers.

Tracking and reporting

Through the IPALM system, our customers can view the progress of their production orders, filter jobs by their production statuses, track orders and receive email notifications of delivery.

Backlist catalogue

Through the IPALM system, we can manage a customer's backlist catalogue, including forecasting and re-ordering of inventory. Customers can edit the backlist catalogue and search the backlist online to better manage inventory, which can in turn expedite the fulfilment process and provide real time stock and order information.

Digital asset management

Through the IPALM system, we can provide customers with secure digital asset management, a robust storage solution which ensures that their digital assets are secured, retained and retrievable for future re-printing. Customers can update their digital assets anytime through the IPALM CMS web portal.

End-user customer communication

From time to time, we provide mail and email communication distribution services. As we have the ability to provide web book store hosting services on behalf of our customers, we also possess the capability to maintain direct engagement and communications with their end-user customers. As such, we can provide support with the direct physical mailing and online distribution of newsletters, marketing campaigns and other relevant communications from our customers to their end-user base.

OUR PRODUCTS AND SERVICES

Our printed products

Our printed products can broadly be categorised into the following categories: (i) read-for-pleasure books; (ii) Government Printed Matters; (iii) Quick Turnaround Time Education Books; and (iv) catalogues, operating manuals and promotional leaflets. The following table sets out a breakdown of our Group's revenue from continuing operations by product during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* (*unaudited*)	*%*	*AUD'000*	*%*
Printing solutions and services										
Read-for-pleasure books	19,632	24.3	23,689	27.3	27,314	34.5	5,688	27.6	6,512	33.8
Government Printed Matters	15,589	19.3	19,046	21.9	15,396	19.4	3,249	15.8	3,325	17.2
Quick Turnaround Time Education Books	20,337	25.2	20,467	23.5	18,046	22.8	6,598	32.0	5,654	29.3
Catalogues, operating manuals and promotional leaflets	25,187	31.2	23,775	27.3	18,450	23.3	5,055	24.6	3,800	19.7
Total	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

Read-for-pleasure books

Examples of read-for-pleasure books include fiction and non-fiction book titles and books which are typically printed in monotone with little or no illustrations and sold in commercial bookstores and retailers in Australia. During the Track Record Period, MPG was mainly responsible for our Group's printing of read-for-pleasure books in Australia.

Government Printed Matters

Examples of Government Printed Matters include statutory documents, official reports, informational publications, official forms and certificates issued or used by Australian government related entities, public awareness campaign materials, point of sales items and highly confidential documents where security printing is required. During the Track Record Period, CanPrint Communications and Union Offset were mainly responsible for our Group's printing of Government Printed Matters in Australia. CanPrint Communications and Union Offset are accredited suppliers to the Australian Government.

Quick Turnaround Time Education Books

Examples of Quick Turnaround Time Education Books include professional and academic books products, legal, statutory or regulatory reference materials, legal and accounting statutes and reference books/materials, in particular loose leaf ring-bound books, used by students, academics and professionals, which include but are not limited to court practice and procedure books, civil practice updates, personal injury law manual updates, building service updates, tax handbook and accountants manuals, etc.. During the Track Record Period, Ligare was mainly responsible for our Group's printing of Quick Turnaround Time Education Books in Australia.

Catalogues, operating manuals and promotional leaflets

Examples of catalogues, operating manuals and promotional leaflets include horse sales catalogues, horse racing guide, car manuals, stationery catalogues, operating manuals and retailer and other promotional leaflets. During the Track Record Period, CanPrint Communications, Ligare, MPG and Union Offset were mainly responsible for printing of catalogues, operating manuals and promotional leaflets in Australia.

Ceased businesses

During the Track Record Period, we ceased to engage in our outdoor media business and our international printing businesses following the disposals of the business of Cactus Imaging (NZ) in 2015, the Cactus Group and C.O.S. Printers in 2016 and Ligare (NZ) in 2017.

Outdoor media

During the Track Record Period, the Cactus Group and Cactus Imaging (NZ) were responsible for the provision of grand and large format printing for outdoor media in Australia and New Zealand, respectively, but such business was fully ceased upon completion of the disposal of the Cactus Group in 2016. For the reasons behind our disposal of the Cactus Group and the business of Cactus Imaging (NZ), please refer to the paragraph headed "History and Corporate Structure – Disposal of subsidiaries" in this prospectus.

Printing services in Singapore

During the Track Record Period, C.O.S. Printers was engaged in the printing of Coffee Table Books, Long Lead Time Education Books, Quick Turnaround Time Education Books and catalogues, operating manuals and promotional leaflets in Singapore. We disposed of C.O.S. Printers in 2016. For the reasons behind our disposal of C.O.S. Printers, please refer to the paragraph headed "History and Corporate Structure – Disposal of subsidiaries – C.O.S. Printers" in this prospectus.

Printing services in New Zealand

During the Track Record Period, Ligare (NZ) was principally engaged in the printing of Quick Turnaround Time Education Book and catalogues, operating manuals and promotional leaflets in New Zealand. We disposed of Ligare (NZ) in 2017. Prior to the date of completion of the disposal, the financial results of Ligare (NZ) were included in our financial results from continuing operations during the Track Record Period. For the reasons behind our disposal of Ligare (NZ), please refer to the paragraph headed "History and Corporate Structure – Disposal of subsidiaries – Ligare (NZ)" in this prospectus.

Our printing related services

As part of our core print production services, we provide the following printing related services to our customers:

Warehousing and direct mailing

We provide storage and distribution of physical and electronic contents services to our customers. Once we finish printing, we will store the printed products in our warehouse for delivery. However, from time to time, customers may seek to retain inventory at our warehouses. Once we receive orders from our customers or their end-user customers, we will arrange packing and delivery of the products directly to our customers or their end-user customers. As part of our warehousing services, we also perform regular stocktake, manage the stock-in and stock-out and arrange transfer of printed products on behalf of our customers. Further, through the IPALM web portal, we provide inventory management and product and order management where reports will be generated regularly to our customers so that they can keep track of the stock level in our warehouses. When the stock level is low, production will be automatically scheduled.

We also provide a range of direct mailing services of printed products, from basic mailing of books or loose-leaf products directly to our customers' end-users upon instructions, or via our IPALM platform, to wider bulk/customised mailing on behalf of our Australian government related entities customers. We utilise specialised software for mail pre-sorting, barcode creation and DPID allocation, which is a delivery point identifier of Australia Post, to obtain the most cost effective mailing solution. We also provide member subscription management services to our customers in respect of products which are printed in our facilities, and arrange for mailing and delivery of printed products to their end-user customers in accordance with the subscription lists provided by our customers.

We are an accredited bulk mail partner with Australia Post and operate one of the largest mail houses in Canberra, Australia. We also maintain an approximately 12,000 sq.m. warehousing facility at Hume, ACT, Australia near our CanPrint Facility which can handle our warehousing and direct mailing requirements.

Call centre services

We provide call centre services to our customers which enables their end-user customers to speak to an individual in order to make orders and/or enquiries related to our customers' products via telephone.

IPALM related services

For our IPALM related services, please refer to the paragraph headed "Application of technology in our printing solutions and services" in this section.

Security printing

We actively take steps to maintain stringent security protocols and protect data and printed products against security threats, such as data leakage, theft or breach of confidentiality. A significant proportion of our CanPrint Business involves the printing of Government Printed Matters for Australian government related entities, certain of which may be sensitive in nature (i.e. Parliamentary documents) or require special security provisions (i.e. examination papers).

We have built a reputation as a secure supplier to Australian government related entities and consistently take all necessary precautions to protect customers' work in our CanPrint Facility. We work in collaboration with customers to meet any additional security requirements which may be needed for any particular project. CanPrint Communications and Union Offset are quality assured secure suppliers in accordance with ISO 9001:2008 with existing work instructions in place for the processing of work with a security classification.

Our CanPrint Facility is accustomed to managing and working within secure parameters to ensure our customers' work and information is protected at all times in accordance with the relevant security policies. We are required under agreements with Australian government related entities to comply with the relevant security policies imposed from time to time. Special security provisions may be imposed, such as security clearances of the staff at our CanPrint Facility, ring-fencing of specific materials for production and warehousing and in some cases, ring-fencing of certain staff from such productions.

As we undertake sensitive or confidential work for many customers in our CanPrint Facility, we maintain strict procedures in respect of on-site visitors. At reception, all visitors are required to sign in and hand in any mobile phones, cameras or other recording devices. Visitors are prevented from access to our premises past the reception area without any CanPrint employee accompanying them at all times. All visitors are issued with clearly identifiable passes which must be worn during the entire duration of their visit to the premises.

From time to time, projects which require high security clearance will require certain of our CanPrint production staff to receive police background checks and/or other security clearances required by our customers prior to their involvement. Our CanPrint employees are accustomed to having to complete statutory declarations or confidentiality agreements upon request for our customer's projects. Our employees in CanPrint are required to comply with security measures imposed by our Company.

We would also maintain security measures in our MPG Facility and Ligare Facility upon our customers' request. We would lock the doors of our MPG Facility and Ligare Facility and restrict visitor's access to our production facilities when necessary.

Protection of intellectual property rights of our printed products

We actively take steps to protect the intellectual property rights of our customers and prevent unauthorised reproduction or distribution of our customers' content/printed products by third parties and our employees. We employ the following security measures and procedures to manage our production process and our employees, so as to ensure that customers' files and property are securely monitored and maintained at our production facilities:

- all printing plates are discarded when the printing order is completed;
- all defective or redundant products are destroyed;
- all hard copies from customers are kept along with job bags in a secure room;
- all soft copies of our customers' master files are archived individually in a centralised storage array in our server rooms which are secure, air-conditioned rooms with restricted access to authorised personnel only;
- our production facilities and warehouse are under 24-hour security guard to ensure that our properties, including our finished products and our customers' files, are not accessed and removed without authorisation; and
- training is provided to our staff to ensure they understand our security measures and the importance of protecting intellectual property rights.

In addition, we also have in place the following specific internal control measures to prevent employees from unauthorised reproduction or distribution of our customers' printed products:

- All production supervisors are responsible for monitoring any unauthorised production;
- All production must have a job entry registered in the system and operators are not allowed to produce any job without a registered job number; and
- We generally insert confidentiality clauses into the employment agreements with our employees, which prohibits the utilisation and divulgence of any secret or confidential document, knowledge and information.

In order to ensure that our customers' products and files are protected against infringement, illegal usage and/or leakage during the sub-contracting process, we also have in place the following measures in managing our sub-contractors:

- reviewing and assessing the sub-contractors' security procedures from time to time to ensure that they have adequate procedures in place before they are accepted by us as an approved sub-contractor;

- requiring that our sub-contractors must strictly follow our guidance and procedure in handling files and printed products, including the complete destruction of defective or discarded printed products; and

- to the extent possible, only outsourcing the printing of portions of our customers' printing job to sub-contractors, so that they cannot reproduce the complete product at all.

As confirmed by our Directors, during the Track Record Period and as at the Latest Practicable Date, we did not experience any material infringement by our sub-contractors and employees of our customers' intellectual properties.

OUR PRODUCTION FACILITIES AND MACHINERY

Production sites

We conduct all our production operations in our production facilities in Sydney, Canberra and Victoria, Australia,

The CanPrint Facility has a total land area of approximately 8,676 sq.m. and comprises production facility and office at 16 Nyrang Street, Fyshwick, ACT, Australia. We leased the CanPrint Facility from Independent Third Parties with a term commencing from 20 March 2009 to 19 March 2019. We also have a warehousing facility with a total land area of approximately 12,000 sq.m., which is located at 1 Tralee Street, Hume, ACT, Australia. We leased the warehousing facility from an Independent Third Party with a term commencing from 1 April 2015 to 31 March 2020. For further details of the CanPrint Facility and the warehousing facility, please refer to the paragraph headed "Properties – Leased properties" in this section.

The Ligare Facility has a total land area of approximately 7,391 sq.m. and comprises production facility, office and warehouse at 138-152 Bonds Road and 23-25 Skinner Avenue, Riverwood, NSW, Australia and Unit 3, 13 Larkin Street, Riverwood, NSW, Australia. We leased 138-152 Bonds Road and 23-25 Skinner Avenue, Riverwood, NSW, Australia from D.M.R.A. Property, a wholly-owned company of Mr. Celarc, our chairman and our executive Director, with a term commencing from 1 October 2018 to 31 December 2020. We leased the warehousing facility at Unit 3, 13 Larkin Street, Riverwood, NSW, Australia from two Independent Third Parties with a term commencing from 5 June 2018 to 4 June 2019. For further details of the Ligare Facility, please refer to the paragraph headed "Properties – Leased properties" in this section and the section headed "Continuing Connected Transactions" in this prospectus.

The MPG Facility has a total land area of approximately 44,945 sq.m. which comprises production facility, warehouse and office at 13 and 76 Nelson Street and 20 Johnson Street, Maryborough, VIC, Australia and Lot 2, 5 and part of 13 Brick Kiln Road, Carisbrook, VIC, Australia. MPG owns 13 and 76 Nelson Street and 20 Johnson Street, Maryborough, VIC, Australia. We leased Lot 2, 5 and part of 13 Brick Kiln Road, Carisbrook, VIC, Australia from two Independent Third Parties with a term commencing from 20 January 2018 to 19 January 2020. For further details of the MPG Facility, please refer to the paragraphs headed "Properties – Owned properties" and "Properties – Leased properties" in this section.

Major machineries and equipment

The CanPrint Facility, the Ligare Facility and the MPG Facility were equipped with 16 major printing presses and binding machines as at 31 March 2018. As at the Latest Practicable Date, our major production machines were self-owned, which include printing presses and binding machines, the particulars of which are set out below:

No.	Presses/machines	Date of acquisition	Purchase price (ex GST) *(Note 1)* *AUD approximately*	Status of machineries when purchased *(Note 2)*	Net book value as at 31 March 2018 *AUD approximately*	Estimated operational life *(Years)*	Estimated remaining operational life *(Years)*
1.	8 colour offset sheetfed press	1 June 2011	679,000	second hand	47,000	20	13
2.	Mono offset web press	1 April 2006	4,827,000	new	–	30	18
3.	Mono offset web press	23 December 2003	629,000	second hand	–	30	15
4.	Mono offset web press	23 December 2003	598,000	second hand	–	30	15
5.	Mono offset web press	26 February 1993	2,271,000	new	13,000	30	5
6.	Mono digital high speed web press	1 April 2012	3,371,000	new	–	8	2
7.	21 stations sewing machine	1 November 2004	1,360,000	new	–	15	1
8.	18 stations 31 clamps perfect binding line with backlining	1 August 2005	2,430,000	new	121,000	20	7
9.	24 stations 27 clamps perfect binding line with backlining	1 June 2001	258,000	second hand	–	20	3
10.	10 colour offset sheetfed press	1 January 2013	3,160,000	second hand	1,194,000	20	15
11.	10 colour offset sheetfed press with perfecting & quest re-cooler	21 May 2007	4,330,000	new	–	20	9
12.	24 stations 20 clamps perfect binding line	21 September 2001	660,000	second hand	–	20	1
13.	8 colour offset sheetfed press	11 June 2010	1,675,000	second hand	127,000	20	8
14.	Mono offset web press	26 June 2002	675,000	second hand	–	20	4
15.	Mono offset web press	29 August 2005	2,694,000	new	–	20	7
16.	Case binding line	15 November 2016	808,000	second hand	712,000	20	11

Notes:

(1) The purchase price represents the unit price of the respective machine.

(2) The fluctuation in the unit purchase price of the same type of machineries that were acquired within a short period of time is due to the fact that certain machines were purchased as new and some were bought second hand.

Most of the printing presses used in our production processes are owned by us, with only a few being held under finance leases. For further details, please refer to the paragraph headed "Financial Information – Analysis on major components of the combined statements of financial position – Finance lease liabilities" in this prospectus.

As at the Latest Practicable Date, all our machineries and equipment were functioning properly. Please refer to note 5 "Summary of significant accounting policies" to the Accountants' Report set out in Appendix IA to this prospectus for details relating to the calculation of depreciation of our machineries and equipment.

We conduct basic repair and maintenance on our machinery and equipment on a regular basis. We have our own in-house engineering personnel to conduct basic repair and maintenance on our machinery and equipment as and when necessary. We also engage third party services providers to repair and maintain our machinery and equipment on a regular basis. In addition, in respect of certain key machines, we have entered into service contracts with the manufacturers of those machines who provide, among other things, certain levels of repair and maintenance as part of the service. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, our expenses related to repairing and maintaining our machinery and equipment, including the expenses of purchasing replaceable parts, accounted for approximately AUD1.8 million, AUD1.7 million, AUD1.6 million and AUD0.4 million, respectively. During the Track Record Period, we did not experience any material production interruption.

Production equipment and capacity

The table below sets out information about the estimated practicable maximum printing capacity and the estimated average utilisation rate of our production facilities during the Track Record Period:

Overall	**For the year ended 31 December**			**For the three months ended 31 March**
(in million of sheets, except for percentage)	**2015**	**2016**	**2017**	**2018**
Estimated practicable maximum printing capacity *(Note 1)*	*(Note 4)* 194.0	212.3	212.3	52.9
Actual printing output *(Note 2)*	163.2	217.1	194.0	51.7
Estimated average utilisation rate *(Note 3)*	84.1%	102.3%	91.4%	97.8%

CanPrint Facility (in million of sheets, except for percentage)	**For the year ended 31 December**			**For the three months ended 31 March**
	2015	**2016**	**2017**	**2018**
Estimated practicable maximum printing capacity *(Note 1)*	51.4	50.9	50.9	12.7
Actual printing output *(Note 2)*	*(Note 5)* 36.7	46.4	44.7	14.4
Estimated average utilisation rate *(Note 3)*	71.5%	91.1%	87.8%	113.1%

Ligare Facility (in million of sheets, except for percentage)	**For the year ended 31 December**			**For the three months ended 31 March**
	2015	**2016**	**2017**	**2018**
Estimated practicable maximum printing capacity *(Note 1)*	54.5	63.3	63.3	15.8
Actual printing output *(Note 2)*	31.7	46.1	36.4	10.6
Estimated average utilisation rate *(Note 3)*	58.2%	72.8%	57.5%	67.5%

MPG Facility (in million of sheets, except for percentage)	**For the year ended 31 December**			**For the three months ended 31 March**
	2015	**2016**	**2017**	**2018**
Estimated practicable maximum printing capacity *(Note 1)*	88.2	98.1	98.1	24.4
Actual printing output *(Note 2)*	94.8	124.7	112.9	26.7
Estimated average utilisation rate *(Note 3)*	107.5%	127.1%	115.1%	109.5%

Notes:

(1) Calculated based on (i) a practicable production capacity of 72,980 sheets per hour including the downtime required for the change of printing plates and for colour adjustment for offset and sheetfed printing presses and a production capacity of 23,300 sheets per hour including the downtime required for change of format, folder and trimmer adjustment for digital printing presses, nine production hours per day; (ii) 247 average production days for the years ended 31 December 2015, 245 average production days for the year ended 31 December 2016 and 2017 and 61 average production days for the three months ended 31 March 2018. The average production day was the average of the production days of our three production facilities for each year; (iii) 261, 261, 260 and 65 working days for each of the three years ended 31 December 2017 and the three months ended 31 March 2018, taking out (a) 15, 16, 16 and five holidays for our CanPrint Facility; (b) 14, 16, 15 and four holidays for our MPG Facility; and (c) 13, 15, 14 and three holidays for our Ligare Facility, for each of the three years ended 31 December 2017 and the three months ended 31 March 2018; (iv) the respective number of printing presses operated by us; and (v) the conditions of the printing presses. Such estimated maximum printing capacity is only to provide an illustration of our Group's typical capacity.

(2) Calculated based on the actual sheets printed during the relevant period.

(3) Calculated based on the actual production volume of the relevant period divided by the estimated practicable maximum production capacity of the relevant period. In some situations, particularly during peak seasons, our machines operated at more than 18 hours per day or more than the respective assumed production days for the year. As the production capacity is calculated based on the assumptions as disclosed in note (1) above, the estimated average utilisation rates as set out in this table are for reference only and are subject to change if the underlying assumptions were different.

(4) For the year ended 31 December 2015, the estimated practicable maximum printing capacity for digital printing presses is calculated based on note (1) above with the exception that the production capacity of digital printing presses was adjusted to 18,500 sheets per hour as our major digital printing press HP T410 had not been fully installed and could not be operated at its optimum level.

(5) For the year ended 31 December 2015, the actual printing output of the CanPrint Facility was prepared and estimated based on the information such as job order specifications, paper issued and despatch records.

The estimated average utilisation rate of our production capacity exceeded 100% because our presses had been operating overtime at more than the typical nine-hour production schedule per day.

Warehouse capacity

The table below sets out information about the estimated practicable maximum warehousing capacity and the estimated average utilisation rate of our major warehousing facilities as at 31 December 2015, 2016, 2017 and 31 March 2018, respectively:

Overall (in terms of pallet, except for percentage) *(Note 1)*	**As at 31 December**			**As at 31 March**
	2015	**2016**	**2017**	**2018**
Estimated practicable maximum warehousing capacity *(Note 2)*	3,054	3,054	3,054	8,054
Actual stock take *(Note 3)*	2,501	2,465	2,465	6,264
Estimated average utilisation rate	81.9%	80.7%	80.7%	77.8%

Warehouse in Hume (in terms of pallet, except for percentage) *(Note 1)*	**As at 31 December**			**As at 31 March**
	2015	**2016**	**2017**	**2018**
Estimated practicable maximum warehousing capacity *(Note 2)*	3,054	3,054	3,054	3,054
Actual stock take *(Note 3)*	2,501	2,465	2,465	2,262
Estimated average utilisation rate	81.9%	80.7%	80.7%	74.1%

Warehouse in Carisbrook (in terms of pallet, except for percentage) *(Note 1)*	**As at 31 March 2018**
Estimated practicable maximum warehousing capacity *(Note 2)*	5,000
Actual stock take *(Note 3)*	4,002
Estimated average utilisation rate	80.0%

Notes:

(1) Calculated based on (i) the standard size of 120cm x 120cm for a pallet on which products or stocks are placed; and (ii) each product or stock in terms of pallet is estimated to be in the size of 120cm x 120cm x 120cm.

(2) Calculated based on (i) the size of each product or stock in terms of pallet be 120cm x 120cm x 120cm; (ii) for presentation, product or stock smaller than a pallet be aggregated in terms of pallets; (iii) the maximum warehousing capacity of 3,054 pallets for our warehouse in Hume and 5,000 pallets for our warehouse in Carisbrook; and (iv) our warehouse in Carisbrook began its operation in March 2018.

(3) Calculated based on the stock take of the warehousing facilities as at the relevant period.

SALES AND MARKETING

Sales markets

Our total revenue amounted to approximately AUD80.7 million, AUD87.0 million, AUD79.2 million and AUD19.3 million, respectively, for each of the three years ended 31 December 2017 and the three months ended 31 March 2018.

During the Track Record Period, we mainly sold our products in Australia, which, in aggregate, amounted to approximately 97.8%, 98.2%, 99.4% and 99.8% of our total revenue for each of the three years ended 31 December 2017 and the three months ended 31 March 2018, respectively. The following table sets out a breakdown of our Group's revenue from continuing operations based on the geographical location of delivered products during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Australia	78,976	97.8	85,379	98.2	78,722	99.4	20,463	99.4	19,247	99.8
New Zealand	1,334	1.7	1,482	1.7	230	0.3	78	0.4	8	0.0
Overseas *(Note)*	435	0.5	116	0.1	254	0.3	49	0.2	36	0.2
Total:	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

Note: Overseas included the United Kingdom, the United States of America and Papua New Guinea.

Sales and marketing strategies

Mr. Celarc, our chairman and our executive Director, who has around 40 years of experience in the printing industry, is primarily responsible for supervising our overall sales and marketing. Our sales and customer services team, which was comprised of 23 staff as at the Latest Practicable Date, and is responsible for processing and managing customer orders and existing client portfolios against business objectives with a view to growing these accounts where possible.

Our Directors considered that our relationship with our customers, experience and technical expertise, reputation in the industry and previous product references are our valuable assets to securing future sales. We have a long history in the printing industry and are highly experienced in serving customers in Australia. In addition, we work closely with our customers on a regular basis through emails, phone calls and personal visits to promote our printing services, foster customer relationships, understand our customers' requirements, follow up with projected sales schedules and provide relevant industry information to our customers. Our sales and customer services team provides feedback from our customers to our site operations team. Through this continual relationship development, we aim to attract further business from our existing and new customers.

Mr. Celarc and our sales personnel conduct regular meetings to discuss sales performance, sales targets and marketing strategies. Our sales and marketing efforts are customer-driven because we believe that our knowledge of customers' requirements and specifications is essential to our ability to offer products which satisfy their changing needs. In addition to maintaining internal records of our existing customers' previous orders and credit history, we strive to increase or at least maintain both the range of our product offering and the ordering volume from them. For development of new customers, we may make calls or receive referrals and we send emails to our targeted potential customers to promote our business. We meet with our existing and potential customers periodically to understand their needs and discuss how our products and capabilities can be effectively utilised to fulfil their business needs.

As part of our marketing and promotional activities, we place advertisements in or sponsor events held by other institutions related to our industry and markets to promote our business. Aside from advertisements and sponsorships, we also promote our business via our website. Our website contains information on, including but not limited to, the types of products and services we can provide to customers as well as general corporate information about our Group.

PRICING STRATEGIES

Pricing policy

In general, we determine the price of our printing solutions and services on an order-by-order basis and adopt a cost-plus approach to determine our fee quotes. We estimate the costs of an order by considering the raw materials cost, quantity, labour cost, production cost, credit terms and terms of delivery in respect of an order, and determine the mark-up margin by considering our production schedule, seasonality factor, complexity and relationship with the customer. From time to time we may enter into longer-term contracts with certain customers and such contracts may often include pre-agreed pricing. Such customers can determine the price of a print job with reference to a pre-agreed pricing grid or matrix, which allows them to calculate the exact price of a job once they have input a series of specifications including, paper size and quality, number of pages per unit, printing volumes, cover design, colour and finishing details. In general, such prices remain fixed for certain agreed periods (typically one to five years), at which point, the prices may then be renegotiated. For contracts with our customers, there may be a price adjustment mechanism to adjust the price when a certain situation arise such as an increase in the price of raw materials. Such pricing arrangements are typically made following requests for tenders by certain customers. We also offer rebates to certain customers with high transaction amounts once their purchases exceed a predetermined benchmark amount.

Since it is ancillary to our printed products offered to our customers, we determine our prices of print related services (such as warehousing and direct mailing services) on a case-by-case basis taking into account of various factors including the complexity of the work involved, the scale and duration of the service to be provided, our Group's capacity, our relationship with customers and current fee level and our competitiveness in the market.

Seasonality

Demand for our products is subject to seasonal fluctuation. The overall peak month for our Group is typically October. The peak seasons for our CanPrint Business are typically from May to June and in October, which coincide with the sitting of Parliament in Australia, the budget session and annual reports season. The peak season for our Ligare Business is typically from January to February as education books or professionals and academic books are generally produced in advance of the start of the new academic year. The peak season for our MPG Business is typically from mid-August to the end of October as books are produced in advance of the Christmas shopping season which typically commences in November. For each of the three years ended 31 December 2017, our Group's revenue in October was approximately AUD7.7 million, AUD9.1 million and AUD8.2 million, which accounted for approximately 9.6%, 10.4% and 10.4% of our annual revenue of the corresponding year respectively. Please also refer to the paragraph headed "Risk Factors – Risks relating to our business – We are subject to seasonal fluctuation in revenue" in this prospectus.

CUSTOMERS

Our customers are principally comprised of (i) Australia-based book publishers and media and information providers; (ii) international book publishers; (iii) Australian government related entities; and (iv) business owners and other organisations in Australia.

In respect of Australia-based book publishers (which may be the Australian business of an international book publisher), we are typically engaged to provide printing solutions and services for books written by authors who have publishing deals with those publishers in Australia, for distribution within Australia. We may also print books written by authors outside of Australia and represented by these publishers, for distribution within Australia. In respect of our Quick Turnaround Time Education Books, the publishers (which are usually the Australian arm of an international publishing group or media and information providers) may have content which relates specifically to the market in Australia, i.e. reference books which are specific to laws and regulations of Australia or Australian schools or university curriculum, which require printing for sale in Australia.

In respect of international book publishers, we are typically engaged to print books or materials written by authors outside of Australia for distribution within Australia. Rather than having such books printed in Europe or the United States and shipped to Australia for sale, these international book publishers and brokers on behalf of international book publishers may arrange for printing to be conducted locally for distribution within Australia.

In respect of Government Printed Matters, we are typically engaged by various Australian government related entities to print a wide range of materials including for example, statutory documents, official reports, informational publications, official forms and certificates issued or used by Australian government related entities, public awareness campaign materials, point of sales items and highly confidential documents.

In respect of catalogues, operating manuals and promotional leaflets, we are typically engaged by business owners and other organisations in Australia.

We do not believe that the Delisting from the ASX and the Listing on the Stock Exchange will have any material impact on the agreements with our customers, including agreements with Australian government related entities.

The following tables set out a breakdown of our Group's revenue and gross profit by digital printing and IPALM related services, offset printing and other printing related services, respectively during the Track Record Period:

	Revenue for the year ended 31 December						Revenue for the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* (*unaudited*)	*%*	*AUD'000*	*%*
Digital printing and IPALM related services *(Note)*	21,400	26.5	29,523	33.9	27,632	34.9	6,977	33.9	7,268	37.7
Offset printing	58,229	72.1	55,753	64.1	50,177	63.3	13,293	64.5	11,665	60.5
Other printing related services	1,116	1.4	1,701	2.0	1,397	1.8	320	1.6	358	1.8
Total	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

Note: IPALM related services were typically provided by our Company as value added services which were bundled into our digital printing services. As such, from a revenue/profit perspective, we did not distinguish IPALM related services from our digital printing services.

	Gross profit for the year ended 31 December						Gross profit for the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* (*unaudited*)	*%*	*AUD'000*	*%*
Digital printing and IPALM related services *(Note)*	4,315	21.2	7,093	33.1	7,029	39.1	1,839	35.1	2,199	46.2
Offset printing	15,041	73.8	12,746	59.6	9,686	53.8	3,103	59.3	2,238	47.0
Other printing related services	1,020	5.0	1,569	7.3	1,278	7.1	293	5.6	323	6.8
Total	**20,376**	**100.0**	**21,408**	**100.0**	**17,993**	**100.0**	**5,235**	**100.0**	**4,760**	**100.0**

Note: IPALM related services were typically provided by our Company as value added services which were bundled into our digital printing services. As such, from a revenue/profit perspective, we did not distinguish IPALM related services from our digital printing services.

The following table sets out a breakdown of our Group's revenue by customers during the Track Record Period:

	Revenue for the year ended 31 December						Revenue for the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Publishers and media and information providers	44,500	55.1	47,219	54.3	46,861	59.2	12,680	61.6	12,063	62.5
Australian government related entities	15,589	19.3	19,046	21.9	15,396	19.4	3,249	15.8	3,325	17.2
Business owners and other organisations	20,656	25.6	20,712	23.8	16,949	21.4	4,661	22.6	3,903	20.3
Total	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

For each of the three years ended 31 December 2017, the gross profit margin of digital printing and IPALM related services was approximately 20.2%, 24.0% and 25.4%, respectively, and the gross profit margin of offset printing was approximately 25.8%, 22.9% and 19.3%, respectively. For the three months ended 31 March 2017 and 2018, the gross profit margin of digital printing and IPALM related services was approximately 26.4% and 30.2%, respectively, and the gross profit margin of offset printing was approximately 23.3% and 19.2%, respectively.

We submitted 45, 34, 37 and 10 tender applications to our customers for each of the three years ended 31 December 2017 and the three months ended 31 March 2018, respectively. Out of the abovementioned tenders, 28, 24, 25 and eight tender applications were successful during the Track Record Period. Our success rate for tender applications submitted in the corresponding periods were approximately 62.2%, 70.6%, 67.6% and 80.0%, respectively.

For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, our top five customers accounted for approximately 28.2%, 28.1%, 36.3% and 40.3% of our revenue from continuing operations, respectively, and our largest customer accounted for approximately 8.8%, 7.1%, 9.9% and 11.3% of our revenue from continuing operations, respectively. All of our top five customers during the Track Record Period were Independent Third Parties. None of our Directors, their close associates or any Shareholder (which to the knowledge of our Directors owned more than 5% of the issued share capital of the Company) had any interest in any of our top five customers during the Track Record Period. None of our top five customers was our supplier during the Track Record Period. The following tables set out the details of our top five customers during the Track Record Period:

For the year ended 31 December 2015

Rank	Customer	Types of product/ service provided	Principal business nature	Approximate years of relationship with our Group as at the Latest Practicable Date	Approximate revenue contribution to the Group *AUD'000*	Approximate percentage to the total revenue of our Group *(%)*
1	Customer A	Read-for-pleasure books	International publisher focused on fiction, non-fiction, lifestyle, children's and young adult books, and privately owned by a European publishing company	Over 10 years	7,118	8.8
2	Customer B	Quick Turnaround Time Education Books	International publisher of legal, tax and accounting content for professional markets, and a subsidiary of a company which is engaged in the provision of news and information for professional markets in more than 100 countries, and whose shares are listed in North America	Over 7 years	5,443	6.7
3	Customer C	Quick Turnaround Time Education Books	Publishing and software solutions provider for professional markets in the Asia Pacific Region and a subsidiary of a European-listed company	Over 10 years	3,909	4.8
4	Customer D	Read-for-pleasure books	International publisher of, among other things, novels and children's books, and a subsidiary of a publishing company whose shares are listed in the United States	Over 10 years	3,183	4.0
5	Customer E	Government Printed Matters	Australian Government department which is responsible for, among other things, Australia's emergency management and multicultural affairs	Over 20 years	3,146	3.9
				Total:	**22,799**	**28.2**

For the year ended 31 December 2016

Rank	Customer	Types of product/ service provided	Principal business nature	Approximate years of relationship with our Group as at the Latest Practicable Date	Approximate revenue contribution to the Group *AUD'000*	Approximate percentage to the total revenue of our Group *(%)*
1	Customer A	Read-for-pleasure books	International publisher focused on fiction, non-fiction, lifestyle, children's and young adult books, and privately owned by a European publishing company	Over 10 years	6,183	7.1
2	Customer B	Quick Turnaround Time Education Books	International publisher of legal, tax and accounting content for professional markets, and a subsidiary of a company which is engaged in the provision of news and information for professional markets in more than 100 countries, and whose shares are listed in North America	Over 7 years	5,813	6.7
3	Customer D	Read-for-pleasure books	International publisher of, among other things, novels and children's books, and a subsidiary of a publishing company whose shares are listed in the United States	Over 10 years	5,615	6.4
4	Customer F	Read-for-pleasure books	International publisher of, among other things, fiction, non-fiction, children's and illustrated books, and a subsidiary of a European-based media conglomerate	Over 3 years	3,829	4.4
5	Customer C	Quick Turnaround Time Education Books	Publishing and software solutions provider for professional markets in the Asia Pacific Region and a subsidiary of a European-listed company	Over 10 years	3,010	3.5
				Total:	**24,450**	**28.1**

For the year ended 31 December 2017

Rank	Customer	Types of product/ service provided	Principal business nature	Approximate years of relationship with our Group as at the Latest Practicable Date	Approximate revenue contribution to the Group *AUD'000*	Approximate percentage to the total revenue of our Group *(%)*
1	Customer G	Read-for-pleasure books	International publisher of, among other things, fiction and non-fiction books with a focus on general, children's and religious content, and a subsidiary of a media and information services company whose shares are listed in the United States	Over 10 years	7,861	9.9
2	Customer F	Read-for-pleasure books	International publisher of, among other things, fiction, non-fiction, children's and illustrated books, and a subsidiary of a European-based media conglomerate	Over 3 years	7,024	8.9
3	Customer A	Read-for-pleasure books	International publisher focused on fiction, non-fiction, lifestyle, children's and young adult books, and privately owned by a European publishing company	Over 10 years	6,621	8.4
4	Customer B	Quick Turnaround Time Education Books	International publisher of legal, tax and accounting content for professional markets, and a subsidiary of a company which is engaged in the provision of news and information for professional markets in more than 100 countries, and whose shares are listed in North America	Over 7 years	5,000	6.3
5	Customer C	Quick Turnaround Time Education Books	Publishing and software solutions provider for professional markets in the Asia Pacific Region and a subsidiary of a European-listed company	Over 10 years	2,228	2.8
				Total:	**28,734**	**36.3**

For the three months ended 31 March 2018

Rank	Customer	Types of product/ service provided	Principal business nature	Approximate years of relationship with our Group as at the Latest Practicable Date	Approximate revenue contribution to the Group *AUD million*	Approximate percentage to the total revenue of our Group *(%)*
1	Customer G	Read-for-pleasure books	International publisher of, among other things, fiction and non-fiction books with a focus on general, children's and religious content, and a subsidiary of a media and information services company whose shares are listed in the United States	Over 10 years	2,182	11.3
2	Customer B	Quick Turnaround Time Education Books	International publisher of legal, tax and accounting content for professional markets, and a subsidiary of a company which is engaged in the provision of news and information for professional markets in more than 100 countries, and whose shares are listed in North America	Over 7 years	1,592	8.3
3	Customer A	Read-for-pleasure books	International publisher focused on fiction, non-fiction, lifestyle, children's and young adult books, and privately owned by a European publishing company	Over 10 years	1,514	7.8
4	Customer F	Read-for-pleasure books	International publisher of, among other things, fiction, non-fiction, children's and illustrated books, and a subsidiary of a European-based media conglomerate	Over 3 years	1,466	7.6
5	Customer C	Quick Turnaround Time Education Books	Publishing and software solutions provider for professional markets in the Asia Pacific Region and a subsidiary of a European-listed company	Over 10 years	1,013	5.3
				Total:	**7,767**	**40.3**

Note: For the purpose of compiling the list of top five customers, we have consolidated revenue from our customers which are commonly held under the same group. In some instances, book publishers may have international and Australian entities and/or separate indents under the common publishing house which may engage us to carry out printing services individually. They may also make purchase orders separately. Moreover, as they are commonly held and may have coordinated procurement policies, we consider such transactions to fall under the same customer.

Framework sale and purchase agreements with our customers

From time to time, we may enter into framework sale and purchase agreements with some of our customers. Such framework sale and purchase agreements are legally binding and normally include terms and conditions covering the following aspects:

- duration (generally from one year to five years);
- price and payment terms;
- price adjustment provisions on the price of raw material, where the price of raw material may be adjusted (subject to mutual agreement of the parties) either (i) annually or at such time point as agreed between the parties; or (ii) when we submit the request for adjustment. The adjustment of price of raw material is generally agreed to be capped within a certain range;
- delivery terms and/or the time at which title and risk of our products shall pass to our customers;
- provision of indicative or rolling forecast of the quantities of products expected to be purchased by our customers;
- product warranty;
- insurance coverage;
- confidentiality undertakings in relation to proprietary information;
- our obligations and/or liability in the event of late delivery; and
- termination of the framework sale and purchase agreement.

Payment terms and credit policy

We use our best endeavours to exercise tight credit control. In assessing the creditworthiness of new customers, we mainly determine the payment method and credit terms granted to such customers by, among other things, obtaining references from referees on its products or services provided with its payment history and conducting searches to ascertain the financial strength and historical credibility of such customer. We generally offer credit terms to customers ranging from 30 to 90 days. For new customers, we sometimes require payment before delivery. For our existing customers, periodical review of credit terms and previous payment records may be carried out by our financial team, and if necessary, we will amend the credit terms and credit limits, subject to the approval by our management. We also closely monitor any outstanding overdue debts and take measures to collect outstanding debts due to us.

We conduct monthly review of our trade receivables, reporting any overdue trade receivables or other red flags to our management. In case of outstanding trade receivables, email reminders will be sent and telephone calls will be made to the respective customers. We may also stop processing orders for our customers who still fail to settle overdue trade receivables after our email reminders. If, after our efforts and repeated reminders, we still cannot recover the outstanding trade receivables, we may also consider taking legal actions and/or ceasing transaction with the defaulting customers in specific cases. During the Track Record Period, we did not encounter any material payment dispute with any of our customers.

PROCUREMENT OF RAW MATERIALS

For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, the purchase of raw materials for production of our printed products constituted our largest direct operating costs, which amounted to approximately AUD23.8 million, AUD27.5 million, AUD24.5 million and AUD5.8 million, representing approximately 39.3%, 41.9%, 40.1% and 40.0% of our total direct operating costs, respectively. Our principal raw material is paper. Among the purchase costs of raw materials, approximately 78.8%, 79.3%, 77.0% and 76.6% were the cost of paper, while the remaining costs related to the purchase of other raw materials such as ink, plates and other printing consumables for each of the three years ended 31 December 2017 and the three months ended 31 March 2018.

According to the Frost & Sullivan Report, the price index of paper in Australia decreased slightly from 96.9 in 2015 to 95.0 in 2016 and then increased slightly to 96.1 in 2017, while the price index of ink decreased slightly from 110.9 in 2015 to 110.6 in 2016 and then increased slightly to 111.6 in 2017. As such, our Directors considered that since our fluctuations on the purchase of raw materials for production of our printed products during the Track Record Period were not attributable to the price fluctuations of paper and ink during the same period, our Group's risk exposure to price fluctuations of paper and ink is relatively low.

We endeavour to work with FSC/COC certified paper suppliers to ensure that the paper purchased and used in the production of our printed products are in compliance with all applicable standards of environmental care and social responsibility. We purchase paper mainly from domestic paper trading companies as well as international paper manufacturers, which is then delivered to our production facilities and warehouses in Australia. During the Track Record Period, most of our paper was sourced from domestic paper trading companies.

Our paper purchases tend to be a mixture of spot purchases and indent purchases. Spot purchases are typically made when we are low in stock of certain types of paper, or when there is a specific and urgent need by our customers for a certain type of paper. Spot purchases tend to be procured from local paper traders, who either have such paper in stock, or are able to source from local paper mills and deliver to our facilities in a matter of days. On the other hand, indent purchases tend to be made several months in advance of when that paper stock may be required or replenished. Indent purchases are usually larger orders which take a number of months to deliver and as such, we usually make indent purchases from international paper manufacturers who will ship such stock when available. We typically purchase paper and other raw materials according to market prices, our internal forecasts of raw material prices and the pipeline of printing jobs. We closely monitor the market prices of paper and negotiate for favourable pricing terms by comparing quotations from different suppliers available in the market.

SUPPLIERS AND SUB-CONTRACTORS

Our suppliers mainly include suppliers of paper, postal services and other printing consumables. As at the Latest Practicable Date, we established long-term and stable relationships with our five largest suppliers for a range of approximately three to over 10 years. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, purchases from our top five suppliers accounted for approximately 48.7%, 51.1%, 49.0% and 48.4% of our total purchases, respectively, and purchases from our largest supplier accounted for approximately 15.2%, 12.3%, 18.8% and 17.5% of our total purchases during the same periods, respectively. All of our top five suppliers during the Track Record Period were Independent Third Parties. None of our Directors, their close associates or any Shareholder (which to the knowledge of our Directors owned more than 5% of the issued share capital of the Company) had any interest in any of our top five suppliers during the Track Record Period. The following tables set out the details of our top five suppliers during the Track Record Period:

For the year ended 31 December 2015

Rank	Supplier	Types of raw materials/services supplied to our Group	Principal business nature	Approximate years of relationship with our Group as at the Latest Practicable Date	Approximate amount of purchases	Approximate percentage to the total purchases of our Group
					AUD'000	*(%)*
1	Supplier A	Paper	Paper trading company based in Australia and a subsidiary of an Australia-listed company	Over 10 years	5,874	15.2
2	Supplier B	Paper	Publication paper producer based in Australia and a subsidiary of a European paper producer	Over 10 years	3,960	10.2
3	Supplier C	Paper, ink, labels and envelopes	Paper trading company based in Australia and a subsidiary of a Japan-listed company	Over 10 years	3,617	9.3
4	Supplier D	Mailing services	Australia Government-owned postal service provider based in Australia	Over 10 years	3,369	8.7
5	Supplier E	Paper	Paper producer based in Australia and a subsidiary of a Japan-listed company	Over 10 years	2,074	5.3
				Total:	**18,894**	**48.7**

For the year ended 31 December 2016

Rank	Supplier	Types of raw materials/services supplied to our Group	Principal business nature	Approximate years of relationship with our Group as at the Latest Practicable Date	Approximate amount of purchases	Approximate percentage to the total purchases of our Group
					AUD'000	*(%)*
1	Supplier C	Paper, ink, labels and envelopes	Paper trading company based in Australia and a subsidiary of a Japan-listed company	Over 10 years	5,265	12.3
2	Supplier A	Paper	Paper trading company based in Australia and a subsidiary of an Australia-listed company	Over 10 years	4,732	11.0
3	Supplier D	Mailing services	Australia Government-owned postal service provider based in Australia	Over 10 years	4,727	11.0
4	Supplier F	Paper	Australia-based company which engages in, among other things, the manufacturing of paper and board, and a subsidiary of a European-listed company	Over 10 years	3,676	8.6
5	Supplier B	Paper	Publication paper producer based in Australia and a subsidiary of a European paper producer	Over 10 years	3,531	8.2
				Total:	**21,931**	**51.1**

For the year ended 31 December 2017

Rank	Supplier	Types of raw materials/services supplied to our Group	Principal business nature	Approximate years of relationship with our Group as at the Latest Practicable Date	Approximate amount of purchases	Approximate percentage to the total purchases of our Group
					AUD'000	*(%)*
1	Supplier B	Paper	Publication paper producer based in Australia and a subsidiary of a European paper producer	Over 10 years	7,750	18.8
2	Supplier D	Mailing services	Australia Government-owned postal service provider based in Australia	Over 10 years	3,978	9.6
3	Supplier C	Paper, ink, labels and envelopes	Paper trading company based in Australia and a subsidiary of a Japan-listed company	Over 10 years	3,928	9.5
4	Supplier A	Paper	Paper trading company based in Australia and a subsidiary of an Australia-listed company	Over 10 years	2,978	7.2
5	Supplier G	Paper	Paper trading company based in Hong Kong and a subsidiary of a Japan-listed company	3 years	1,589	3.9
				Total:	**20,223**	**49.0**

For the three months ended 31 March 2018

Rank	Supplier	Types of raw materials/services supplied to our Group	Principal business nature	Approximate years of relationship with our Group as at the Latest Practicable Date	Approximate amount of purchases	Approximate percentage to the total purchases of our Group
					AUD million	*(%)*
1	Supplier B	Paper	Publication paper producer based in Australia and a subsidiary of a European paper producer	Over 10 years	1,698	17.5
2	Supplier A	Paper	Paper trading company based in Australia and a subsidiary of an Australia-listed company	Over 10 years	933	9.6
3	Supplier C	Paper, ink, labels and envelopes	Paper trading company based in Australia and a subsidiary of a Japan-listed company	Over 10 years	845	8.7
4	Supplier D	Mailing services	Australia Government-owned postal service provider based in Australia	Over 10 years	789	8.1
5	Supplier G	Paper	Paper trading company based in Hong Kong and a subsidiary of a Japan-listed company	3 years	431	4.5
				Total:	**4,696**	**48.4**

Note: For the purpose of compiling the top five suppliers, we have consolidated the total purchases from our suppliers which are commonly held under the same group. In some instances, orders may be placed with Australian entities and/or their affiliates individually. For entities that are commonly held under the same group, we consider such transactions to fall under the same supplier.

We select our suppliers based on their product quality, reliability, prices, delivery schedule and service level. Our raw materials procurement policy is to select only suppliers on our approved list who have passed our quality control tests and who have a satisfactory record of quality and on-time delivery. Prior to admitting new suppliers to our approved list, we conduct review and testing of the supplier's product. We also evaluate the quality and delivery performance of each supplier from time to time, and the allocation of our ordering quantity may be adjusted for subsequent periods based on results of the evaluation.

We believe that we have established stable cooperation relationships with our key suppliers, which enables us to obtain a reliable supply of most of the raw materials essential to our business operations. We do not rely on any single supplier for each type of principal raw material. We did not encounter any material disruption to our business as a result of a shortage of raw materials during the Track Record Period, and we do not expect any material disruptions to our business in procuring raw materials based on our requirements.

Our suppliers generally grant us an average credit payment of 0 to 90 days. In most scenarios, we settle our suppliers' invoices by bank transfer in AUD.

We typically purchase raw materials for our production through purchase orders to suppliers. Our purchase orders generally set out the key terms and conditions of each transaction, including the pricing terms, specification of the raw materials, quantity and delivery schedule. Such purchase orders are usually placed by email, and are legally binding once accepted by the suppliers. Once the purchase order is placed and accepted, the terms of purchase order will not be amended or supplemented without mutual consent.

We did not enter into any long term contracts with most of our suppliers. We are not under any obligation to purchase raw materials from our suppliers until we actually place a purchase order. The actual purchase price is in most cases determined on the basis of prevailing market conditions, historical prices and credit terms. During the Track Record Period, prices of our principal raw materials and the credit terms remained relatively stable and we did not have any material disagreement or dispute with any of our suppliers.

Sub-contracting

From time to time, we outsource certain production procedures to sub-contractors. During the Track Record Period, the fees paid to sub-contractors amounted to approximately AUD4.0 million, AUD4.2 million, AUD4.0 million and AUD0.6 million, respectively, for each of the three years ended 31 December 2017 and the three months ended 31 March 2018, which represented approximately 6.6%, 6.4%, 6.5% and 4.1% of our direct operating costs for the corresponding year/period, respectively.

Our largest sub-contractor accounted for approximately 18.3%, 25.4%, 25.9% and 16.5% of our total fees paid to sub-contractors for each of the three years ended 31 December 2017 and the three months ended 31 March 2018, respectively.

Our sub-contractors are typically engaged to (i) carry out certain post-press processes for certain types of books, which may fall outside of our core competency or where we lack the requisite or sufficient equipment to provide such service, or where we possess the requisite or sufficient equipment but lack the capacity to do so at that time; (ii) perform certain labour-intensive production procedures, such as handcrafting processes for the production of pop-up books, which we consider to be more economical to outsource than to retain a large number of staff to process in-house; and (iii) accommodate large volume of orders during peak seasons where we may engage sub-contractors to carry out to complete or finish a portion, of a customer's printing job.

Under our framework agreements with our customers, including our Australian government related entities customers, we are generally required to obtain written approval from our customers before engaging sub-contractors. We select our sub-contractors based on several key factors such as the service provided, their location, reliability, production capacity, product quality and price. We negotiate the terms and conditions of each sub-contracting order with sub-contractors on a job-by-job basis with reference to the prevailing market terms and conditions. We did not enter into any long-term sub-contracting agreement during the Track Record Period, and we engaged sub-contractors based on our needs. We may supply the work-in-progress to sub-contractors for our assignments on a case-by-case basis, and they are generally responsible for procuring other requisite ancillary materials such as glue and binding accessories. From time to time, we may send our staff to these sub-contractors to monitor the production and obtain samples of work-in-progress and finished goods, when necessary. We will from time to time review and update our internal approved list of sub-contractors according to their performance assessment. We will conduct site visit and inspection of the production facilities of our sub-contractors. We will also conduct meetings with our sub-contractors to discuss any quality issues raised.

During the Track Record Period, we engaged 1010 Printing and C.O.S. Printers as our sub-contractors for certain large volume of orders. Such orders were for long lead time printing jobs which allowed printing in Asia with a more competitive price. We engaged C.O.S. Printers as sub-contractor after the disposal of C.O.S. Printers by us in May 2016. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, the fees paid to 1010 Printing and C.O.S. Printers by our Group amounted to approximately AUD605,000, AUD675,000, AUD1,161,000 and AUD135,000, respectively. The fees paid to sub-contractors were determined from time to time by the parties on arm's length basis and normal commercial terms and with reference to, among other things, the raw materials cost, quantity, labour cost, production cost, credit terms and terms of delivery, and determine the mark-up margin by considering our production schedule, seasonality factor and complexity. Our Directors confirmed that upon Listing, our Group will not engage Lion Rock and/or its subsidiaries for any sub-contracting works.

During the Track Record Period, we did not have any material disagreement or dispute with any of our suppliers, including our sub-contractors. During the Track Record Period, save and except for 1010 Printing and C.O.S. Printers, both being subsidiaries of Lion Rock, all of our sub-contractors were Independent Third Parties. Save and except for 1010 Printing and C.O.S. Printers, none of our Directors, their close associates or any Shareholder (which to the knowledge of our Directors owned more than 5% of the issued share capital of the Company) had any interest in any of our top five sub-contractors during the Track Record Period.

INVENTORY MANAGEMENT

Our inventory is mainly comprised of raw materials, work-in-progress and finished goods. We have warehousing facilities in Sydney, Canberra and Victoria, Australia and we adopt a stringent inventory control policy. Records on inventory movements are required to be updated on time and we review the inventory level on a daily basis to ensure such records are up-to-date. We closely monitor and control our inventory levels of raw materials to ensure smooth supply for production.

In particular, given that paper is the principal raw material used in our production, we manage our inventory of paper in accordance with market prices, our internal forecasts of paper price and the pipeline of printing jobs. In order to maintain our inventory of paper at an adequate level and in view of cost efficiency, we generally maintain our inventory of paper at a level that is sufficient for four to six months of operation. Generally, our management assesses inventory provision by taking into account any deterioration in the condition of inventories, utilisation of inventories within a reasonable period of time, such as six months for paper and other factors that affect inventory obsolescence. From time to time we may purchase special types of paper on a back-to-back basis upon receipt of orders from our customers based on the customers' request. We may purchase additional paper stock to fulfil extraordinary orders or in anticipation of any significant increase in paper price, or procure specific types of paper to satisfy customers' particular needs.

We have taken measures at our warehouses, including pest control and fire safety, to ensure the quality and safety of our stocks of paper and other raw materials. Purchases of raw materials must be authorised by and approved by our management depending on the volume and recorded in our inventory management system. Generally, our finished goods are acknowledged by our customers upon delivery. We carry out physical inventory counts periodically for better control and management of inventories to ensure the accuracy and completeness of stock-in and stock-out information on record. During the Track Record Period, we did not encounter any material issue with obsolete inventories. Our inventory turnover days for each of the three years ended 31 December 2017 and the three months ended 31 March 2018 were approximately 65.8 days, 55.6 days, 67.7 days and 85.7 days, respectively.

QUALITY CONTROL

We are focused on the quality and reliability of our products. We have established our internal quality assurance standards to meet our customers' requirements. Our quality control procedures are implemented throughout our production process. As at the Latest Practicable Date, we had a quality control supervisor who is the human resources manager and has approximately 20 years of experience in the printing industry, and four quality control personnel. Our quality control team is responsible for ensuring that our raw materials used or semi-finished and finished printed products produced by us pass through our quality control process and meet our customers' standards. We monitor our production process, and conduct performance and reliability testing on our machines in an attempt to ensure that our machines have a low defect rate and that our products meet our customers' expectations.

We have implemented quality control procedures covering raw materials to finished products, so as to ensure compliance with applicable standards and to satisfy our customers' requirements. We also communicate regularly with our customers to obtain feedback on the quality of our products. We did not experience any material failure to satisfy quality and safety standards during the Track Record Period.

Incoming quality control

To ensure our product quality, our raw materials procurement policy is to select only suppliers on our approved list who have passed our quality control tests and who have a satisfactory record of quality and on-time delivery. During the Track Record Period, we did not have any material claims against our suppliers due to defective quality of raw materials. All semi-finished products which are processed by our sub-contractors are also inspected before being further utilised in our production process.

In the event that a complaint, return or claim for defective raw materials comes to light after we have used certain raw materials to manufacture our products, we may initiate negotiations to claim compensation against the suppliers.

In-process quality control

In-process quality control is conducted throughout our production process. Our site operations team will prepare an inkjet ozalid or colour proof of the product for our quality control purpose whilst our production personnel and/or machine operators will conduct visual inspection on products throughout the process.

During the printing process, we will regularly extract samples of printed sheets to match against the proof. If any defects are identified, we will try to identify the root cause for such defects. In situations where the finished product does not conform to our quality control, we either re-process them or dispose of the entire batch of unsatisfactory products and re-print the entire order.

Out-going quality control

Out-going quality control is conducted when our products are ready for delivery, where our production personnel conduct a final visual inspection according to our examination standards. Sample checks on each batch of finished products will be conducted before packaging and delivery. Products which do not conform to our final proofs may be re-processed or discarded.

Product return and warranty

Our Group has no product return policy and does not offer any product returns. In the event that we are aware of any potential problems or defects with any of our products, our quality control team will first determine the issues and then negotiate with the customers to resolve the issues. During the Track Record Period, we did not experience any material product return, material quality complaints or product liability claims.

MAJOR QUALIFICATIONS AND CERTIFICATIONS

The following table sets out our qualifications which demonstrate the recognised quality standards and safety of our products, and our ability to operate our business in an environmentally and socially responsible manner, thereby considered by our Directors as material qualifications:

No.	Certification	Scope	Issuing organisation	Recipient	Year of initial grant	Validity period
1.	ISO 9001:2008	Quality management system – the sales, printing, storage and distribution services, in a secure environment, to government and commercial customers	SAI Global	CanPrint Communications and Union Offset	1995	16 July 2015 – 7 October 2018
2.	ISO 14001:2004	Environmental management system – the sales, printing, storage and distribution services, in a secure environment, to government and commercial customers	SAI Global	CanPrint Communications and Union Offset	2009	16 July 2015 – 7 October 2018
3.	COC	The purchase of FSC 100%, FSC Mix, FSC Recycled paper products and the provision of printing, finishing and sales of printed products using the transfer system	SGS South Africa (Pty) Ltd	CanPrint Communications	2009	6 January 2014 – 5 January 2019
4.	PEFC/COC	The purchase of PEFC certified paper products, provision of printing, binding and sale of printed products, Physical Separation Method and implemented based on Appendix 1 of the chain of custody standard	SGS South Africa (Pty) Ltd	CanPrint Communications	2009	6 January 2014 – 5 January 2019

No.	Certification	Scope	Issuing organisation	Recipient	Year of initial grant	Validity period
5.	FSC COC	The purchase of FSC 100%, FSC Mix, FSC Recycled paper products and the provision of printing, finishing and sales of printed products using the transfer system	SGS South Africa (Pty) Ltd	Ligare	2008	23 April 2018 – 22 April 2023
6.	PEFC/COC	The purchase of paper products, provision of printing, binding and sale under Physical Separation Method and implemented based on Appendix 1 of the chain of custody standard	SGS South Africa (Pty) Ltd	Ligare	2018	23 April 2018 – 22 April 2023
7	ISO 9001:2015	The printing, binding and embellishment of books, loose leaf publications, on-demand digital, warehousing, distribution and mail services	Telarc SAI Limited	MPG	2015	15 November 2016 – 24 December 2019
8.	FSC	The requirements of Forest Stewardship Council A.C. using the FSC COC Standard	Soil Association Certification Limited	MPG	2018	14 January 2018 – 13 January 2023
9.	PEFC	PEFC ST2002:2013 chain of custody of forest based product/ PEFC ST 2001:2008 PEFC Logo Usage Rules	Soil Association Certification Limited	MPG	2018	14 January 2018 – 13 January 2023

During the Track Record Period and up to the Latest Practicable Date, our Directors confirmed that our Group has obtained all material licences, permits and approvals required for carrying on our business activities.

We intend to renew the abovementioned certificates to maintain our commitment to the quality and safety of our products and operate our business in an environmentally and socially responsible manner. As at the Latest Practicable Date, we have applied for ongoing certification of ISO9001:2015, ISO14001:2015, and COC certification of CanPrint Communications and audit work for certain of the abovementioned certifications have been conducted.

AWARDS AND ACCREDITATIONS

In recognition of our quality printing services and products, we have received a number of major awards and accreditations during our operating history, a summary of which is set out in the table below:

Awards and accreditations	Year of grant	Issuing institution/ authority	Recipient	Description
PICA Award	2011	Printing Industries Craftsmanship Awards by Printing Industries Association of Australia	Ligare	In print excellence in digital printing, non inkjet
Sustainable Business Awards – Special Commendation for Resource Efficiency	2011	SmartBiz, an initiative of Canterbury City Council	Ligare	In recognition of Ligare's outstanding management of water and energy
Certificate of Recognition	2011	SAI Global	CanPrint Communications	Systems Excellence Awards
The Power of Print Gold Award	2012	Printing Industries Craftsmanship Award NSW by the Printing Industries Association of Australia	Ligare	In recognition of printing excellence
Target Ethical Sourcing Code	2013-2015	Target Australia Pty Ltd	Ligare	Recognition for compliance with the Target Ethical Sourcing Code
Certificate of Appreciation	2016	Australian Publisher's Association	OPUS	Recognition for Sponsorship of the 2016 Educational Publishing Awards Australia

COMPETITIVE LANDSCAPE

According to the Frost & Sullivan Report, the commercial printing industry in Australia was fragmented and competitive with thousands of players sharing the market in 2017, including a large number of small-to-medium sized companies and several large companies. According to the Frost & Sullivan Report, the overall book printing industry in Australia was also considered relatively fragmented with hundreds of market players in 2017. Further, the key entry barriers to the commercial printing industry in Australia include the requirement of a skilled workforce and huge initial capital investment. Whereas, the key entry barriers to the book printing industry in Australia include industry experience and relationship with customers and suppliers. In view of the aforesaid, our Directors considered that competition is intense in the industry in which we operate and that our main competitors in the Australian commercial and book printing industry are those printing companies with established histories and large production capacity and who strive for high quality printing services.

RESEARCH AND DEVELOPMENT

During the Track Record Period, we did not engage in any research and development. As our proprietary IPALM system was developed before 2015 we did not require any further research and development during the Track Record Period and modifications, enhancements and development of modules within the IPALM architecture were conducted by our staff.

INTELLECTUAL PROPERTY RIGHTS

As at the Latest Practicable Date, our Group owned one registered trademark and 17 domain names in Australia which were material to our business. We have submitted applications for the registration of two trademarks in Hong Kong. Please refer to the paragraph headed "Statutory and General Information – B. Further information about the business – 2. Our intellectual property rights" in Appendix IV to this prospectus for details.

As at the Latest Practicable Date, we were not aware of any infringement (i) by our Group of any intellectual property rights owned by any third parties; or (ii) by any third party of any intellectual property rights owned by us. As at the Latest Practicable Date, we were not aware of any pending or threatened claims against us or any of our subsidiaries in relation to the infringement of any intellectual property rights of third parties.

EMPLOYEES

As at the Latest Practicable Date, we had 299 full-time employees who were directly employed by our Group and principally based in Australia. The table below sets out a breakdown of our employees by functions as at the Latest Practicable Date.

	Number of employees
Executive Directors	3
ICT	7
Site operations	241
Sales and customer services	23
Business development	1
Estimating and pricing	6
Finance	7
Procurement	4
Human resources and compliance	3
Quality control	4
Total:	**299**

Our headcount is typically determined by analysis conducted by our team heads, who will prepare annual team headcount budgets for their respective team which may be determined by factors such as current staffing levels, sales budget/forecasts and projected manpower requirements. If any of our teams require additional headcount, a requisition form will be prepared stating the reasons for requisition, key areas of responsibilities, job specifications and any extra requirements. Our executive Directors will approve such requisition form and then recruitment advertisements will be placed.

We recruit our employees based on a number of factors, such as their work experience, educational background, qualifications or certifications obtained and vacancies. We may recruit our employees by advertising on websites and newspapers. During the Track Record Period, we engaged human resources agencies for recruitment purposes and the supply of casual labour, the cost of which amounted to approximately AUD55,000, AUD87,000, AUD124,000 and AUD78,000, respectively, for each of the three years ended 31 December 2017 and the three months ended 31 March 2018.

Our new employees are generally subject to one to three months' probation periods. On-the-job training will be provided to our new employees during the probation period by their respective supervisors. At the end of the probation period, we will conduct performance evaluations which must be approved by our management before any employees are appointed to permanent positions.

Education and training will also be provided to our existing employees on various aspects including advanced knowledge and skills on machines operation, work safety, fire safety, security and quality control on a continuing basis. Our Directors considered that our training programmes can help to increase our overall efficiency and facilitate us to retain quality employees.

The remuneration package for our employees may include salaries, discretionary bonuses and/or over-time payments. Our employees also receive fringe and welfare benefits, including retirement benefits, occupational injury insurance and other miscellaneous items. We conduct periodic review of the performance of our employees for determining, where appropriate, the level of discretionary bonus, salary adjustment and promotion of our employees. From time to time, our executive Directors will also conduct research on the remuneration packages offered for similar positions in the printing industry in Australia in order to maintain our remuneration packages at a competitive level.

Worker level employees of MPG have joined a nation-wide workers' union. Save for such workers' union at MPG, we have not established any other labour unions for our employees. We did not experience any material shortage of labour, industrial actions, strikes, material increase in labour costs or other material labour disputes that have materially disrupted our operations during the Track Record Period and up to the Latest Practicable Date. Our Directors believed that we have maintained a good working relationship with our employees.

Our employees benefits expenses, including salaries, wages, other staff costs and superannuation, amounted to approximately AUD27.4 million, AUD26.5 million, AUD25.1 million and AUD5.9 million for each of the three years ended 31 December 2017 and the three months ended 31 March 2018, respectively.

PROPERTIES

Owned properties

As at the Latest Practicable Date, our Group owned 13 and 76 Nelson Street and 20 Johnson Street, Maryborough, VIC, Australia, with a total land area of approximately 36,052 sq.m., comprising production facility, warehouse and office.

As at the Latest Practicable Date, we had no single property with a carrying amount of 15% or more of our total assets. Accordingly, our Directors were of the view that this prospectus is exempt from compliance of Section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to all of our interests in land or buildings.

Leased properties

As at the Latest Practicable Date, our Group leased and occupied properties, such as office, factory and warehousing facilities located in Australia. Our Directors confirmed that we are using these leased properties in accordance with the permitted usages under the relevant lease agreements. Set out below is a summary of our leased properties:

Tenant	Address	Use of property	Monthly rent	Expiration of lease
CanPrint Communications	1 Tralee Street, Hume, ACT, Australia	Warehouse	AUD28,000.00 plus GST	31 March 2020
Ligare	138-152 Bonds Road, Riverwood, NSW, Australia	Factory and office	AUD46,908.08 plus GST	31 December 2020
Ligare	23-25 Skinner Avenue, Riverwood, NSW, Australia	Warehouse	AUD13,709.33 plus GST	31 December 2020
Ligare	Unit 3, 13 Larkin St Riverwood, NSW, Australia	Warehouse	AUD3,900.00 plus GST	4 June 2019 *(Note 1)*
MPG	Lot 2, 5 and part of 13 Brick Kiln Road, Carisbrook, VIC, Australia	Warehouse	AUD8,000.00 plus GST	19 January 2020
Union Offset	16 Nyrang Street, Fyshwick, ACT, Australia	Factory and office	AUD65,658.42 plus GST	19 March 2019 *(Note 2)*

Notes:

(1) The lease contains an option to renew for another year.

(2) We intend to renew the lease with the landlord for another year upon expiry of the said lease, subject to our expansion plan.

For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, our rental expenses were approximately AUD1.8 million, AUD1.8 million, AUD1.9 million and AUD0.5 million, respectively.

LITIGATION

Our Company and its subsidiaries were not engaged in any litigation, claim or arbitration of material importance and no litigation, claim or arbitration of material importance was known to our Directors to be pending or threatened against any member of our Group during the Track Record Period and up to the Latest Practicable Date.

LEGAL COMPLIANCE

Our Directors confirmed that during the Track Record Period and up to the Latest Practicable Date, there was no non-compliance incident which was of material impact non-compliance or systemic non-compliance. Our Directors also confirm that during the Track Record Period and up to the Latest Practicable Date, our Group had obtained all the approvals, permits, consents, licences and registrations required for our business and operations in Australia and all of them are in force.

OCCUPATIONAL HEALTH, WORK SAFETY AND ENVIRONMENTAL PROTECTION

Our business is subject to relevant Australian national and local occupational health, work safety and environmental laws and regulations. For details, please refer to the section headed "Regulatory Overview" in this prospectus.

Occupational health and work safety

We are committed to providing a safe and healthy working environment. We have implemented safety measures at all of our production facilities and established guidelines for work safety and occupational health safety, which may cover areas including fire safety, warehouse safety, electricity safety, work-related injuries and emergency and evacuation procedures to minimise the risk of injury of employees. We maintain a general register with the records of accidents and dangerous occurrences. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material claim or incident in relation to work safety or been involved in any accident causing death or serious injury in the course of our business operations.

We have installed appropriate fire safety equipment. We also organise fire drills and provide fire prevention training to our staff. We also conduct regular training sessions for production staff on accident prevention and management.

Environmental protection

As the Australian government and the general public are paying increasing attention to environmental protection, we are committed to minimising any adverse impact on the environment resulting from our business activities. We have implemented various environmental policies and have been awarded quality standard certification of ISO 14001 in respect of our environmental management system in our CanPrint Facility and the warehousing facility at Hume, ACT, Australia. We have contracts with waste collection companies to handle our dangerous and toxic wastes, being ink and thinner discharged during the production process. We also have contracts with security waste collection companies to handle the collection and destruction of documents which are sensitive in nature and may require secured disposal. As we tend to sell scrap paper and plates as recyclable materials, we believe that our production processes do not have a significant adverse effect on the environment and that our environmental protection measures are adequate to ensure compliance with all applicable current local and national Australian laws and regulations.

For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, the cost of compliance with applicable environmental laws and regulations in Australia were approximately AUD163,000, AUD194,000, AUD281,000 and AUD76,000, respectively, which primarily consisted of waste disposal charges, security waste disposal charges and environmental-related ISO certification expenses. The estimated cost of compliance with applicable environmental laws and regulations in Australia for the year ending 31 December 2018 is approximately AUD350,000.

INSURANCE

Our Group maintained insurance policies primarily covering, among other things, liabilities under employees' compensation, personal injury, product liability and industrial special risks. Our Directors considered such insurance cover to be adequate and consistent with industry norm having considered our Group's current operations and the prevailing industry practice. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, our insurance expenses were approximately AUD696,000, AUD796,000, AUD865,000 and AUD130,000, respectively.

We review our insurance coverage annually, and we will continue to assess our risk portfolio and make necessary and appropriate adjustments to our insurance coverage, so as to align with our needs and with industry practices in Australia. During the Track Record Period and up to the Latest Practicable Date, we did not make and were not subject to any material insurances claims and/or product liability claims.

INTERNAL CONTROL AND CORPORATE GOVERNANCE MEASURES

We endeavour to uphold the integrity of our business by maintaining an internal control system and corporate governance measures. Our internal control system and procedures are designed to meet our specific business needs and to minimise our risk exposure. In preparation of Listing, we engaged an independent external consulting firm as our internal control consultant in March 2018 to perform a detailed assessment of our Group's internal control system which covered:

- Entity level review including control environment; risk assessment; control activities; information and communications; and monitoring activities;

- Operating cycles review, including among other things, financial reporting process; revenue and accounts receivable management; inventory management and logistics; production and costing; bank and cash management; fixed assets management; human resources and payroll process; and information technology general control; and

- Review on compliance procedures of certain Listing Rules and SFO requirement, including among other things, Chapters 13, 14, 14A and Appendix 16 of the Listing Rules and Part XIVA of the SFO.

Our internal control consultant is engaged in providing a broad range of corporate governance and risk advisory, internal audit and internal controls regulatory compliance services to its clients including listed companies and companies preparing for listing in Hong Kong.

Our internal control consultant carried out the internal control review in April 2018 and provided our Group with an internal control report of its findings. Whilst none of the findings were deemed by the internal control consultant to be material breaches of internal control, the internal control report contained a number of recommendations for our management's consideration to further enhance our internal control system.

The internal control consultant's recommendations included, among others:

- Regular review of the chart of accounts to remove/amend accounts which are deactivated or not in use;
- Ensuring that proper documentation is established in respect of the application for reopening prior periods general ledger with appropriate approval from designated personnel;
- Ensuring that customer's credit terms are approved in accordance with the authorised limit and maintain approval documentation;
- To perform periodic fixed asset count which is witnessed by an independent personnel who does not maintain the fixed asset registers and ensure that the fixed asset count report is prepared and signed by the responsible staff; and
- To include any recommendations by the internal control consultant in the Company's relevant written policies and procedures.

Our internal control consultant completed a follow-up review on our internal control measures in May 2018 and confirmed that all the remedial and improvement measures pursuant to such recommendations have been implemented. After considering our remedial actions and results of the reviews by our internal control consultant, our Directors were of the view that our internal control system and corporate governance measures are adequate and effective for our Group's operations.

BOARD OF DIRECTORS

Our Board is responsible, and has general powers, for the management and conduct of our business. Our Board currently consists of seven Directors, including three executive Directors, one non-executive Director and three independent non-executive Directors. The following table sets out information regarding members of the Board:

Name	Age	Position	Date of joining our Group	Date of appointment as Director	Roles and responsibilities
Mr. Richard Francis Celarc	62	Chairman and Executive Director	17 September 1979	28 May 2018	Responsible for the overall strategic planning and management of our Group
Mr. Lau Chuk Kin (劉竹堅)	66	Executive Director	24 October 2014	23 April 2018	Responsible for the overall strategic planning and management of our Group
Ms. Tang Tsz Ying (鄧紫瑩)	33	Executive Director	22 June 2016	23 April 2018	Responsible for overseeing finance and company secretarial function of our Group
Mr. Paul Antony Young	63	Non-Executive Director	25 November 2014	28 May 2018	Responsible for providing capital market knowledge and assisting in strategic planning of our Group
Mr. Chan David Yik Keung (陳奕强)	66	Independent non-Executive Director	8 October 2018	8 October 2018	Supervising and providing independent advice to the Board
Mr. David Ho (何大衞)	69	Independent non-Executive Director	8 October 2018	8 October 2018	Supervising and providing independent advice to the Board
Mr. Tsui King Chung David (徐景松)	71	Independent non-Executive Director	8 October 2018	8 October 2018	Supervising and providing independent advice to the Board

Executive Directors

Mr. Richard Francis Celarc, aged 62, is our chairman and our executive Director. Mr. Celarc was appointed as our executive Director on 28 May 2018. He is responsible for the overall strategic planning and management of our Group. Mr. Celarc is also a director of each of our subsidiaries. Mr. Celarc is an executive director and the chairman of OPUS.

Mr. Celarc finished his school certificate with Strathfield South High School in Australia in 1971. He then furthered his study with Bankstown TAFE in Australia for a three year Commerce and Account certificate course.

Mr. Celarc has around 40 years of experience in the printing business in Australia and co-founded Ligare in 1979. He initially served as an accountant of Ligare, bringing a strong focus on costs and funding the growth of the business from its infancy. Mr. Celarc acquired full ownership of Ligare in 1996. Mr. Celarc has managed the business of Ligare since then.

Mr. Lau Chuk Kin (劉竹堅), aged 66, was appointed as our Director on 23 April 2018 and re-designated as executive Director on 28 May 2018. Mr. Lau is responsible for the overall strategic planning and management of our Group. Mr. Lau is an executive director of OPUS.

Mr. Lau obtained a Bachelor of Arts degree from the University of Minnesota in the United States in 1974 and a Master of Business Administration degree from the Chinese University of Hong Kong in 1984.

Mr. Lau has over 28 years of experience in the printing business. He was a director of Norman Broadbent (Hong Kong) Limited, an executive search consultancy in Hong Kong, from October 1986 to January 1996. In 1990, he founded Midas Printing Group Limited (now known as Midas International Holdings Limited) (stock code: 1172), a printing company listed on the Stock Exchange, in which he was a director until April 2001. He was an executive director of Cinderella Media Group Limited (now known as KK Culture Holdings Limited) (stock code: 550), an advertising media, printing services and investment trading company listed on the Stock Exchange, from October 2002 to September 2015. Mr. Lau has been an executive director of Lion Rock Group Limited (stock code: 1127) since 16 March 2011. He was appointed as a director of The Quarto Group, Inc. (LSE: QRT), a global illustrated book publishing group listed on the London Stock Exchange, on 17 May 2018.

Ms. Tang Tsz Ying (鄧紫瑩), aged 33, was appointed as our Director on 23 April 2018 and re-designated as executive Director on 28 May 2018. Ms. Tang is responsible for overseeing the finance and company secretarial function of our Group. Ms. Tang joined our Group on 22 June 2016 as the vice president – finance of our Group. Ms. Tang is an executive director of OPUS.

Ms. Tang obtained a Bachelor of Business Administration in Accountancy degree from the Hong Kong Polytechnic University in 2008. She was admitted as a member of the Hong Kong Institute of Certified Public Accountants in January 2012. She was admitted as a member of The Institute of Chartered Accountants in Australia in June 2013.

Before joining our Group, Ms. Tang worked as a staff accountant in Ernst and Young (Hong Kong) from September 2008 to September 2010, and was then promoted to a senior accountant in October 2010 where she was responsible for leading the engagement team to perform audit work. She has been based in Sydney since January 2013 and worked as an audit senior in Prosperity Adviser Group, a business advisory company from March 2013 to May 2013. She then worked as an audit manager in Ernst and Young Service Pty Limited (Sydney) from May 2013 to June 2016, where she was responsible for managing audit engagements from planning to conclusion and reporting to audit partners.

Non-executive Director

Mr. Paul Antony Young, aged 63, was appointed as our non-executive Director on 28 May 2018. Mr. Young is responsible for providing capital market knowledge and assisting in strategic planning of our Group. Mr. Young is the non-executive director of OPUS.

Mr. Young obtained a Master of Arts degree from the University of Cambridge in May 1996 following a bachelor's degree in arts in June 1978. He was admitted as a foundation fellow of the Australian Institute of Company Directors in January 1990. He became an Associate of the Institute of Chartered Accountants in England and Wales in 1981 and was granted the corporate finance qualification in February 2007 and admitted as a fellow in October 2014.

Mr. Young was the co-founder and an executive director of Baron Partners Limited, a corporate advisory firm established in 1987 which merged its business with Henslow Pty Ltd in May 2018. He was formerly a chartered accountant in London, the United Kingdom and Sydney, Australia. He has extensive experience in the provision of corporate advice to a wide range of listed and unlisted companies including restructurings, capital raisings, initial public offerings and mergers and acquisitions.

Mr. Young has been a non-executive director of Ambition Group Limited (ASX: AMB), an ASX listed company in the recruitment sector with operations in Australia, Asia and the United Kingdom, since September 1999 and a non-executive director of Byron Energy Limited (ASX: BYE), an ASX listed company with an oil and gas exploration, development and production business operating in the Gulf of Mexico, USA, since March 2013. He has also been a non-executive director of Enware Australia Pty Limited, a specialist manufacturer and marketer of plumbing and safety products, since October 1990, JURA Espresso Australia Pty Limited, an importer and marketer of automatic coffee machines, since April 2009, and Gradability Pty Limited (formerly known as Performance Education Pty Ltd), a private education provider, since March 2012.

Independent Non-executive Directors

Mr. Chan David Yik Keung (陳奕强), aged 66, was appointed as our independent non-executive Director with effect from 8 October 2018. He is responsible for supervising and providing independent advice to the Board.

Mr. Chan obtained a Bachelor of Science Degree from Imperial College London (formerly known as Imperial College of Science and Technology) in August 1974. He obtained a Master of Business Administration Degree from DePaul University in Chicago in December 1998. Mr. Chan has been a member of the Institute of Chartered Accountants in England and Wales since 1981 and The Hong Kong Institute of Certified Public Accountants since 1982.

From December 1987 to September 2006, Mr. Chan held several positions, including head of internal control, executive vice president and head of financial control group in Fubon Bank (Hong Kong) Limited (formerly known as International Bank of Asia Limited). He was a responsible officer of FB Investment Management Limited and FB Securities (Hong Kong) Limited, companies principally engaged in fund management and securities broking, from April 2003 to September 2006.

Mr. David Ho (何大衞), aged 69, was appointed as our independent non-executive Director with effect from 8 October 2018. He is responsible for supervising and providing independent advice to the Board.

Mr. Ho obtained a Master of Business Administration Degree from The Chinese University of Hong Kong in 1985. He has been a fellow member of the Association of Chartered Certified Accountants since 1981, The Hong Kong Institute of Certified Public Accountants since 1984 and The Australian Society of Certified Practicing Accountants since 1998.

Mr. Ho has over 40 years of experience in finance and accounting. He started his training in accounting and auditing with Peat, Marwick, Mitchell & Co., an accounting firm, from August 1968 until December 1972. Mr. Ho worked as a disbursement supervisor at Sea-Land Service, Inc., a company principally engaged in container shipping, from December 1972 and promoted to an assistant manager in January 1974. From January 1975 to August 1979, Mr. Ho held different positions including accountant/office manager and financial controller of South-East Asia at PA Consulting Services Limited, a company principally engaged in management consulting. Mr. Ho served different positions, such as financial controller, assistant general manager, in different subsidiaries of Shui On Group, a group principally engaged in construction and contracting, construction materials, property development and investment, from August 1979 to October 1985. Mr. Ho worked as a financial controller at Invetech Operations Pty Limited, a company principally engaged in industrial and product design, instrument development and contract manufacturing, from July 1986 to May 1987. He was with Central Textiles (Hong Kong) Limited, a company principally engaged in yarn and fabric manufacturing, from March 1988 and was a director before he retired in July 2007. Mr. Ho has been an independent non-executive director of Build King Holdings Limited (stock code: 240), a construction company listed on the Stock Exchange, since 8 September 2004 and was an independent non-executive director of Cinderella Media Group Limited (now known as KK Culture Holdings Limited) (stock code: 550) from 2 February 2010 to 22 September 2015.

Mr. Tsui King Chung David (徐景松), aged 71, was appointed as our independent non-executive Director with effect from 8 October 2018. He is responsible for supervising and providing independent advice to the Board.

Mr. Tsui finished his O level examination and A level examination of University of London/Hong Kong in 1965 and 1966, respectively.

Mr. Tsui started his career in information technology in 1970 and held a number of key positions in various banks in Hong Kong. Mr. Tsui joined the Chase Manhattan Bank, N.A., a company principally engaged in consumer and commercial banking business, as a system and programming manager in July 1978 and left as the North Asia technology manager in October 1996. From August 1996 to September 2003, Mr. Tsui held different positions including group information technology officer and managing director in Dao Heng Bank Limited, which was acquired by DBS Bank (Hong Kong) Limited in 2001 where he was responsible for overseeing all information technology matters supporting the business growth. Since February 2004, he was the president and chief executive officer of Hong Leong Credit Berhad (now known as Hong Leong Financial Group Berhad) (stock code: 1082.kl), a company principally engaged in banking, insurance and security trading business listed on the Kuala Lumpur Stock Exchange, before his retirement in 2006. Mr. Tsui was an independent non-executive director of Lion Rock Group Limited (stock code: 1127) from June 2011 to 14 September 2018.

Save as disclosed above, none of our Directors has been a director of other listed entities for the three years immediately preceding the date of this prospectus.

SENIOR MANAGEMENT

The following table sets out information regarding the senior management of our Group:

Name	Age	Position	Date of joining our Group	Appointment date	Roles and responsibilities
Mr. Robert Kenneth Huismann	56	Site operation manager	28 September 1992	28 October 2013	Responsible for overseeing the day-to-day operation of the MPG Facility
Mr. Mukesh Chand	54	Site operation manager	16 November 1987	1 May 2015	Responsible for overseeing the day-to-day operation of the Ligare Facility
Mr. David Cheng (鄭國權)	43	Operations director	28 May 2018	28 May 2018	Responsible for supervising the procurement and logistics functions of our Group

Name	Age	Position	Date of joining our Group	Appointment date	Roles and responsibilities
Mrs. Debra Gaye Davies	51	Manager of sales	31 January 1984	1 May 2018	Responsible for overseeing sales function of MPG
Ms. Robyn Elizabeth Finniecome	54	Business development manager	8 October 2007	1 January 2015	Responsible for developing new business and overseeing sales function of mainly Ligare
Ms. Deborah Louise Shields	52	Sales manager	2 February 2014	12 April 2016	Responsible for overseeing sales function of CanPrint Communications

Mr. Robert Kenneth Huismann, aged 56, was appointed as site operation manager of MPG on 28 October 2013. Mr. Huismann is responsible for overseeing the day-to-day operation of the MPG Facility. Mr. Huismann has over 25 years of experience in the printing industry. He joined MPG on 28 September 1992 as an apprentice and was promoted to leading hand in July 1997, bindery supervisor in June 2001, bindery manager in October 2005, manufacturing manager in 2010 and operations manager in 2013.

Mr. Huismann completed a team leader course offered by the Printing and Allied Trade Employers' Federation of Australia in September 1994. Mr. Huismann also completed the apprenticeship training in binding and finishing and obtained a certificate of completion of apprenticeship from the State Training Board of Victoria in September 1994.

Mr. Mukesh Chand, aged 54, was appointed as site operation manager of Ligare on 1 May 2015. Mr. Chand is responsible for overseeing the day-to-day operation of the Ligare Facility. Mr. Chand has over 30 years of experience in the printing industry. He joined our Group on 16 November 1987 as process worker, and was promoted to complete apprentice in 1992, bindery supervisor in 1996, factory bindery manager in 2001 and site operation manager on 1 May 2015.

Mr. Chand studied at D.A.V. Boys' College in the Republic of Fiji from 1978 to 1981. Mr. Chand obtained an advanced certificate in supervisory management and a certificate in accounting from the Fiji Institute of Technology in December 1986. Mr. Chand obtained a binding and finishing trade certificate from Tafe NSW Ultimo in 1991.

Mr. David Cheng (鄭國權), aged 43, was appointed as operations director of our Group on 28 May 2018. Mr. Cheng is responsible for supervising the procurement and logistics functions of our Group.

Mr. Cheng obtained a Bachelor of Science degree from the University of Hong Kong in December 1998. Mr. Cheng further obtained a Master of Science degree in Business Information Systems and a Master of Arts degree in Operations and Supply Chain Management from the City University of Hong Kong in February 2009 and October 2010, respectively. Mr. Cheng was granted the qualification of project management professional by Project Management Institute from August 2010 to August 2016.

Before joining our Group, Mr. Cheng served in different positions, including production management trainee, purchasing officer, purchasing and PMC officer, purchasing manager and procurement manager at Midas Printing Group Limited, a books and paper products printing company, from October 1998 to July 2008, where he was responsible for group procurement. Mr. Cheng worked as a supply chain manager at Salmat Asia Limited, a business process outsourcing company, from November 2008 to January 2011, where he was responsible for supply chain operations. Mr. Cheng worked as a supply chain manager at Disruptive Hong Kong Limited, a design and trading company, from August 2011 to September 2012, where he was responsible for supply chain operations. Mr. Cheng worked as a senior business analysis manager at Merck Performance Materials Hong Kong Services Ltd., a pharmaceutical, chemical and life sciences company, from July 2013 to March 2016. Mr. Cheng was the operation manager of 1010 Printing, a subsidiary of Lion Rock, from 19 February 2016 to 27 May 2018.

Mrs. Debra Gaye Davies, aged 51, was appointed as a manager of sales of MPG on 1 May 2018. Mrs. Davies is responsible for overseeing sales function of MPG. Mrs. Davies has over 30 years of experience in the field of customer services. She joined our Group on 31 January 1984 and left in 1997. She re-joined our Group on 3 March 1998, after a five months break. She held various positions at MPG, such as client service personnel, IBM account executive, customer service co-ordinator, estimating and client service.

Mrs. Davies completed the apprenticeship training provided by Industrial Training Commission of Victoria in graphic reproduction in December 1987. Mrs. Davies obtained a computer business applications certificate from London Campaspe College of TAFE in September 1990. Mrs. Davies obtained a certificate III in management from Bendigo Regional Institute of TAFE in 2004 and a certificate IV in business development from Pinnacle Performax in 2005.

Ms. Robyn Elizabeth Finniecome, aged 54, was appointed as a business development manager of Ligare on 1 January 2015. Ms. Finniecome is responsible for developing new business and overseeing sales function of mainly Ligare. She has over 25 years of experience in sales and marketing. She joined our Group on 8 October 2007 as a sales manager at Ligare and was appointed as business development manager in 2015.

Ms. Finniecome obtained a Bachelor of Commerce degree from the University of New South Wales in April 1986. She completed the training program Essential Selling Skills II provided by the Australian Institute of Management NSW & ACT Limited in March 2003.

Before joining our Group, Ms. Finniecome worked as a sales and marketing manager at Southwood Press Pty Limited, a booking-publishing company, from October 1990 to October 2007, where she was responsible for sales direction.

Ms. Deborah Louise Shields, aged 52, was appointed as a sales manager on 12 April 2016 of CanPrint Communications. Ms. Shields is responsible for overseeing sales function of CanPrint Communications. Ms. Shields joined our Group on 2 February 2014 as a customer service representative and was promoted to sales support manager at CanPrint Communications on March 2015.

Ms. Shields completed business services training and project management training provided by WISDOM Learning Pty Ltd in March and October 2012, respectively. Ms. Shields attended a "Managing Your Sales Team" training course at the Australian Institute of Management in September 2016.

Before joining our Group, Ms. Shields worked as a senior account manager at CouchCreative, a company principally engaged in graphic design and communication services from July 2005 to February 2012, where she was responsible for coordinating the production of a wide range of marketing communications and managing marketing campaign logistics. She worked as a studio manager at Goosebumps Creative, a company principally engaged in graphic design and communication services, from February 2012 to November 2013, where she was responsible for project and account management.

Save as disclosed in this prospectus, none of our senior management is related to any of our Directors, members of senior management, substantial Shareholders or Controlling Shareholders, and none of our senior management has been a director of any public company, the securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this prospectus.

COMPANY SECRETARY

Ms. Tang Tsz Ying is our executive Director and company secretary. Please refer to the paragraph headed "Executive Directors" in this section for further information pertaining to Ms. Tang's biography.

COMPLIANCE ADVISER

We have appointed Optima Capital Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance adviser will advise us on the following circumstances:

- before the publication of any regulatory announcement, circular or financial report;
- where a transaction, which might be a notifiable or connected transaction or constitute price sensitive information of our Company, is contemplated including share issues and share repurchases;
- where we propose to apply 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
- where the Stock Exchange makes an inquiry of us in respect of unusual price movement and trading volume or other issues under Rule 13.10 of the Listing Rules.

The terms of appointment shall commence on the Listing Date and end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing Date.

BOARD COMMITTEES

We have established the following committees in our Board of Directors: an Audit Committee, a Remuneration Committee and a Nomination Committee. The committees operate in accordance with terms of reference established by our Board of Directors.

Audit Committee

We established our Audit Committee on 7 September 2018 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C3 and paragraph D3 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. Our Audit Committee consists of four members, namely Mr. Young, Mr. Chan David Yik Keung, Mr. David Ho and Mr. Tsui King Chung David. Mr. David Ho, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules, is the chairman of the Audit Committee. The primary duties of our Audit Committee are to make recommendations to our Board on the appointment and removal of external auditor, to review the financial statements and material advice in respect of financial reporting and to oversee the audit process and internal control procedures of our Company.

Remuneration Committee

We established our Remuneration Committee on 7 September 2018 with written terms of reference in compliance with paragraph B1 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. Our Remuneration Committee consists of four members, namely Mr. Tsui King Chung David, Mr. Chan David Yik Keung, Mr. David Ho, and Mr. Lau. Mr. Tsui King Chung David is the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee include, but not limited to, the following: (i) making recommendations to our Board on our policy and structure for the remuneration of all our Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration; (ii) determining the specific remuneration packages of all Directors and senior management; and (iii) reviewing and approving management's remuneration by reference to corporate goals and objectives resolved by our Board from time to time.

Nomination Committee

We established our Nomination Committee on 7 September 2018 with written terms of reference in compliance with paragraph A5 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules. Our Nomination Committee consists of four members, namely, Mr. Celarc, Mr. Tsui King Chung David, Mr. Chan David Yik Keung and Mr. David Ho. The chairman of our Nomination Committee is Mr. Celarc. The primary duties of the Nomination Committee include, without limitation, reviewing the structure, size and composition of our Board of Directors, assessing the independence of our independent non-executive Directors and making recommendation to our Board on matters relating to the appointment of Directors.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

Our Directors and senior management receive compensation in the form of salaries, allowances, bonuses and other benefits-in-kind, including our contribution to the pension scheme. Our Remuneration Committee determines the salaries of our Directors based on each Director's qualification, position and seniority.

The aggregate amount of remuneration (including fees, salaries, allowances and benefits-in-kind, post-employment benefits and long-term benefits) paid to our Directors for each of the three years ended 31 December 2017 and the three months ended 31 March 2018 was approximately AUD0.4 million, AUD0.5 million, AUD0.5 million and AUD0.1 million, respectively.

The five highest paid individuals included one, one, one and two directors for each of the three years ended 31 December 2017 and the three months ended 31 March 2018 respectively, where emoluments are abovementioned. The aggregate amount of remuneration (including salaries, allowances and benefits-in-kind and post-employment benefits (where applicable)) paid to our four, four, four and three highest paid non-director individuals for each of the three years ended 31 December 2017 and the three months ended 31 March 2018 was approximately AUD1.0 million, AUD0.9 million, AUD0.7 million and AUD0.2 million, respectively.

No remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining our Group. No compensation was paid to, or receivable by, our Directors or past Directors during the Track Record Period for the loss of office as director of any member of our Group or any other office in connection with the management of the affairs of any member of our Group. None of our Directors waived any emoluments during the same period.

Our policy concerning the remuneration of our Directors is that the amount of remuneration is determined on the basis of the relevant Director's experience, responsibility, performance and the time devoted to our business.

Save as disclosed in this prospectus, no Director has been paid in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as a Director, or otherwise for service rendered by him/her in connection with the promotion or formation of us.

POTENTIAL COMPETING INTERESTS

Set out below are the interests of one of our Directors in businesses which may compete with our business for the purpose of Rule 8.10(2) of the Listing Rules as at the Latest Practicable Date:

Name of Director	Name of company	Nature of business	Nature of interest
Mr. Celarc	Ligare (NZ)	Printing of Quick Turnaround Time Education Books	A shareholder holding 100% interests and as a director

Ligare (NZ)

Ligare (NZ) was disposed of by us on 1 January 2017. For the reasons of our disposal of Ligare (NZ), please refer to paragraph headed "History and Corporate Structure – Disposal of subsidiaries – Ligare (NZ)" in this prospectus. As at the Latest Practicable Date, Mr. Celarc was the director and shareholder, holding 100% of the issued share capital of Ligare (NZ). The Directors consider that there is no actual competing business between our Group and Ligare (NZ) due to the following reasons:

(i) Different geographical segments

Our Group is a one stop shop printing solutions and services provider based in Australia. Our printed products include (a) read-for-pleasure books; (b) Government Printed Matters; (c) Quick Turnaround Time Education Books; and (d) catalogues, operating manuals and promotional leaflets. Ligare (NZ) is primarily engaged in the printing of Quick Turnaround Time Education Books in New Zealand.

Despite the fact that we and Ligare (NZ) are both engaged in the printing of Quick Turnaround Time Education Books, we operate our printing operation and business within Australia while Ligare (NZ) operates its printing business within New Zealand. During the Track Record Period, most of our printed products were delivered within Australia while most of the printed products of Ligare (NZ) were delivered within New Zealand.

(ii) Different services

We are a one stop shop printing solutions and services provider based in Australia. Our printing process and services cover, inter alia, printing solution consultation, production planning and scheduling, pre-press, offset printing, digital printing, post-press, quality check and packaging and delivery. On the other hand, Ligare (NZ) provides only digital printing services and does not have a perfect or case binding line.

In addition to the printed products we offered to our customers, we also provide printing related services, such as warehousing and direct mailing, call centre services and ancillary services through our proprietary IPALM platform. For details of our printing solutions and services, please refer to the paragraphs headed "Business – Our business model and our operation flow" and "Business – Our products and services – Our printing related services" in this prospectus. On the other hand, although Ligare (NZ) provides warehousing and fulfilment services of Quick Turnaround Time Education Books mainly within New Zealand, it does not possess the technology nor the expertise to provide supply chain management services for the publishing industry, such as call centre services or any IPALM related services to any of its customers.

(iii) Different target customers

Our target customers were principally comprised of (a) Australia-based book publishers and media and information providers; (b) international book publishers; (c) Australian government related entities; and (d) business owners and other organisations in Australia. The target customers of Ligare (NZ) were book publishers in New Zealand.

During the Track Record Period, save for one common customer, we and Ligare (NZ) did not have any other common customers. Such common customer was due to the fact that Ligare (NZ) did not have the necessary equipment (case binding machines) nor technology (IPALM) to provide to the common customer certain printing and binding services and IPALM related services which were requested by the common customer. As such, such common customer approached our Company to provide such services instead.

(iv) Different operating scales

For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, our revenue was approximately AUD80.7 million, AUD87.0 million, AUD79.2 million and AUD19.3 million, respectively. As at the Latest Practicable Date, we had 299 employees.

For the year ended 31 December 2017 and the three months ended 31 March 2018, the unaudited revenue of Ligare (NZ) was approximately NZD0.8 million and NZD0.3 million, respectively. As at the Latest Practicable Date, Ligare (NZ) had three employees.

Based on the aforesaid, there is no actual competing business between our Group and Ligare (NZ). Given that (a) our Group and Ligare (NZ) served customers in different geographical markets; (b) Ligare (NZ) does not provide one stop shop printing solutions and services and does not possess the technology nor the expertise to provide supply chain management services for the publishing industry that its customers require; (c) our Group and Ligare (NZ) served different target customers; and (d) our Group and Ligare (NZ) were of different operating scales, our Directors considered that the possibility of Ligare (NZ) competing with our Group is remote. Therefore, our Directors were of the view that the competition between our Group and Ligare (NZ), if any, is not extreme and such competition would not affect our Company's suitability for Listing.

Our Group's measures to prevent any potential conflicts of interests with Ligare (NZ)

Our Company has adopted or will adopt the following corporate governance measures to manage the potential conflict of interests arising from Mr. Celarc's interests in Ligare (NZ) and to protect the interests of our Company:

(i) our executive Directors (including Mr. Celarc) have given certain non-competition undertakings in their respective service contract with our Group, which provides that, inter alia, subject to the conditions and terms contained therein, each of them shall not carry on or be concerned or interested, directly or indirectly, in any capacity in any business which is in competition with our Group, nor become a holder of five percent (5.0%) or more of the issued shares or debentures of any company listed on any recognised stock exchange;

(ii) Mr. Celarc has attended training sessions to reinforce his awareness of his fiduciary duties as a Director which require him to, among other things, act for the benefit and in the best interests of our Company when a potential conflict of interests arises;

(iii) our Board will operate in accordance with the Memorandum of Association and the Bye-laws, which require Mr. Celarc to abstain from voting on (nor be counted in the quorum in relation to) any resolution of the Board in respect of any contract, transaction or arrangement in which Mr. Celarc or any of his close associates is materially interested;

(iv) Mr. Celarc will inform the Board of any of his competing businesses in a timely manner, this includes when Ligare (NZ) decides to engage in business which would compete with that of our Group;

(v) our independent non-executive Directors will review the competing interests held by Mr. Celarc on an annual basis and Mr. Celarc will provide all the information necessary in this connection; and

(vi) the decisions on matters reviewed by our independent non-executive Directors will be disclosed in our annual reports.

Further, since Ligare (NZ) is a connected person, should there be any transaction to be entered into between our Group and Ligare (NZ) after the Listing, the requirements regarding connected transactions of the Listing Rules will be complied with by our Group.

OUR CONTROLLING SHAREHOLDERS

Upon Listing, our Company will be owned as to approximately 62.05% by Bookbuilders BVI. Bookbuilders BVI will be the immediate holding company of our Company and is wholly-owned by 1010 Group, which is in turn wholly-owned by Lion Rock. As at the Latest Practicable Date, Mr. Lau, through City Apex, ER2 Holdings and in his personal capacity, was beneficially interested in approximately 41.14% of the issued share capital of Lion Rock. As such, each of Bookbuilders BVI, 1010 Group, Lion Rock, City Apex, ER2 Holdings and Mr. Lau is deemed to be the Controlling Shareholder of our Company for the purpose of the Listing Rules.

Bookbuilders BVI, 1010 Group, City Apex and ER2 Holdings are investment holding companies and are not engaged in any business operations. Lion Rock is a company listed on the Main Board of the Stock Exchange (stock code: 1127) and is the holding company of the Lion Rock Group, which is principally engaged in the business of book printing in the PRC and Singapore. However, save as disclosed in the paragraph headed "Independence from our Controlling Shareholders" in this section, each of our Controlling Shareholders has confirmed that it/he does not have any direct or indirect interest in any business or companies that competes or may compete with our business activities.

NO COMPETITION BETWEEN OUR GROUP AND THE LION ROCK GROUP

Having considered the independence in management, business operations, financing and administration between our Group and the Lion Rock Group, our Directors believed that the Lion Rock Group does not compete with our Group. For further details, please refer to the paragraph headed "Independence from our Controlling Shareholders" in this section.

Save as disclosed in this section and in the paragraph headed "Directors and Senior Management – Potential competing interests" in this prospectus, our Controlling Shareholders and our Directors confirmed that none of them has any direct or indirect interest in any businesses or companies that engage in any business activities that compete or may compete with our business activities.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

The Board is satisfied that our Group can operate independently from the Lion Rock Group and our Controlling Shareholders after the Listing based on the following:

Clear business delineation between the business of our Group and the Lion Rock Group

Although both our Group and the Lion Rock Group are principally engaged in the printing business, the business and/or scope of services provided by each of our Group and the Lion Rock Group differ significantly.

The table below sets out the major differences between the business and/or scope of services provided by each of our Group and the Lion Rock Group:

Item	**Business and/or services provided by the Lion Rock Group**	**Business and/or services provided by our Group**
Nature	Mainly printing of (i) Coffee Table Books; (ii) Long Lead Time Education Books; (iii) children's books; and (iv) stationery products	Mainly printing of (i) read-for-pleasure books; (ii) Government Printed Matters; (iii) Quick Turnaround Time Education Books; and (iv) catalogues, operating manuals and promotional leaflets
Target customers	Customers from the Americas and Europe	Customers from Australia
Typical turnaround time from placing order to delivery	More than 21 calendar days	Less than 21 calendar days
Principal place of business/ operations	Hong Kong and the PRC	Australia
Location of production premises	the PRC and Singapore	Australia
Printing method	Mainly offset printing	Mainly digital and offset printing
Ancillary services	Nil	• Warehousing and direct mailing • Call centre services • IPALM related services

As shown in the table above, there is clear business delineation between the respective products, services, customers and geographic operations between our Group and the Lion Rock Group. In practice, their respective business operations are independent from each other.

During the Track Record Period, Lion Rock provided printing services of (i) Coffee Table Books; (ii) Long Lead Time Education Books; (iii) children's books; and (iv) stationery products to customers in Australia. During the Track Record Period, revenue generated from the printing business in Australia by the Lion Rock Group (excluding our Group) constituted approximately 10.2%, 9.3%, 13.1% and 9.6%, respectively, of the consolidated revenue of the Lion Rock Group (including our Group). There were overlapping customers between our Group and the Lion Rock Group in Australia mainly because such customers might engage the Lion Rock Group to provide products which our Group did not produce. In spite of the above, the Directors submitted that the Lion Rock Group did not compete with our Group in Australia because (i) during the Track Record Period, the product offering by the Lion Rock Group to the overlapping customers, being mainly Coffee Table Books, was different from that to the products offered by us; and (ii) there was a clear business delineation between the respective product offering by our Group and the Lion Rock Group.

As at the Latest Practicable Date, our Company did not plan to expand in any jurisdictions other than Australia in the future. Members of the Lion Rock Group (excluding our Group) do not, and are not expected to engage in any business activities that compete or will compete with those of our Group.

Management independence

Our Company aims to establish and maintain a strong and independent Board to oversee our Group's business. Our Board's main function includes the approval of the overall business plans and strategies and the management of our Company. Our Group has an independent management team, which is led by a team of senior management with substantial experience and expertise in our business, to implement our Group's policies and strategies.

Our Board consists of seven Directors, comprising three executive Directors, one non-executive Director and three independent non-executive Directors. As our Company is a consolidated subsidiary of Lion Rock, Mr. Lau, who is an executive director of the Lion Rock Group, is also an executive Director of our Company. Mr. Tsui King Chung David was an independent non-executive Director of Lion Rock Group Limited (stock code: 1127) from June 2011 to 14 September 2018. Save as disclosed hereinabove, none of our Directors and senior management had overlapping roles or responsibilities in any business operations of our Controlling Shareholders and their respective close associates (other than our Group).

All of our independent non-executive Directors are sufficiently experienced and are capable of monitoring our operation independently of our Controlling Shareholders. Therefore, our Directors were of the view that the interests of our Shareholders can be safeguarded. For details of our independent non-executive Directors, please refer to the section headed "Directors and Senior Management" in this prospectus.

Each of our Directors is aware of his/her fiduciary duties as a Director which require, among other things, that he/she acts for the benefit and in the best interest of our Company and not to allow any conflicts between the interest of our Company and his/her personal interest. In the event that a potential conflict of interest of a material nature arises out of any transaction to be entered into between us and our Directors or their respective close associates, the interested Director(s) shall, unless otherwise permitted by the Bye-laws, abstain from voting at the relevant Board meetings in respect of such transaction and shall not be counted in the quorum.

All of our senior management members were independent from our Controlling Shareholders. They have substantial experiences in the industry we are engaged in and have served our Group for a significant length of time during which they have demonstrated their capability of discharging their duties independently from our Controlling Shareholders.

Based on the above, our Directors are satisfied that our Board as a whole together with our senior management team is able to perform the management role in our Group independently.

Financial independence

Our Company has an independent financial system and makes financial decisions according to our Group's own business needs. All loans, advances and balances due from/to our Controlling Shareholders and their respective close associates have been fully settled or repaid before Listing. Our Directors confirmed that all guarantees and indemnities provided by/to our Controlling Shareholders and their respective close associates on our Group's borrowings will be fully released upon Listing.

As such, our Directors believed that we are able to maintain financial independence from our Controlling Shareholders and their close associates.

Operational independence

We are independent from our Controlling Shareholders as we do not share operational capabilities with our Controlling Shareholders, and we have independent access to suppliers and customers, as well as an independent management team to handle our day-to-day operations. We are also in possession of all relevant licences necessary to carry on and operate our business and we have sufficient operational capacity in terms of capital and employees to operate independently from our Controlling Shareholders.

CORPORATE GOVERNANCE MEASURES

We have adopted the Corporate Governance Code and will comply with the code provisions in the Corporate Governance Code. The Corporate Governance Code sets out principles of good corporate governance in relation to, among other things, directors, the chairman and chief executive officer, board composition, the appointment, re-election and removal of directors, their responsibilities and remuneration and communications with shareholders.

We are also required to comply with the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules, which provides, among other things, prohibitions on directors' dealings in securities and protection of minority shareholders' rights. Our Directors were therefore satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest between us and our Controlling Shareholders, and to protect minority Shareholders' rights after the Listing.

We are committed to the view that our Board should include a balanced composition of executive and non-executive Directors (including independent non-executive Directors) so that there is a strong independent element in our Board which can effectively exercise independent judgment. Our independent non-executive Directors, details of whom are set out in the section headed "Directors and Senior Management" in this prospectus, individually and together possess the requisite knowledge and experience for our Board. All of our independent non-executive Directors are experienced and are committed to providing impartial and professional advice to protect the interest of our minority Shareholders.

So far as our Directors are aware, each of the following persons will, immediately after completion of the Reorganisation and the Share Offer, have an interest or short position in our Shares or underlying Shares which would be required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, are directly or indirectly, be interested in 10.0% 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 of our Company's subsidiaries:

Name of Shareholder(s)	Capacity/Nature of interest	Total number of Shares/ underlying Shares held immediately following the completion of the Reorganisation and Share Offer	Approximate percentage
Mr. Lau *(Note)*	Interest held by controlled corporations	314,521,734	62.05%
ER2 Holdings *(Note)*	Interest held by controlled corporations	314,521,734	62.05%
City Apex *(Note)*	Interest held by controlled corporations	314,521,734	62.05%
Lion Rock *(Note)*	Interest held by controlled corporations	314,521,734	62.05%
1010 Group *(Note)*	Interest held by controlled corporation	314,521,734	62.05%
Bookbuilders BVI *(Note)*	Beneficial owner	314,521,734	62.05%

Note: Bookbuilders BVI is a wholly-owned subsidiary of 1010 Group. 1010 Group is a wholly-owned subsidiary of Lion Rock. Lion Rock is held directly by City Apex, ER2 Holdings and Mr. Lau as to 33.52%, 1.08% and 6.54% respectively. City Apex is an investment holding company and is owned as to 77.00% by ER2 Holdings. ER2 Holdings is an investment holding company and is owned as to 68.76% by Mr. Lau. By virtue of the SFO, each of 1010 Group, Lion Rock, City Apex, ER2 Holdings and Mr. Lau is deemed to be interested in all the Shares and underlying Shares held by Bookbuilders BVI.

Save as disclosed above, our Directors are not aware of any persons who will, immediately following completion of the Reorganisation and the Share Offer, have an interest or a short position in our Shares or underlying Shares which would be required to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, interested in 10.0% 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 of our Company's subsidiaries.

THE CORNERSTONE PLACING

We have entered into the cornerstone investment agreement with a cornerstone investor (the "**Cornerstone Investor**"), pursuant to which the Cornerstone Investor has agreed to subscribe, or cause entities designated by him to subscribe for such number of Offer Shares in aggregate (rounded down to the nearest whole board lot of 3,000 Shares) which may be purchased with an amount of HK$30 million (the "**Cornerstone Placing**") at the Offer Price.

Assuming an Offer Price of HK$1.05 per Offer Share (being the mid-point of the indicative Offer Price range set out in this prospectus), the total number of Offer Shares subscribed for by the Cornerstone Investor would be 28,569,000, representing (i) approximately 27.2% of the Offer Shares under the Share Offer; or (ii) approximately 5.6% of the Shares in issue upon completion of the Share Offer.

Assuming an Offer Price of HK$1.00 per Offer Share (being the low end of the indicative Offer Price range set out in this prospectus), the total number of Offer Shares subscribed for by the Cornerstone Investor would be 30,000,000, representing (i) approximately 28.6% of the Offer Shares under the Share Offer; or (ii) approximately 5.9% of the Shares in issue upon completion of the Share Offer.

Assuming an Offer Price of HK$1.10 per Offer Share (being the high end of the indicative Offer Price range set out in this prospectus), the total number of Offer Shares subscribed for by the Cornerstone Investor would be 27,270,000, representing (i) approximately 26.0% of the Offer Shares under the Share Offer; or (ii) approximately 5.4% of the Shares in issue upon completion of the Share Offer.

To the best knowledge of our Company, the Cornerstone Investor is an Independent Third Party, is not a connected person (as defined under the Listing Rules) of our Company, and is not an existing Shareholder of our Company, OPUS or its respective close associates. Details of the actual number of Offer Shares to be allocated to the Cornerstone Investor will be disclosed in the allotment results announcement to be issued by our Company on or around Friday, 5 October 2018.

The Cornerstone Placing forms part of the Placing. The Offer Shares to be subscribed for by the Cornerstone Investor will rank pari passu in all respects with the other fully paid Shares then in issue upon completion of the Share Offer and to be listed on the Stock Exchange and will be counted towards the public float of our Company. The Cornerstone Investor will not subscribe for any Offer Shares under the Share Offer (other than and pursuant to the cornerstone investment agreement). Immediately following the completion of the Share Offer, the Cornerstone Investor will not have any board representation in our Company, nor will the Cornerstone Investor become a substantial Shareholder (as defined under the Listing Rules) of our Company. The Cornerstone Investor does not have any preferential rights as compared with other public Shareholders in the cornerstone investment agreement (save for the guaranteed allocation of the Offer Shares). The number of Offer Shares to be subscribed for by the Cornerstone Investor will not be affected by any reallocation of the Offer Shares between the Placing and the Public Offer described in paragraph headed "Structure of the Share Offer — The Public Offer" in this prospectus.

OUR CORNERSTONE INVESTOR

We have entered into the cornerstone investment agreement with the following Cornerstone Investor in respect of the Cornerstone Placing. Mr. Zen Wei Peu ("**Mr. Zen**") has agreed to subscribe for such number of Offer Shares (rounded down to the nearest whole board lot of 3,000 Shares) which may be purchased with an aggregate amount of HK$30 million (exclusive of brokerage fee, Hong Kong Stock Exchange trading fee and SFC transaction levy) at the Offer Price.

Mr. Zen is the co-chairman of Road King Infrastructure Limited, a company listed on the Stock Exchange (stock code: 1098). He is also the vice chairman and the chief executive officer of Wai Kee Holdings Limited, a company listed on the Stock Exchange (stock code: 610) and the chairman of Build King Holdings Limited, a company listed on the Stock Exchange (stock code: 240). He obtained a Bachelor of Science degree in Engineering and a Master of Business Administration degree. He is a Chartered Engineer, a member of the Institution of Civil Engineers, the United Kingdom and a fellow of The Institute of Quarrying, the United Kingdom.

CONDITIONS PRECEDENT

The subscription obligation of the Cornerstone Investor is subject to, among other things, the following conditions precedent:

(i) the Public Offer Underwriting Agreement and the Placing Underwriting Agreement being entered into and having become unconditional and all conditions precedent to completion set forth therein having been satisfied (or waived) by no later than the time and date as specified in the Underwriting Agreements and not having been terminated;

(ii) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Shares and such approval or permission having not been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;

(iii) the respective representations, warranties, undertakings and acknowledgements of the Cornerstone Investor under the cornerstone investment agreement are, at the relevant time, accurate and true in all material respects and not misleading and there being no material breach of the cornerstone investment agreement on the part of the Cornerstone Investor; and

(iv) no laws shall have been enacted or promulgated which prohibit the consummation of the transactions contemplated in the Share Offer and there being no orders or injunctions from a government authority which in effect precludes or prohibits the consummation of such transactions.

RESTRICTIONS ON DISPOSALS BY THE CORNERSTONE INVESTOR

The Cornerstone Investor has agreed that, without the prior written consent of our Company, the Sole Sponsor and the Sole Global Coordinator, it will not, whether directly or indirectly, at any time during the period of six months following the Listing Date, dispose of (as defined in the cornerstone investment agreement) any of the Shares subscribed for by him pursuant to the cornerstone investment agreement, other than transfers to any company wholly-owned by such Cornerstone Investor provided that such wholly-owned company undertakes that it will, and the Cornerstone Investor undertakes to procure that such company will, abide by the terms and restrictions imposed on the Cornerstone Investor.

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. Lion Rock Group Limited ("**Lion Rock**")

Lion Rock is a Hong Kong listed company principally engaged in the business of book printing in the PRC and Singapore and is one of the Controlling Shareholders upon completion of the Reorganisation.

2. D.M.R.A. Property Pty Limited ("**D.M.R.A. Property**")

D.M.R.A. Property is one of the Shareholders upon completion of the Reorganisation, which is principally engaged in property investment and holdings and is wholly-owned by Mr. Celarc.

3. Inscope Media Pty Limited ("**Inscope Media**")

Inscope Media is principally engaged in printing broker and graphic design business and is wholly-owned by Mr. Douglas Stephen Convoy, the son-in-law of Mr. Celarc.

FULLY EXEMPT CONTINUING CONNECTED TRANSACTION

The following transaction is carried out in our ordinary and usual course of our business on normal commercial terms where, as our Directors currently expect, each of the applicable percentage ratios calculated for the purpose of Chapter 14A of the Listing Rules will be less than 5% and the total consideration is less than HK$3,000,000. Such transaction qualifies under Rule 14A.76(1) of the Listing Rules as a continuing connected transaction fully exempt from relevant annual reporting, announcement requirement, the circular (including independent financial advice) and shareholders' approval requirements as set out in Chapter 14A of the Listing Rules.

Framework service agreement with Lion Rock

From time to time during the Track Record Period, we provided printing services to Lion Rock when we had capacity. We intend to continue providing ad-hoc printing services to Lion Rock after the Listing. On 16 August 2018, Lion Rock and our Company entered into a framework service agreement (the "**Service Agreement**") commencing from the Listing Date and ending on 31 December 2020, pursuant to which we agreed to provide ad-hoc printing services to Lion Rock from time to time. The service fees for the printing services to be paid by Lion Rock will be determined from time to time by the parties on arm's length basis and normal commercial terms and with reference to, among other things, the raw materials cost, quantity, labour cost, production cost, credit terms and terms of delivery, with the mark-up margin to be determined by considering our production schedule, seasonality factor and complexity.

For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, the aggregate service fees paid by Lion Rock for the provision of the ad-hoc printing services to our Company were approximately AUD14,000, AUD472, AUD10,000 and nil, respectively. The proposed annual caps under the Service Agreement for each of the three years ending 31 December 2020 are AUD100,000, AUD100,000 and AUD100,000, respectively. The abovementioned proposed annual caps have been estimated primarily based on (i) the historical transaction amounts paid by Lion Rock to our Company; and (ii) the fact that printing services will only be provided on an ad-hoc basis.

The transactions contemplated under the Service Agreement were entered into on normal commercial terms. Our Directors currently expect that pursuant to Chapter 14A of the Listing Rules, all relevant applicable percentage ratios will exceed 0.1% but less than 5% and the proposed annual caps are less than HK$3,000,000. According to Rule 14A.76(1) of the Listing Rules, the transactions contemplated under the Service Agreement are fully exempted from compliance with the requirements of reporting, annual review, announcement, and approval by independent shareholders under Chapter 14A of the Listing Rules.

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

The following transactions are entered into in the ordinary and usual course of our business on normal commercial terms where, as our Directors currently expect, each of the applicable percentage ratios calculated for the purpose of Chapter 14A of the Listing Rules will be less than 5%. These transactions qualify under Rule 14A.76(2) of the Listing Rules as continuing connected transactions exempt from the circular (including independent financial advice) and shareholders' approval requirements but are subject to the relevant annual reporting and announcement requirements as set out in Chapter 14A of the Listing Rules.

Leases of premises from D.M.R.A. Property

Background

On 1 June 2010, D.M.R.A. Property entered into two leases with Ligare in respect of our 138-152 Bonds Road, Riverwood, NSW, Australia and 23-25 Skinner Avenue, Riverwood, NSW, Australia, for seven years with commencement date on 1 January 2010. On 30 September 2016, D.M.R.A. Property and Ligare entered into two supplemental agreements, pursuant to which the parties agreed to renew the leases for five years from 1 January 2017 to 31 December 2021.

During the Track Record Period, Ligare leased 138-152 Bonds Road, Riverwood, NSW, Australia and 23-25 Skinner Avenue, Riverwood, NSW, Australia from D.M.R.A. Property. We intend to continue leasing the abovementioned properties from D.M.R.A. Property upon Listing. On 17 August 2018, we terminated the supplemental agreements and Ligare and D.M.R.A. Property entered into a tenancy agreement (the "**Lease**") with a term commencing from 1 October 2018 and ending on 31 December 2020 for 138-152 Bonds Road, Riverwood, NSW, Australia and 23-25 Skinner Avenue, Riverwood, NSW, Australia. The Lease was entered into by Ligare in the ordinary and usual course of business after having considered, among other things, the location of these properties and the terms offered by D.M.R.A. Property. The monthly rental paid or payable by Ligare was determined after arm's length negotiations with reference to the then prevailing market conditions, the rental rate of similar properties in the vicinity and the floor area we lease.

Principal terms of the Lease

The following table summarises the principal terms of the Lease between Ligare and D.M.R.A. Property:

Date:	17 August 2018
Landlord:	D.M.R.A. Property
Tenant:	Ligare
Use:	Factory and office for Property A and warehouse for Property B
Location:	(i) 138-152 Bonds Road, Riverwood, NSW, Australia ("**Property A**")
	(ii) 23-25 Skinner Avenue, Riverwood, NSW, Australia ("**Property B**")
Term:	From 1 October 2018 to 31 December 2020
Yearly rent:	Aggregated AUD727,409 for Property A and Property B plus outgoings
Other:	The rent will be reviewed with reference to the CPI of Australia on 1 January in each of 2019 and 2020.

Historical transaction amounts

For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, the aggregate rent payment and outgoings (if applicable) paid to D.M.R.A. Property by Ligare were approximately AUD655,000, AUD675,000, AUD711,000 and AUD171,000, respectively.

Proposed annual caps and basis of annual caps

The proposed annual cap amounts under the Lease for each of the three years ending 31 December 2020 are as follows:

	Proposed annual cap for the years ending 31 December		
	2018	**2019**	**2020**
	AUD'000	*AUD'000*	*AUD'000*
The Lease	800	900	1,000

The abovementioned proposed annual caps have been estimated based on the terms of the Lease taking into account (i) the annual rent and outgoings; and (ii) the estimated movement of the CPI of Australia in 2019 and 2020.

Listing Rules implications

As D.M.R.A. Property is wholly-owned by Mr. Celarc, it will become a connected person of our Company under the Listing Rules upon Listing and the transactions contemplated under the Lease will upon Listing constitute continuing connected transactions of our Company under the Listing Rules. As more than one of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the rent and outgoings payable under the Lease for the year ending 31 December 2020 are more than 0.1% but less than 5%, the transactions contemplated under the Lease will, upon Listing, constitute non-exempt continuing connected transactions of our Group and in accordance with Rule 14A.76(2) of the Listing Rules, will be exempted from the circular (including independent financial advice) and shareholders' approval requirements but are subject to the announcement, disclosure and annual review and reporting requirements under Chapter 14A of the Listing Rules.

Framework agreement with Inscope Media

Background

During the Track Record Period, we provided printing services to Inscope Media. We intend to continue providing printing services to Inscope Media upon Listing.

On 16 August 2018, our Group and Inscope Media entered into a framework service agreement (the "**Framework Agreement**"), pursuant to which we agreed to provide printing services to Inscope Media for a term commencing from the Listing Date to 31 December 2020. The service fees for the printing services to be paid by Inscope Media will be determined from time to time by the parties on arm's length basis and normal commercial terms and with reference to, among other things, the raw materials cost, quantity, labour cost, production cost, credit terms and terms of delivery, and determine the mark-up margin by considering our production schedule, seasonality factor and complexity.

Historical transaction amounts

For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, the aggregate fees paid to Ligare by Inscope Media were approximately AUD279,000, AUD520,000, AUD249,000 and AUD22,000, respectively.

Proposed annual caps and basis of annual caps

The proposed annual caps under the Framework Agreement for each of the three years ending 31 December 2020 are as follows:

	Proposed annual cap for the years ending 31 December		
	2018	**2019**	**2020**
	AUD'000	*AUD'000*	*AUD'000*
The Framework Agreement	550	580	610

In determining the above proposed annual caps, our Directors have considered (i) the historical amount of the fees paid by Inscope Media during the Track Record Period; and (ii) the anticipated demand for the printing services by Inscope Media. As (i) the printing services to be provided to Inscope Media by our Group will be ad-hoc by nature and dependent on the actual demands of our printing services by Inscope Media; and (ii) the historical amount for each of the three years ended 31 December 2017 did not reveal any trend of demand for our services given its ad-hoc nature, the proposed annual caps under the Framework Agreement are based on the historical transaction amount for the year ended 31 December 2016, i.e. AUD520,000.

Listing Rules implications

As Inscope Media is wholly-owned by Mr. Douglas Stephen Convoy, the son-in-law of Mr. Celarc, it will become a connected person of our Company under the Listing Rules upon Listing and the transactions contemplated under the Framework Agreement will upon Listing constitute continuing connected transactions of our Company under the Listing Rules. As more than one of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the service fees under the Framework Agreement for the year ending 31 December 2020 are more than 0.1% but less than 5%, the transactions contemplated under the Framework Agreement will, upon Listing, constitute non-exempt continuing connected transactions of our Group and in accordance with Rule 14A.76(2) of the Listing Rules, will be exempted from the circular (including independent financial advice) and shareholders' approval requirements but are subject to the announcement, disclosure and annual review and reporting requirements under Chapter 14A of the Listing Rules.

WAIVER FROM STRICT COMPLIANCE WITH THE LISTING RULES

Pursuant to Rule 14A.105 of the Listing Rules, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the announcement requirements under Chapter 14A of the Listing Rules in respect of the transactions contemplated under the Lease and the Framework Agreement based on the following conditions:

(i) our Directors (including the independent non-executive Directors) and the Sole Sponsor confirming in their view that the transactions contemplated under the Lease and the Framework Agreement have been entered into on normal commercial terms or better, in our Group's ordinary and usual course of business, and the proposed annual caps are fair and reasonable and in the interest of our Shareholders as a whole; and

(ii) apart from the announcement and independent shareholders' approval requirements of which a waiver is sought, our Company will comply with the relevant requirements under Chapter 14A of the Listing Rules.

CONFIRMATION FROM OUR DIRECTORS

Our Directors (including the independent non-executive Directors) were of the view that (i) the transactions contemplated under the Lease and the Framework Agreement were entered into in the ordinary and usual course of business of our Group, and are on normal commercial terms or better from the perspective of our Group and are fair and reasonable and in the interests of our Group and our Shareholders as a whole; and (ii) the respective annual caps as set out above for the transactions contemplated under the Lease and the Framework Agreement are fair and reasonable and in the interests of our Shareholders and our Group as a whole. Apart from the announcement requirement, which strict compliance has been waived by the Stock Exchange, our Company will comply with other relevant requirements under Chapter 14A of the Listing Rules, including the annual caps as set out above, which are applicable to the transactions contemplated under the Lease and the Framework Agreement.

CONFIRMATION FROM THE SOLE SPONSOR

The Sole Sponsor is of the view that (i) the transactions contemplated under the Lease and the Framework Agreement were entered into in the ordinary and usual course of business of our Group, and are on normal commercial terms or better from the perspective of our Group and are fair and reasonable and in the interests of our Group and our Shareholders as a whole; and (ii) the annual caps as set out above for the transactions contemplated under the Lease and the Framework Agreement are fair and reasonable and in the interests of our Shareholders and our Group as a whole.

DISCONTINUED CONNECTED TRANSACTION AND RELATED PARTY TRANSACTION

During the Track Record Period, we entered into certain arrangements with our connected persons which would have constituted connected transactions for our Company pursuant to the Listing Rules, but the same were discontinued during the Track Record Period, or will be discontinued either prior to Listing or upon Listing. Major details of the transactions with connected persons are set out under note 33 "Related Party Transactions" to the Accountants' Report set out in Appendix IA to this prospectus.

Below are some major transactions entered into with our connected persons during the Track Record Period which will be discontinued prior to Listing or upon Listing:

Sub-contracting works to 1010 Printing and C.O.S. Printers

During the Track Record Period, we engaged 1010 Printing and C.O.S. Printers as our sub-contractors for certain large volume of orders. We engaged C.O.S. Printers as sub-contractor after the disposal of C.O.S. Printers by us in May 2016. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, the aggregate fees paid to 1010 Printing and C.O.S. Printers by our Group amounted to approximately AUD605,000, AUD675,000, AUD1,161,000 and AUD135,000, respectively. The fees paid to sub-contractors were determined from time to time by the parties on arm's length basis and normal commercial terms and with reference to, among other things, the raw materials cost, quantity, labour cost, production cost, credit terms and terms of delivery, our production schedule, seasonality factor and complexity. Our Directors confirmed that upon Listing, our Group will not engage Lion Rock and/or its subsidiaries for any sub-contracting works.

Being a sub-contractor of Lion Rock

During the Track Record Period, Lion Rock engaged our Group as its sub-contractor for the printing of certain Coffee Table Books, education books, catalogues and adult colouring books. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, the fees paid to our Company by Lion Rock amounted to approximately AUD2,909,000, AUD2,536,000, nil and nil, respectively. The fees received for such sub-contracting works were determined at the time by the parties on arm's length basis, on normal commercial terms and with reference to, among other things, the raw materials cost, quantity, labour cost, production cost, credit terms and terms of delivery, with the mark-up margin determined by considering our production schedule, seasonality factor and complexity.

Corporate guarantee by Lion Rock

On 10 February 2017, Lion Rock provided a corporate guarantee and indemnity in the amount of AUD2,000,000 plus interest, costs and other costs for a facility obtained by OPUS in the total sum of AUD1,791,000. Our Directors confirmed that the said corporate guarantee and indemnity provided by Lion Rock will be fully released upon Listing.

Consulting fees paid to Mr. Celarc

During the Track Record Period, OPUS paid consulting fees to Mr. Celarc for his services as a director of OPUS through Angrich Pty Limited, a company wholly-owned by Mr. Celarc. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, the consulting fees paid to Angrich Pty Limited were approximately AUD300,000, AUD347,000, AUD267,000 and AUD50,000, respectively. Our Directors confirmed that upon Listing, our Group will pay the director's fee to Mr. Celarc directly under the service contract with Mr. Celarc, but not through Angrich Pty Limited.

The following is a description of the authorised and issued share capital of our Company in issue, to be issued as fully paid or credited as fully paid immediately before and following the completion of the Reorganisation and the Share Offer:

Authorised share capital:

		HK$
10,000,000,000	Shares of par value of HK$0.01 each	100,000,000.00

Shares issued and to be issued, fully paid or credited as fully paid upon completion of the Reorganisation and the Share Offer:

Issued and to be issued, fully paid or credited as fully paid:

Shares		*HK$*
2	Shares in issue at the date of this prospectus	0.02
401,909,823	Shares to be issued pursuant to the share swap under Reorganisation	4,019,098.23
105,000,000	Shares to be issued pursuant to the Share Offer	1,050,000.00
(2)	Shares to be repurchased and cancelled pursuant to the Reorganisation	(0.02)
506,909,823	**Total**	**5,069,098.23**

ASSUMPTIONS

This table assumes that the Share Offer has become unconditional and the issue of Shares pursuant thereto is made as described herein. It does not take into account any Shares which may be allotted and issued or repurchased by our Company under the general mandates given to our Directors to allot and issue or repurchase Shares.

RANKING

The Offer Shares are ordinary shares in the share capital of our Company and will rank pari passu with all Shares in issue or to be issued as set out in the above table, and will qualify and rank equally for all dividends or other distributions declared, made or paid after the date of this prospectus.

GENERAL MANDATE TO ISSUE SHARES

Conditional on the Share Offer becoming unconditional, our Directors have been granted a general unconditional mandate to allot, issue and deal with, otherwise than by way of rights issue, scrip dividend schemes or similar arrangements in accordance with the Bye-laws, or similar arrangement for the time being adopted, Shares with an aggregate nominal amount not exceeding 20.0% of the aggregate nominal value of the issued share capital of our Company immediately following completion of the Reorganisation and the Share Offer.

This general mandate to issue Shares will remain in effect until the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next general meeting of our Company is required by the Bye-laws or any applicable law of Bermuda to be held, or the passing of an ordinary resolution of the Shareholders in a general meeting revoking, varying or renewing such mandate, whichever is the earliest.

For further details of this general mandate, please refer to the paragraph headed "Statutory and General Information – A. Further information about our Company and our Group – 3. Written resolutions of our Shareholders" in Appendix IV to this prospectus.

GENERAL MANDATE TO REPURCHASE SHARES

Conditional on the Share Offer becoming unconditional, our Directors have been granted a general unconditional mandate to repurchase Shares on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, with a total nominal value of not more than 10.0% of the aggregate nominal value of our Company's share capital in issue immediately following completion of the Reorganisation and the Share Offer until the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next annual general meeting of our Company is required by the Bye-laws or any applicable law of Bermuda to be held, or the passing of an ordinary resolution of the Shareholders in a general meeting revoking, varying or renewing such mandate which is the earliest.

For further details of this Repurchase Mandate, please refer to paragraph headed "Statutory and General Information – A. Further information about our Company and our Group – 3. Written resolutions of our Shareholders" in Appendix IV to this prospectus.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING AND CLASS MEETING ARE REQUIRED

Pursuant to the Companies Act and the terms of the Memorandum of Association and the Bye-laws, our Company may from time to time by ordinary resolution of shareholders (i) increase its capital; (ii) consolidate its capital into shares of larger amount; (iii) divide its shares into several classes; (iv) subdivide its shares into shares of smaller amount; (v) change the currency denomination of its share capital; (vi) make provision for the issue and allotment of shares which do not carry any voting rights; and (vii) cancel any shares which have not been taken by any person. In addition, our Company may, by special resolution, subject to any confirmation or consent required by law, reduce its share capital or, save for the use of share premium as expressly permitted by the Companies Act, any share premium account or other undistributable reserve. For details, please refer to the paragraph headed "Summary of the Constitution of our Company and Bermuda Company Law – 2. Bye-laws – (a)(iii) Alterations of capital" in Appendix III to this prospectus.

Pursuant to the Companies Act and the terms of the Memorandum of Association and the Bye-laws, all or any of the special rights attached to the share or any class of shares may be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths 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. For details, please refer to the paragraph headed "Summary of the Constitution of our Company and Bermuda Company Law – 2. Bye-laws – (a)(ii) Variation of rights of existing shares or classes of shares" in Appendix III to this prospectus.

You should read the following discussion and analysis in conjunction with our audited consolidated financial information and notes thereto as of and for each of the three years ended 31 December 2017 and the three months ended 31 March 2018 included in the Accountants' Report included as Appendix IA and our selected historical consolidated financial information and operating data included elsewhere in this prospectus. Our combined financial information has been prepared in accordance with IFRSs.

The following discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and our financial performance. These statements are based on assumptions and analyses made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties over which we do not have control. Please refer to the sections headed "Risk Factors" and "Forward-looking Statements" for discussions of those risks and uncertainties.

OVERVIEW

We are a one stop shop printing solutions and services provider in Australia. Our printed products include (i) read-for-pleasure books; (ii) Government Printed Matters; (iii) Quick Turnaround Time Education Books; and (iv) catalogues, operating manuals and promotional leaflets. We also provide printing related services, such as warehousing and direct mailing, call centre services and ancillary services through our proprietary IPALM platform. During the Track Record Period, our Group had disposed of our entire equity interests in former wholly-owned subsidiaries, being (i) the Cactus Group on 1 August 2016, which was principally engaged in the provision of grand and large format printing for outdoor media in Australia; (ii) C.O.S. Printers on 10 May 2016, which was principally engaged in printing services in Singapore; and (iii) Ligare (NZ) on 1 January 2017, which was principally engaged in printing services in New Zealand. We also disposed of our outdoor media business in New Zealand under Cactus Imaging (NZ) on 30 October 2015. For details of the aforesaid disposals, please refer to the section headed "History and Corporate Structure" in this prospectus.

For each of the three years ended 31 December 2017, our revenue from continuing operations was approximately AUD80.7 million, AUD87.0 million and AUD79.2 million, respectively, and our profit after income tax from continuing operations was approximately AUD7.2 million, AUD5.5 million and AUD5.7 million, respectively. Our profit after income tax from discontinued operations amounted to AUD4.9 million, AUD9.4 million and nil for each of the three years ended 31 December 2017, respectively.

For the three months ended 31 March 2017 and 2018, our revenue from continuing operations was approximately AUD20.6 million and AUD19.3 million, respectively, and our profit after income tax from continuing operations was approximately AUD1.7 million and AUD0.9 million, respectively.

BASIS OF PRESENTATION

Our Company was incorporated in Bermuda on 18 April 2018 as a limited liability company. In preparation for the Listing, our Group will undergo the Reorganisation. For further details of the Reorganisation, please refer to the paragraph headed "History and Corporate Structure – Reorganisation" in this prospectus. Upon completion of the Reorganisation, our Company will become the holding company of our Group.

The combined statements of profit or loss and other comprehensive income, the combined statements of changes in equity and the combined statements of cash flows of our Group for the Track Record Period include the financial performance and cash flows of all companies now comprising our Group, as if the current group structure had been in existence throughout the Track Record Period, or since their respective dates of incorporation, where this is a shorter period. The combined statements of financial position of our Group as at 31 December 2015, 2016 and 2017 and 31 March 2018 have been prepared to present the assets and liabilities of the entities now comprising our Group as if the current group structure had been in existence as at the respective dates.

The assets and liabilities of the companies comprising our Group are combined using the existing book values. Intra-group transactions, balances and unrealised gains on transactions between our Group companies have been eliminated on combination.

For further information on the basis of presentation of our financial statements, please refer to note 2 "Basis of Presentation" to the Accountants' Report set out in Appendix IA to this prospectus.

SIGNIFICANT FACTORS AFFECTING OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our financial condition and results of operations have been, and will continue to be affected by a number of factors, including those set out below:

Demand from our customers

Although we may, from time to time, enter into framework sale and purchase agreements with some of our customers, we normally generate sales on an order-by-order basis. In respect of our MPG Business and Ligare Business, our customers are principally commercial and professionals and academic book publishers. As such, demand for our printing solutions and services is dependent upon factors such as the release of new book titles into the market in Australia, the popularity of certain read-for-pleasure books which may lead to subsequent re-prints and/or the demand from academics or professionals for certain reference books or materials. In respect of our CanPrint Business, as our customers are principally Australian government related entities, demand for our printing solutions and services may be dependent upon factors such as when the Parliament of Australia is sitting, introduction of new legislation, amendments to existing legislation and/or electoral events or policy matters which require documents, reports and materials to be printed or updated. As such, our sales are highly dependent on and may fluctuate subject to customers' demand for our printing solutions and services. If there is any adverse change to market conditions such as an economic slowdown or an increase in competition, our business, financial condition and results of operations may be materially and adversely affected.

Cost of raw materials prices

Paper is the principal raw material used in our business which we purchase mainly from domestic paper trading companies as well as international paper manufacturers. For each of the three years ended 31 December 2017 and the three months ended 31 March 2018, our paper costs amounted to approximately AUD18.7 million, AUD21.8 million, AUD18.9 million and AUD4.5 million, respectively, representing approximately 30.9%, 33.3%, 30.9% and 30.7%, respectively, of our Group's direct operating costs. Our other raw materials include plates, ink and other printing consumables. The price of paper as well as other raw materials may be subject to price volatility and periodic shortages caused by various factors beyond our control, which include, among other things, weather conditions, tree harvest conditions, policies of the respective local governments of the territories in which the forestries or paper mills operate, as well as market competition. Should there be any significant increases in the prices of raw materials, and our Group is unable to pass on such increased costs to our customers, our business and profitability may be materially and adversely affected. If we pass on the increased costs to our customers, our pricing may become less competitive and may lead to a loss of orders/customers.

Supply of direct labour and labour cost

During the Track Record Period, our direct labour cost, including salaries, discretionary bonuses, over-time payments, superannuation and other fringe and welfare benefits, amounted to approximately AUD20.3 million, AUD20.4 million, AUD20.2 million and AUD4.9 million, respectively, representing approximately 33.7%, 31.1%, 33.0% and 33.6% of our direct operating costs, for each of the three years ended 31 December 2017 and the three months ended 31 March 2018, respectively. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material shortage of labour, industrial actions, strikes, material increase in labour costs or other material labour disputes that have materially disrupted our operations. In the event that we fail to retain our existing employees and/or are unable to recruit sufficient labour in a timely manner to cope with our growth or sudden increases in demand for our products and/or in the event that there is a significant increase in the cost of labour, we may not be able to manufacture products on schedule and our operation and profitability may be adversely affected.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The financial information of our Group contained in the Accountants' Report as set out in Appendix IA to this prospectus has been prepared in accordance with accounting policies which comply with IFRSs. It also includes the disclosure requirements of the Companies Ordinance and applicable disclosure provisions of the Listing Rules. All IFRSs effective for the accounting periods commencing from 1 January 2018 and relevant to our Group, together with the relevant transitional provisions, have been adopted by our Group in the preparation of our financial statements consistently throughout the Track Record Period. The application of IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers does not have significant impact on the financial position and financial performance of the Group compared to the requirement of IAS 8 Revenue and IAS 39 Financial Instruments: Recognition and Measurement.

The significant accounting policies adopted by our Group and critical accounting judgements are set out in detail in note 5 "Summary of significant accounting policies" and note 6 "Critical accounting judgments and key sources of estimation uncertainty" to the Accountants' Report set out in Appendix IA to this prospectus, respectively. It should be noted that accounting estimates and assumptions are used in the preparation of our financial statements. Although the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. Our Directors believed that accounting policies in relation to employee benefits provision, estimation of useful lives of assets, impairment of receivables, impairment of inventories, recognition of deferred tax assets, share-based payment transactions and provision for leasehold dilapidations involved the most significant estimates and judgments used in the preparation of our financial statements.

RESULTS OF OPERATIONS

The table below presents the combined statements of profit or loss and other comprehensive income of our Group for each of the three years ended 31 December 2017 and the three months ended 31 March 2017 and 2018, as extracted from the Accountants' Report set out in Appendix IA to this prospectus.

	For the year ended 31 December			For the three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000* *(unaudited)*	*AUD'000*
Continuing Operations					
Revenue	80,745	86,977	79,206	20,590	19,291
Direct operating costs	(60,369)	(65,569)	(61,213)	(15,355)	(14,531)
Gross profit	20,376	21,408	17,993	5,235	4,760
Other income	1,600	1,172	1,954	320	452
Selling and distribution costs	(5,960)	(6,499)	(5,410)	(1,374)	(1,303)
Administrative expenses	(11,134)	(7,718)	(6,591)	(1,761)	(1,412)
Other expenses	–	–	–	–	(1,155)
Finance costs	(181)	(1)	(34)	(1)	(14)
Profit before income tax from continuing operations	4,701	8,362	7,912	2,419	1,328
Income tax (expense)/benefit	2,453	(2,854)	(2,222)	(737)	(401)
Profit after income tax from continuing operations	7,154	5,508	5,690	1,682	927
Discontinued Operations					
Profit after income tax from discontinued operations	4,893	9,386	–	–	–
Profit for the year/period	12,047	14,894	5,690	1,682	927
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Derecognition to profit or loss on disposal of subsidiaries	–	816	(101)	–	–
Exchange differences on translation of foreign operations	299	(33)	160	107	–
Other comprehensive income for the year/period	299	783	59	107	–
Total comprehensive income for the year/period	12,346	15,677	5,749	1,789	927

ANALYSIS OF MAJOR COMPONENTS OF OUR COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Continuing operations

Revenue

For each of the three years ended 31 December 2017, our revenue was approximately AUD80.7 million, AUD87.0 million and AUD79.2 million, respectively. For the three months ended 31 March 2017 and 2018, our revenue was approximately AUD20.6 million and AUD19.3 million, respectively. During the Track Record Period, our revenue was generated from the provision of printing solutions and services, which could be further categorised by product types into (i) read-for-pleasure books; (ii) Government Printed Matters; (iii) Quick Turnaround Time Education Books; and (iv) catalogues, operating manuals and promotional leaflets. During the Track Record Period, we generated more revenue for the year ended 31 December 2016, as compared to the years ended 31 December 2015 and 2017, which was mainly attributable to (i) a new agreement entered into with a customer for read-for-pleasure books; and (ii) the higher demand from Australian government related entities in 2016 as a result of the 2016 Australian federal election and the launch of a new student loan programme, both orders of which were not recurring. Meanwhile, our growth in revenue from read-for-pleasure books during the Track Record Period was offset by the decrease in revenue from Quick Turnaround Time Education Books and catalogues, operating manuals and promotional leaflets, resulting in a similar level of revenue for the years ended 31 December 2015 and 2017 and the three months ended 31 March 2017 and 2018, respectively.

The following table sets out a breakdown of our Group's revenue from continuing operations during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Printing solutions and services										
Read-for-pleasure books	19,632	24.3	23,689	27.3	27,314	34.5	5,688	27.6	6,512	33.8
Government Printed Matters	15,589	19.3	19,046	21.9	15,396	19.4	3,249	15.8	3,325	17.2
Quick Turnaround Time Education Books	20,337	25.2	20,467	23.5	18,046	22.8	6,598	32.0	5,654	29.3
Catalogues, operating manuals and promotional leaflets	25,187	31.2	23,775	27.3	18,450	23.3	5,055	24.6	3,800	19.7
Total	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

Read-for-pleasure books

Our revenue from read-for-pleasure books amounted to approximately AUD19.6 million, AUD23.7 million, AUD27.3 million, AUD5.7 million and AUD6.5 million for each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, respectively, representing approximately 24.3%, 27.3%, 34.5%, 27.6% and 33.8% of our total revenue.

Our revenue from read-for-pleasure books increased by AUD4.1 million or 20.7% from AUD19.6 million for the year ended 31 December 2015 to AUD23.7 million for the year ended 31 December 2016. The increase was mainly attributable to the increase in revenue generated from Customer F due to a new long-term agreement entered into in mid-2016.

Our revenue from read-for-pleasure books increased by approximately AUD3.6 million or 15.3% from approximately AUD23.7 million for the year ended 31 December 2016 to approximately AUD27.3 million for the year ended 31 December 2017. The increase was mainly attributable to the increase in revenue from Customer F and Customer G due to the new long-term agreements entered into between our Group and them in mid-2016 and early 2017, respectively. Such growth, however, was partly offset by the decrease in revenue from Customer D after its long-term agreement with us ended in 2016.

Our revenue from read-for-pleasure books increased by approximately AUD0.8 million or 14.5% from approximately AUD5.7 million for the three months ended 31 March 2017 to approximately AUD6.5 million for the three months ended 31 March 2018. The increase was mainly attributable to the growth in sales to Customer G as it increased its order volume gradually in the second half of 2017 and the first quarter of 2018 after the commencement of a new long-term agreement signed with Customer G in early 2017.

Government Printed Matters

For each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, our revenue from Government Printed Matters amounted to approximately AUD15.6 million, AUD19.0 million, AUD15.4 million, AUD3.2 million and AUD3.3 million, respectively, representing approximately 19.3%, 21.9%, 19.4%, 15.8% and 17.2% of our total revenue.

Our revenue from Government Printed Matters increased by approximately AUD3.5 million or 22.2% from approximately AUD15.6 million for the year ended 31 December 2015 to approximately AUD19.0 million for the year ended 31 December 2016. The increase was mainly attributable to the higher demand from Australian government related entities as a result of the 2016 Australian federal election and a one-off project related to the launch of a new student loan programme and an increase in printing demand for another project related to the launch of a cancer screening programme.

Our revenue from Government Printed Matters decreased by approximately AUD3.7 million or 19.2% from approximately AUD19.0 million for the year ended 31 December 2016 to approximately AUD15.4 million for the year ended 31 December 2017. The decrease was mainly attributable to completion of the projects in 2016 as mentioned above.

Our revenue from Government Printed Matters amounted to approximately AUD3.3 million for the three months ended 31 March 2018, which remained relatively stable as compared to revenue of approximately AUD3.2 million for the three months ended 31 March 2017.

Quick Turnaround Time Education Books

For each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, our revenue from Quick Turnaround Time Education Books amounted to approximately AUD20.3 million, AUD20.5 million, AUD18.0 million, AUD6.6 million and AUD5.7 million, respectively, representing approximately 25.2%, 23.5%, 22.8%, 32.0% and 29.3% of our total revenue.

Our revenue from Quick Turnaround Time Education Books amounted to approximately AUD20.3 million for the year ended 31 December 2015, which remained relatively stable as compared to revenue of approximately AUD20.5 million for the year ended 31 December 2016.

Our revenue from Quick Turnaround Time Education Books decreased by approximately AUD2.4 million or 11.8% from approximately AUD20.5 million for the year ended 31 December 2016 to approximately AUD18.0 million for the year ended 31 December 2017. The decrease was mainly attributable to the decrease in revenue from (i) Customer B, who shifted some of their publications online; and (ii) Customer C, which was mainly due to the reduction in the receipt of their production orders for distribution in New Zealand as a result of our disposal of Ligare (NZ) in January 2017.

Our revenue from Quick Turnaround Time Education Books decreased by approximately AUD0.9 million or 14.3% from approximately AUD6.6 million for the three months ended 31 March 2017 to approximately AUD5.7 million for the three months ended 31 March 2018. The decrease was mainly attributable to (i) the completion of certain one-off projects in prior period not having recurred for the three months ended 31 March 2018; and (ii) management's decision to decline certain printing orders for the Quick Turnaround Time Education Books segment due to their estimated low profit margins in order to free up capacity for more profitable jobs in other product segments.

Catalogues, operating manuals and promotional leaflets

For each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, our revenue from catalogues, operating manuals and promotional leaflets amounted to approximately AUD25.2 million, AUD23.8 million, AUD18.5 million, AUD5.1 million and AUD3.8 million, respectively, representing approximately 31.2%, 27.3%, 23.3%, 24.6% and 19.7% of our total revenue.

Our revenue from catalogues, operating manuals and promotional leaflets decreased by approximately AUD1.4 million or 5.6% from approximately AUD25.2 million for the year ended 31 December 2015 to approximately AUD23.8 million for the year ended 31 December 2016. The decrease was mainly attributable to (i) the completion of a printing project for one customer that published adult colouring books in 2015, which was popular in 2015 but the trend had faded by 2016; and (ii) management's decision to decline certain printing orders for the catalogues, operating manuals and promotional leaflets segment due to their estimated low profit margins in order to free up capacity for more profitable jobs in other product segments.

Our revenue from catalogues, operating manuals and promotional leaflets decreased by approximately AUD5.3 million or 22.4% from approximately AUD23.8 million for the year ended 31 December 2016 to approximately AUD18.5 million for the year ended 31 December 2017. The decrease was mainly attributable to (i) the decrease in the number of customers for printing catalogues, operating manuals and promotional leaflets; and (ii) management's decision to decline certain printing orders for the catalogues, operating manuals and promotional leaflets segment due to their estimated low profit margins in order to free up capacity for more profitable jobs in other product segments.

Our revenue from catalogues, operating manuals and promotional leaflets decreased by approximately AUD1.3 million or 24.8% from approximately AUD5.1 million for the three months ended 31 March 2017 to approximately AUD3.8 million for the three months ended 31 March 2018. The decrease was mainly attributable to (i) the decrease in the number of customers for printing catalogues, operating manuals and promotional leaflets; (ii) the completion of certain one-off projects in prior period not having recurred for the three months ended 31 March 2018; and (iii) management's decision to early terminate a printing agreement with a customer in February 2017 which had a lower profit margin.

The following table sets out a breakdown of our Group's revenue from continuing operations based on geographical location of delivered products during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Australia	78,976	97.8	85,379	98.2	78,722	99.4	20,463	99.4	19,247	99.8
New Zealand	1,334	1.7	1,482	1.7	230	0.3	78	0.4	8	0.0
Overseas *(Note)*	435	0.5	116	0.1	254	0.3	49	0.2	36	0.2
Total:	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

Note: Overseas included the United Kingdom, the United States of America and Papua New Guinea.

Our Group derived its revenue principally from sales of product delivered within Australia, representing approximately 97.8%, 98.2%, 99.4%, 99.4% and 99.8% of our Group's total revenue for each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, respectively. During the Track Record Period, our revenue generated from sales of products delivered to New Zealand represented approximately 1.7%, 1.7%, 0.3%, 0.4% and 0.0% of our Group's total revenue. Such decrease was mainly due to the disposal of Ligare (NZ), which was engaged in the provision of printing services in New Zealand, in January 2017. The remaining 0.5%, 0.1%, 0.3%, 0.2% and 0.2% of our Group's total revenue for each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, respectively, was derived from sales of products delivered to our customers overseas, including the United Kingdom, the United States of America and Papua New Guinea.

The following table sets out a breakdown of our Group's revenue by digital printing and IPALM related services, offset printing and other printing related services, respectively during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* (unaudited)	*%*	*AUD'000*	*%*
Digital printing and IPALM related services (Note)	21,400	26.5	29,523	33.9	27,632	34.9	6,977	33.9	7,268	37.7
Offset printing	58,229	72.1	55,753	64.1	50,177	63.3	13,293	64.5	11,665	60.5
Other printing related services	1,116	1.4	1,701	2.0	1,397	1.8	320	1.6	358	1.8
Total	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

Note: IPALM related services were typically provided by our Company as value added services which were bundled into our digital printing services. As such, from a revenue/profit perspective, we did not distinguish IPALM related services from our digital printing services.

The following table sets out a breakdown of our Group's revenue by customers during the Track Record Period:

	Revenue for the year ended 31 December						Revenue for the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* (unaudited)	*%*	*AUD'000*	*%*
Publishers and media and information providers	44,500	55.1	47,219	54.3	46,861	59.2	12,680	61.6	12,063	62.5
Australian government related entities	15,589	19.3	19,046	21.9	15,396	19.4	3,249	15.8	3,325	17.2
Business owners and other organisations	20,656	25.6	20,712	23.8	16,949	21.4	4,661	22.6	3,903	20.3
Total	**80,745**	**100.0**	**86,977**	**100.0**	**79,206**	**100.0**	**20,590**	**100.0**	**19,291**	**100.0**

Direct operating costs

For each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, our direct operating costs were approximately AUD60.4 million, AUD65.6 million, AUD61.2 million, AUD15.4 million and AUD14.5 million, respectively, which consisted primarily of raw materials, direct labour costs, production overheads, sub-contracting costs and mailing costs.

The following table sets out a breakdown of our Group's direct operating costs by nature during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* (*unaudited*)	*%*	*AUD'000*	*%*
Raw materials	23,709	39.3	27,493	41.9	24,536	40.1	6,097	39.7	5,813	40.0
Direct labour costs	20,320	33.7	20,377	31.1	20,190	33.0	5,261	34.3	4,882	33.6
Production overheads	4,965	8.2	5,339	8.1	5,539	9.0	1,354	8.8	1,487	10.2
Sub-contracting costs	3,983	6.6	4,205	6.4	3,962	6.5	897	5.8	598	4.1
Mailing costs	3,369	5.6	4,777	7.3	3,960	6.5	886	5.8	805	5.5
Others	4,023	6.6	3,378	5.2	3,026	4.9	860	5.6	946	6.6
Total	**60,369**	**100.0**	**65,569**	**100.0**	**61,213**	**100.0**	**15,355**	**100.0**	**14,531**	**100.0**

Raw materials

Raw materials mainly represented paper, plates, ink and other printing consumables. Raw materials represented the largest component of our direct operating costs and amounted to approximately AUD23.7 million, AUD27.5 million, AUD24.5 million, AUD6.1 million and AUD5.8 million for each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, respectively, representing approximately 39.3%, 41.9%, 40.1%, 39.7% and 40.0% of our total direct operating costs, among which, paper costs amounted to approximately AUD18.7 million, AUD21.8 million, AUD18.9 million, AUD4.7 million and AUD4.5 million, respectively, representing 78.8%, 79.3%, 77.0%, 77.5% and 76.6% for our raw materials costs, respectively.

Raw materials costs increased by approximately AUD3.8 million or 16.0% from approximately AUD23.7 million for the year ended 31 December 2015 to AUD27.5 million for the year ended 31 December 2016. The increase in raw materials costs was mainly attributable to the increase in revenue generated from read-for-pleasure books for the year ended 31 December 2016 which consumed a higher percentage of our raw materials. The costs of raw materials decreased by approximately AUD3.0 million or 10.8% from approximately AUD27.5 million for the year ended 31 December 2016 to AUD24.5 million for the year ended 31 December 2017. The decrease in raw materials costs was mainly attributable to the decrease in revenue arising from (i) the management's decision to decline certain printing orders for the catalogues, operating manuals and promotional leaflets segment due to their estimated low profit margins in order to free up capacity for more profitable jobs in other product segments; and (ii) the disposal of Ligare (NZ) in January 2017, which was partially offset by the increase in revenue from read-for-pleasure books which consumed a higher percentage of our raw materials.

Raw materials costs decreased by approximately AUD0.3 million or 4.7% from approximately AUD6.1 million for the three months ended 31 March 2017 to AUD5.8 million for the three months ended 31 March 2018. The decrease in raw materials costs was in line with the decrease in revenue.

Direct labour costs

Direct labour costs represented salaries, wages and other staff costs and superannuation paid to our site operation employees. For each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, our direct labour costs amounted to approximately AUD20.3 million, AUD20.4 million, AUD20.2 million, AUD5.3 million and AUD4.9 million, respectively, representing approximately 33.7%, 31.1%, 33.0%, 34.3% and 33.6% of our total direct operating costs.

Direct labour costs for the three years ended 31 December 2017 remained relatively stable. Direct labour costs decreased by approximately AUD0.4 million or 7.2% from approximately AUD5.3 million for the three months ended 31 March 2017 to approximately AUD4.9 million for the three months ended 31 March 2018. The decrease in direct labour costs was mainly attributable to (i) the reduction in headcount of site operation employees; and (ii) the reduction of casual labour and overtime work due to the implementation of cost control measures.

Production overheads

Production overheads mainly represented click charges for digital printing presses, i.e. the printing cost per sheet printed or click charged by the manufacturer of the printing press, consumables, repair and maintenance and electricity charges. For each of the three years ended 31 December 2017 and the three months ended 31 March 2017 and 2018, production overheads amounted to approximately AUD5.0 million, AUD5.3 million, AUD5.5 million, AUD1.4 million and AUD1.5 million, respectively, representing approximately 8.2%, 8.1%, 9.0%, 8.8% and 10.2% of our total direct operating costs. Our production overheads increased slightly by approximately AUD0.4 million or 7.5% from approximately AUD5.0 million for the year ended 31 December 2015 to approximately AUD5.3 million for the year ended 31 December 2016. The increase was mainly attributable to the full activation of certain digital presses in 2016 which increased click charges.

The production overheads for the year ended 31 December 2017 and for the three months ended 31 March 2018, as compared to that for the year ended 31 December 2016 and for the three months ended 31 March 2017, respectively, remained relatively stable.

Sub-contracting costs

Sub-contracting costs represented fees charged by our sub-contractors mainly for (i) carrying out certain post-press processes; (ii) performing certain labour-intensive production procedures; and (iii) accommodating large volume of orders during peak seasons. For each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, sub-contracting costs amounted to approximately AUD4.0 million, AUD4.2 million, AUD4.0 million, AUD0.9 million and AUD0.6 million, respectively, representing approximately 6.6%, 6.4%, 6.5%, 5.8% and 4.1% of our total direct operating costs.

The sub-contracting costs for the three years ended 31 December 2017 remained relatively stable. The decrease in sub-contracting costs by approximately AUD0.3 million or 33.3% to approximately AUD0.6 million for the three months ended 31 March 2018, as compared to that of AUD0.9 million for the three months ended 31 March 2017, was mainly attributable to the increase in in-house production for post-press work after the purchase of a post-press machine for our MPG Facility in 2017.

Mailing costs

Mailing costs represented postage and courier charges in respect of orders involving the direct mailing of printed products from our production or warehousing facilities to our customers or their end-user customers which are directly attributable to the job. For each of the three years ended 31 December 2017, our mailing costs were approximately AUD3.4 million, AUD4.8 million and AUD4.0 million, respectively, representing approximately 5.6%, 7.3% and 6.5% of our total direct operating costs. For the three months ended 31 March 2017 and 2018, our mailing costs were approximately AUD0.9 million and AUD0.8 million, respectively, representing approximately 5.8% and 5.5% of our total direct operating costs.

Mailing costs increased by approximately AUD1.4 million or 41.8% from approximately AUD3.4 million for the year ended 31 December 2015 to approximately AUD4.8 million for the year ended 31 December 2016. The increase in mailing costs was mainly attributable to the increase in revenue from Government Printed Matters in 2016 as a result of the 2016 Australian federal election and the launch of a new student loan programme, which included direct mailing to end-user customers. The mailing costs for the year ended 31 December 2017 of approximately AUD4.0 million decreased by approximately AUD0.8 million or 17.1%, as compared to that of AUD4.8 million for the year ended 31 December 2016, which was mainly attributable to the completion of the abovementioned projects from Australian government related entities in 2016. The mailing costs for the three months ended 31 March 2018 remained relatively stable, as compared to the three months ended 31 March 2017.

Other direct operating costs

Other direct operating costs mainly represented (i) rent and outgoings (including rates and water charges); (ii) depreciation of property, plant and equipment; and (iii) provision for/reversal of obsolete stock. For each of the three years ended 31 December 2017, other direct operating costs amounted to approximately AUD4.0 million, AUD3.4 million and AUD3.0 million, respectively, representing approximately 6.6%, 5.2% and 4.9% of our total direct operating costs. The decrease in other direct operating costs by approximately AUD0.6 million from AUD4.0 million for the year ended 31 December 2015 to approximately AUD3.4 million for the year ended 31 December 2016 was mainly attributable to the decrease in depreciation of property, plant and equipment due to some printing machines having been fully depreciated in 2015 or early 2016. Other direct operating costs for the year ended 31 December 2017, as compared to that for the year ended 31 December 2016, remained relatively stable.

For the three months ended 31 March 2017 and 2018, other direct operating costs were relatively stable at approximately AUD0.9 million and AUD0.9 million, respectively, representing approximately 5.6% and 6.6% of our total direct operating costs.

Gross profit and gross profit margin

For each of the three years ended 31 December 2017, we generated gross profit of approximately AUD20.4 million, AUD21.4 million and AUD18.0 million, respectively, representing a gross profit margin of approximately 25.2%, 24.6% and 22.7%, respectively. For the three months ended 31 March 2017 and 2018, we generated gross profit of approximately AUD5.2 million and AUD4.8 million, respectively, representing a gross profit margin of approximately 25.4% and 24.7%, respectively.

The overall decrease in our gross profit margin for each of the three years ended 31 December 2017 was mainly attributable to (i) the occurrence of some direct operating costs, such as rent, repair and maintenance and depreciation charges, which were fixed and did not decrease along with the change in revenue; and (ii) the increase in raw materials consumption relative to our revenue was driven by the growth in revenue from read-for-pleasure books which consumed a higher percentage of our raw materials. Our gross profit margin for the three months ended 31 March 2018, as compared to the three months ended 31 March 2017, remained relatively stable.

The following table sets out a breakdown of our Group's gross profit by digital printing and IPALM related services, offset printing and other printing related services during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000*	*%*
							(unaudited)			
Digital printing and IPALM related services *(Note)*	4,315	21.2	7,093	33.1	7,029	39.1	1,839	35.1	2,199	46.2
Offset printing	15,041	73.8	12,746	59.6	9,686	53.8	3,103	59.3	2,238	47.0
Other printing related services	1,020	5.0	1,569	7.3	1,278	7.1	293	5.6	323	6.8
Total	**20,376**	**100.0**	**21,408**	**100.0**	**17,993**	**100.0**	**5,235**	**100.0**	**4,760**	**100.0**

Note: IPALM related services were typically provided by our Company as value added services which were bundled into our digital printing services. As such, from a revenue/profit perspective, we did not distinguish IPALM related services from our digital printing services.

For each of the three years ended 31 December 2017, the gross profit margin of digital printing and IPALM related services was approximately 20.2%, 24.0% and 25.4%, respectively and the gross profit margin of offset printing was approximately 25.8%, 22.9% and 19.3%, respectively. For the three months ended 31 March 2017 and 2018, the gross profit margin of digital printing and IPALM related services was approximately 26.4% and 30.2%, respectively and the gross profit margin of offset printing was approximately 23.3% and 19.2%, respectively.

Other income

For each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, we generated other income of approximately AUD1.6 million, AUD1.2 million, AUD2.0 million, AUD0.3 million and AUD0.5 million, respectively.

The following table sets out a breakdown of our Group's other income during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Scrap recoveries	351	21.9	504	43.0	650	33.3	172	53.8	141	31.2
Reversal of impairment of trade receivables	–	–	57	4.9	463	23.7	–	–	–	–
Bad debts recovery	–	–	6	0.5	–	–	–	–	–	–
Exchange gain, net	74	4.6	–	–	–	–	–	–	–	–
Reversal of make good provision	–	–	–	–	239	12.2	–	–	–	–
Gain on disposal of property, plant and equipment	638	39.9	–	–	–	–	–	–	9	2.0
Interest income	74	4.6	200	17.1	326	16.7	54	16.9	106	23.5
Insurance refund	146	9.1	157	13.4	31	1.6	5	1.6	71	15.7
Reversal of impairment of investment in associate	42	2.6	–	–	–	–	–	–	–	–
Other *(Note)*	275	17.3	248	21.1	245	12.5	89	27.7	125	27.6
Total:	**1,600**	**100.0**	**1,172**	**100.0**	**1,954**	**100.0**	**320**	**100.0**	**452**	**100.0**

Note: Other mainly included reversal of overprovision/accrual in prior years.

Our other income during the Track Record Period generally consisted of (i) the sales of scrap materials arising from the production process such as scrap paper and obsolete plates; (ii) interest income; and (iii) insurance refund as a result of low claim ratio.

For the year ended 31 December 2015, other income also included, among other things, a gain of approximately AUD0.6 million arising from the disposal of certain post-presses and printing machines. A reversal of impairment of investment in an associate, namely Denward Court Pty Ltd., of approximately AUD42,000 was recorded, representing the excess of dividend received over the carrying amount of our Group's investment of 33.3% equity interest in Denward Court Pty Ltd. upon its deregistration in November 2015. As a result of the absence of such items in 2016, our other income has decreased by approximately AUD0.4 million or 26.8% from approximately AUD1.6 million for the year ended 31 December 2015 to approximately AUD1.2 million for the year ended 31 December 2016.

The increase in other income by approximately AUD0.8 million or 66.7% from approximately AUD1.2 million for the year ended 31 December 2016 to approximately AUD2.0 million for the year ended 31 December 2017 was mainly attributable to (i) the reversal in the make good provision of approximately AUD0.2 million as a result of the disposal of Ligare (NZ) in 2017; and (ii) the reversal of impairment of trade receivables during 2017 due to the improvement in debt collection.

The increase in other income of our Group by approximately AUD0.2 million or 41.3% from approximately AUD0.3 million for the three months ended 31 March 2017 to approximately AUD0.5 million for the three months ended 31 March 2018 was mainly attributable to (i) the increase in interest income due to an increase in cash balance as a result of net proceeds received from the exercise of share options by Bookbuilders BVI in May 2017; and (ii) a refund from the insurance company as a result of our Group's low claim ratio.

Selling and distribution costs

For each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, we recorded selling and distribution costs of approximately AUD6.0 million, AUD6.5 million, AUD5.4 million, AUD1.4 million and AUD1.3 million, respectively.

The following table sets out a breakdown of our Group's selling and distribution costs during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* (*unaudited*)	*%*	*AUD'000*	*%*
Freight charges	3,310	55.5	3,476	53.5	3,482	64.4	908	66.1	909	69.8
Employee benefits expense	2,529	42.4	2,557	39.3	1,814	33.5	426	31.0	312	23.9
Others *(Note)*	121	2.1	466	7.2	114	2.1	40	2.9	82	6.3
Total:	**5,960**	**100.0**	**6,499**	**100.0**	**5,410**	**100.0**	**1,374**	**100.0**	**1,303**	**100.0**

Note: Others included advertising, marketing and entertainment expenses.

Our selling and distribution costs primarily consisted of (i) freight charges for delivery of printed products to our customers; and (ii) staff salaries (including performance commission), other staff costs and superannuation to our sales and customer services team, which, in aggregate, represented approximately 97.9%, 92.8%, 97.9%, 97.1% and 93.7% of our total selling and distribution costs for each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, respectively. Our selling and distribution expenses increased by approximately AUD0.5 million or 9.0% from approximately AUD6.0 million for the year ended 31 December 2015 to approximately AUD6.5 million, which was mainly attributable to the increase in commission paid for sales referrals in respect of catalogues, operating manuals and promotional leaflets in 2016, but such arrangements ceased in 2017.

The decrease in our selling and distribution expenses for the year ended 31 December 2017 and for the three months ended 31 March 2018, as compared to the year ended 31 December 2016 and for the three months ended 31 March 2017, respectively, was mainly due to the reduction in sales staff headcount as a result of the implementation of cost control measures.

Administrative expenses

For each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, we recorded administrative expenses of approximately AUD11.1 million, AUD7.7 million, AUD6.6 million, AUD1.8 million and AUD1.4 million, respectively.

The following table sets out a breakdown of our Group's administrative expenses during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Employee benefits expense	4,585	41.2	3,541	45.9	3,097	47.0	725	41.2	678	48.0
Rent and outgoings	696	6.3	690	8.9	756	11.5	188	10.7	215	15.2
Depreciation of property, plant and equipment	686	6.2	402	5.2	320	4.9	52	3.0	102	7.2
Accounting and tax fee	319	2.9	232	3.0	251	3.8	47	2.7	39	2.8
Computer costs	857	7.7	306	4.0	275	4.2	70	4.0	18	1.3
Consultancy fee	530	4.8	406	5.3	239	3.6	106	6.0	50	3.5
Insurance	213	1.9	276	3.5	275	4.2	67	3.8	66	4.7
Repairs and maintenance	1,206	10.8	337	4.4	196	3.0	59	3.4	33	2.3
Travel expenses	455	4.1	573	7.4	284	4.3	94	5.3	44	3.1
Loss on disposal of a subsidiary	–	–	–	–	133	2.0	133	7.6	–	–
Telephone	194	1.7	112	1.5	106	1.6	29	1.6	26	1.8
Management fees	500	4.5	–	–	–	–	–	–	–	–
Bad debts written off	–	–	64	0.8	93	1.4	–	–	–	–
Provision of doubtful debts	423	3.8	–	–	–	–	43	2.4	6	0.4
Loss on disposal of property, plant and equipment	–	–	60	0.8	40	0.6	–	–	–	–
Exchange losses, net	–	–	21	0.3	165	2.5	48	2.7	4	0.3
Others	470	4.1	698	9.0	361	5.4	100	5.6	131	9.4
Total:	**11,134**	**100.0**	**7,718**	**100.0**	**6,591**	**100.0**	**1,761**	**100.0**	**1,412**	**100.0**

During the Track Record Period, our administrative expenses mainly consisted of (i) salaries, wages, other staff costs and superannuation for our directors, senior management and administrative staff; (ii) rent and outgoings; and (iii) depreciation of property, plant and equipment. Employee benefits expense was the largest component of our administrative expenses, representing approximately 41.2%, 45.9%, 47.0%, 41.2% and 48.0%, respectively, of our total administrative expenses for each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018.

Our administrative expenses decreased by AUD3.4 million or 30.7% from approximately AUD11.1 million for the year ended 31 December 2015 to approximately AUD7.7 million for the year ended 31 December 2016. The decrease was mainly attributable to the decrease in (i) employee benefits expense as a result of the reduction in headcount of senior management and administrative staff due to the implementation of cost control measures; (ii) computer costs, where the licence fees for idle or excessive software were written off during the year ended 31 December 2015; (iii) repair and maintenance costs, where the make good provision, represented the estimated cost of returning the leasehold properties to its original state at the end of the lease, in respect of five operating lease agreements for the year ended

31 December 2015 included the underprovision for prior years; and (iv) one-off management fees paid to the Lion Rock Group for conducting a strategic review of our Group's business and operations in 2015, after Lion Rock became the controlling shareholder of OPUS in November 2014, leading to cost control and rationalisation initiatives which in turn resulted in reductions in administrative expenses.

The decrease in our administrative expenses by AUD1.1 million or 14.6% from approximately AUD7.7 million for the year ended 31 December 2016 to approximately AUD6.6 million for the year ended 31 December 2017 was mainly attributable to (i) the reduction in headcount of senior management and administrative staff due to the implementation of cost control measures; and (ii) the reduction in corporate travelling expenses as a result of both the reduction in the number of senior management and the number of trips made between different sites.

Loss on disposal of a subsidiary of AUD0.1 million was included in administrative expenses in both the three months ended 31 March 2017 and for the year ended 31 December 2017 which represented the loss arising from the disposal of Ligare (NZ) in January 2017. As a result of (i) the absence of the aforesaid loss; (ii) the reduction in headcount of senior management and administrative staff due to the implementation of cost control measures; and (iii) the decrease in consultancy fees due to the change in Mr. Celarc's role within our Group since May 2017 and the subsequent reduction in his responsibilities, the administrative expenses for the three months ended 31 March 2018 decreased by approximately AUD0.4 million or 19.8%, as compared to that for the three months ended 31 March 2017.

Other expenses

For the three months ended 31 March 2018, other expenses represented the proportion of listing expenses recognised in profit or loss.

Finance costs

For each of the three years ended 31 December 2017 and for the three months ended 31 March 2017 and 2018, we recorded finance costs of approximately AUD0.2 million, AUD1,000, AUD34,000, AUD1,000 and AUD14,000, respectively.

The table below sets out a breakdown of our Group's finance costs during the Track Record Period:

	For the year ended 31 December						For the three months ended 31 March			
	2015		2016		2017		2017		2018	
	AUD'000	*%*	*AUD'000*	*%*	*AUD'000*	*%*	*AUD'000* *(unaudited)*	*%*	*AUD'000*	*%*
Finance lease charges	125	69.1	1	100.0	14	41.2	1	100.0	4	28.6
Other interest expenses	56	30.9	–	–	20	58.8	–	–	10	71.4
Total:	**181**	**100.0**	**1**	**100.0**	**34**	**100.0**	**1**	**100.0**	**14**	**100.0**

During the Track Record Period, our finance costs mainly comprised finance lease charges in respect of printing presses held under finance leases. Other interest expenses charged for the year ended 31 December 2015 represented interest expenses in respect of the promissory notes due and settled in 2015, while other interest expenses charged for the year ended 31 December 2017 and for the three months ended 31 March 2018 represented interest expenses on discounting the make good provision in respect of the operating leases.

Profit before income tax from continuing operations

Our profit before income tax from continuing operations was approximately AUD4.7 million, AUD8.4 million and AUD7.9 million for each of the three years ended 31 December 2017, respectively. The improvement in profitability for the year ended 31 December 2016 by approximately 77.9% was mainly attributable to the increase in revenue as described in the paragraph headed "Comparison of results of operations – Year ended 31 December 2016 compared to year ended 31 December 2015 – Revenue" in this section as well as the results of the cost control and rationalisation initiatives undertaken by us after Lion Rock became the controlling shareholder of OPUS in November 2014. Upon becoming the controlling shareholder, Lion Rock conducted a strategic and operational review which included strategic review of the business which resulted in the decision to focus on printing and related services in Australia and to dispose of the outdoor media business and printing business in New Zealand and Singapore. In addition, the strategic review incorporated a restructuring and review of our organisational structure, human resources and business contracts, all of which resulted in reductions in administrative expenses in the same year. Despite a drop in our profit before income tax from continuing operations for the year ended 31 December 2017 as compared to that for the year ended 31 December 2016 due to the decrease in revenue, our net profit margin before income tax from continuing operations for the year ended 31 December 2017 improved by approximately 0.4% from the year ended 31 December 2016 as a result of the reduction in direct operating costs, selling and distribution costs, and administrative expenses due to the rationalisation initiatives aforementioned. Such rationalisation initiatives were substantially completed during the year ended 31 December 2017 and our cost structure and net profit margin have stabilised.

Our profit before income tax from continuing operations was approximately AUD1.3 million for the three months ended 31 March 2018 after deducting listing expenses of approximately AUD1.2 million. In the absence of the listing expenses, the profit from income tax from continuing operations would have been approximately AUD2.5 million, representing an increase of approximately 2.6% as compared to the corresponding period in 2017.

Income tax (expense)/benefit

Our subsidiaries in Australia are subject to the domestic tax rate of 30% on the estimated assessable profits. Our New Zealand subsidiaries are subject to New Zealand jurisdiction tax rate of 28% on estimated assessable profits. OPUS and its wholly-owned Australian subsidiaries entered into a tax sharing agreement in respect of income tax and indirect tax sharing and funding agreement in respect of the goods and services tax imposed pursuant to the A New Tax System (Goods and Services Tax) Act 1999, as a result, these entities are taxed as a single entity for income tax and goods and services tax. The tax sharing agreement will terminate if all parties to the agreement agree to do so or upon disposal of all subsidiaries. Our income tax benefit for the year ended 31 December 2015 amounted to approximately AUD2.5 million and our income tax expenses for the years ended 31 December 2016 and 2017 and for the three months ended 31 March 2017 and 2018 were approximately AUD2.9 million, AUD2.2 million, AUD0.7 million and AUD0.4 million, respectively.

Our Group's effective tax rate, calculated by dividing our income tax expense for the year/period by our profit before income tax from continuing operations for the corresponding year/period, was approximately 34.1%, 28.1%, 30.5% and 30.2% for the years ended 31 December 2016 and 2017 and for the three months ended 31 March 2017 and 2018, respectively. Our effective tax rate for the year ended 31 December 2015 is not applicable as our Group recorded an income tax benefit for that year.

In spite of a profit before income tax from continuing operations of approximately AUD4.7 million being generated for the year ended 31 December 2015, we recorded an income tax benefit of approximately AUD2.5 million for the same year. The aforesaid income tax benefit included an income tax credit of approximately AUD3.6 million mainly arising from the utilisation of previously unrecognised (i) tax losses carried forward from previous years; and (ii) deferred tax assets from temporary differences.

In the absence of the components similar to those mentioned above in relation to our Group's income tax benefit for the year ended 31 December 2015, our Group incurred income tax expenses of approximately AUD2.9 million for the year ended 31 December 2016. Our effective tax rate of approximately 34.1% for the year ended 31 December 2016 was higher than our domestic tax rate of 30% in Australia based on estimated assessable profits, which was mainly attributable to the underprovision of income tax in prior year.

Our income tax expense and effective tax rate decreased to approximately AUD2.2 million and 28.1% respectively, for the year ended 31 December 2017, as compared to the year ended 31 December 2016. The decrease was mainly attributable to (i) the decrease in profit before income tax from continuing operations; and (ii) the overprovision of income tax charged in prior years.

Our income tax expenses decreased to approximately AUD0.4 million for the three months ended 31 March 2018, as compared to that for the three months ended 31 March 2017, while our effective tax rate remained relatively stable. The decrease was mainly due to the decrease in profit before income tax from continuing operations.

Profit after income tax from continuing operations

Our profit after income tax from continuing operations was approximately AUD7.2 million for the year ended 31 December 2015 after taking into account an income tax benefit of approximately AUD2.5 million recognised in profit and loss in the same year as explained above. Profit after income tax from continuing operations for the year ended 31 December 2017 was approximately AUD5.7 million, representing an improvement of approximately 3.3% from the year ended 31 December 2016 of approximately AUD5.5 million despite a drop in revenue.

Our profit after income tax from continuing operations for the three months ended 31 March 2018 was approximately AUD0.9 million after deducting listing expenses of approximately AUD1.2 million (which are tax-deductible). In the absence of the listing expenses (net of tax effect), the net profit would have been approximately AUD1.7 million, representing an increase of approximately 3.2% as compared to the corresponding period in 2017.

Discontinued operations

Our Group completed (i) the disposal of our outdoor media business in New Zealand under Cactus Imaging (NZ) to Independent Third Parties which was completed on 30 October 2015; (ii) the disposal of C.O.S. Printers to a wholly-owned subsidiary of Lion Rock which was completed on 10 May 2016; and (iii) the disposal of the Cactus Group to Independent Third Parties which was completed on 1 August 2016 in order to focus on our printing solutions and services business in Australia. During the Track Record Period and prior to their respective disposals, C.O.S. Printers was principally engaged in printing services in Singapore; and Cactus Imaging (NZ) and the Cactus Group were principally engaged in the provision of grand and large format printing for outdoor media in New Zealand and Australia, respectively. Results of these discontinued operations were presented as a separate line item as "profit after income tax from discontinued operations" in the combined statements of profit or loss and other comprehensive income. For each of the two years ended 31 December 2016, we recorded a profit after income tax from discontinued operations of approximately AUD4.9 million and AUD9.4 million, respectively, which included (i) the financial results of Cactus Imaging (NZ), the Cactus Group and C.O.S. Printers during the Track Record Period and up to the respective date of completion of their disposals; and (ii) gains on their respective disposals. For further information on the disposals and discontinued operations, please refer to the section headed "History and Corporate Structure" and note 14 "Discontinued operations" to the Accountants' Report as set out in Appendix IA to this prospectus, respectively.

COMPARISON OF RESULTS OF OPERATIONS

Three months ended 31 March 2018 compared to three months ended 31 March 2017

Revenue

Our revenue decreased by approximately AUD1.3 million or 6.3% from approximately AUD20.6 million for the three months ended 31 March 2017 to approximately AUD19.3 million for the three months ended 31 March 2018. The decrease was mainly attributable to the reduction in printing expenditure by certain existing customers which affected our Quick Turnaround Time Education Books and catalogues, operating manuals and promotional leaflets segments, which was mainly due to (i) the completion of some one-off projects in prior period not having recurred for the three months ended 31 March 2018; (ii) management's decision to decline certain printing orders for Quick Turnaround Time Education Books and catalogues, operating manuals and promotional leaflets segments due to their estimated low profit margins in order to free up capacity for more profitable jobs in other product segments; and (iii) the decrease in the number of customers for printing catalogues, operating manuals and promotional leaflets.

Direct operating costs

Our direct operating costs decreased by approximately AUD0.8 million or 5.4% from approximately AUD15.4 million for the three months ended 31 March 2017 to approximately AUD14.5 million for the three months ended 31 March 2018. The decrease was generally in line with the decrease in revenue.

Gross profit and gross profit margin

Our gross profit decreased by approximately AUD0.5 million or 9.1% from approximately AUD5.2 million for the three months ended 31 March 2017 to approximately AUD4.8 million for the three months ended 31 March 2018. Our gross profit margin decreased slightly from approximately 25.4% for the three months ended 31 March 2017 to approximately 24.7% for the three months ended 31 March 2018. Our gross profit and gross profit margin remained relatively stable.

Other income

Our other income increased by approximately AUD0.2 million or 41.3% from approximately AUD0.3 million for the three months ended 31 March 2017 to approximately AUD0.5 million for the three months ended 31 March 2018. The increase was mainly attributable to (i) the increase in interest income as a result of our stronger cash position; and (ii) a refund from an insurance company as a result of our Group's low claim ratio.

Selling and distribution costs

Our selling and distribution costs decreased slightly by approximately AUD0.1 million or 5.2% from approximately AUD1.4 million for the three months ended 31 March 2017 to approximately AUD1.3 million for the three months ended 31 March 2018. The decrease was mainly attributable to the reduction in sales staff headcount as a result of the implementation of cost control measures.

Administrative expenses

Our administrative expenses decreased by approximately AUD0.4 million or 19.8% from approximately AUD1.8 million for the three months ended 31 March 2017 to approximately AUD1.4 million for the three months ended 31 March 2018. The decrease was mainly attributable to (i) the loss on disposal of Ligare (NZ) of approximately AUD0.1 million recorded for the three months ended 31 March 2017, which was not recurring for the three months ended 31 March 2018; (ii) the reduction in headcount for senior management and administrative staff due to the implementation of cost control measures; and (iii) the reduction in consultancy fees as a result of the role change of Mr. Celarc since May 2017.

Finance costs

Our finance costs increased by approximately AUD13,000 from approximately AUD1,000 for the three months ended 31 March 2017 to approximately AUD14,000 for the three months ended 31 March 2018. The increase was mainly attributable to (i) the inception of new finance lease agreements for digital printing presses in April 2017; and (ii) the increase in interest expenses on discounting the make good provision.

Profit before income tax from continuing operations

As a result of the foregoing and the recognition of the listing expenses of approximately AUD1.2 million for the three months ended 31 March 2018, our profit before income tax from continuing operations decreased by approximately AUD1.1 million or 45.1% from approximately AUD2.4 million for the three months ended 31 March 2017 to approximately AUD1.3 million for the three months ended 31 March 2018.

Income tax expense

Our income tax expense decreased by approximately AUD0.3 million or 45.6% from approximately AUD0.7 million for the three months ended 31 March 2017 to approximately AUD0.4 million for the three months ended 31 March 2018. The decrease was primarily attributable to the reduction in profit before income tax from continuing operations.

Profit after income tax from continuing operations

As a result of the foregoing reasons and the recognition of listing expenses (which are tax-deductible) of approximately AUD1.2 million under other expenses, our profit after income tax from continuing operations decreased by approximately AUD0.8 million or 44.9% from approximately AUD1.7 million for the three months ended 31 March 2017 to approximately AUD0.9 million for the three months ended 31 March 2018. Our net profit margin from continuing operations also decreased from approximately 8.2% for the three months ended 31 March 2017 to approximately 4.8% for the three months ended 31 March 2018, which was mainly due to the recognition of listing expenses for the three months ended 31 March 2018. In the absence of such listing expenses (net of tax effect), our profit after income tax from continuing operation would have been approximately AUD1.7 million, representing an increase of approximately 3.2% as compared to that for the corresponding period in 2017.

Year ended 31 December 2017 compared to year ended 31 December 2016

Revenue

Our revenue decreased by approximately AUD7.8 million or 8.9% from approximately AUD87.0 million for the year ended 31 December 2016 to approximately AUD79.2 million for the year ended 31 December 2017. The decrease was mainly attributable to (i) the reduction in printing expenditure by certain existing customers in favour of online publications, which affected our Quick Turnaround Time Education Books segment; and (ii) the reduction in demand for Government Printed Matters from Australian government related entities in 2017 as compared to the higher demand in 2016 which mainly related to the 2016 Australian federal elections and a one-off project related to the launch of a new student loan programme.

Direct operating costs

Our direct operating costs decreased by approximately AUD4.4 million or 6.6% from approximately AUD65.6 million for the year ended 31 December 2016 to approximately AUD61.2 million for the year ended 31 December 2017. The decrease was mainly attributable to the decrease in raw materials costs and mailing expenses which corresponded to the overall decrease in revenue.

Gross profit and gross profit margin

Our gross profit decreased by approximately AUD3.4 million or 16.0% from approximately AUD21.4 million for the year ended 31 December 2016 to approximately AUD18.0 million for the year ended 31 December 2017. The decrease was mainly attributable to the overall decrease in revenue as detailed above.

Our gross profit margin decreased from approximately 24.6% for the year ended 31 December 2016 to approximately 22.7% for the year ended 31 December 2017. Such decrease was mainly attributable to (i) the change in revenue mix with a higher portion of revenue generated from read-for-pleasure books which has a lower profit margin as compared to other product segments; and (ii) some fixed direct operating costs which did not decrease along with the decrease in revenue.

Other income

Our other income increased by approximately AUD0.8 million or 66.7% from approximately AUD1.2 million for the year ended 31 December 2016 to approximately AUD2.0 million for the year ended 31 December 2017. The increase was mainly attributable to (i) the reversal of impairment of trade receivables due to the improvement in debt collection; and (ii) the reversal in the make good provision as a result of the disposal of Ligare (NZ).

Selling and distribution costs

Our selling and distribution costs decreased by approximately AUD1.1 million or 16.8% from approximately AUD6.5 million for the year ended 31 December 2016 to approximately AUD5.4 million for the year ended 31 December 2017. The decrease was mainly attributable to the decrease in employee benefits expense following the reduction in sales staff headcount as a result of the implementation of cost control measures.

Administrative expenses

Our administrative expenses decreased by approximately AUD1.1 million or 14.6% from approximately AUD7.7 million for the year ended 31 December 2016 to approximately AUD6.6 million for the year ended 31 December 2017. The decrease was mainly attributable to (i) the decrease in employee benefits expense following the reduction in headcount of senior management and administrative staff; and (ii) the reduction in travelling expenses as a result of the implementation of cost control measures.

Finance costs

Our finance costs increased by approximately AUD33,000 from approximately AUD1,000 for the year ended 31 December 2016 to approximately AUD34,000 for the year ended 31 December 2017. The increase was mainly attributable to (i) the entering into of new finance lease agreements for digital printing presses; and (ii) the interest expenses on discounting the make good provision in relation to the operating leases in 2017.

Profit before income tax from continuing operations

As a result of the foregoing, our profit before income tax from continuing operations decreased by approximately AUD0.5 million or 5.4% from approximately AUD8.4 million for the year ended 31 December 2016 to approximately AUD7.9 million for the year ended 31 December 2017.

Income tax expense

Our income tax expense decreased by approximately AUD0.7 million or 22.1% from approximately AUD2.9 million for the year ended 31 December 2016 to approximately AUD2.2 million for the year ended 31 December 2017. The decrease was mainly attributable to (i) the decrease in profit before income tax from continuing operations; and (ii) an adjustment for the overprovision of income tax charged in the prior year.

Profit after income tax from continuing operations

As a result of the foregoing reasons, our profit after income tax from continuing operations increased by approximately AUD0.2 million or 3.3% from approximately AUD5.5 million for the year ended 31 December 2016 to approximately AUD5.7 million for the year ended 31 December 2017.

Our net profit margin from continuing operations increased from approximately 6.3% for the year ended 31 December 2016 to approximately 7.2% for the year ended 31 December 2017. The increase was mainly attributable to the improvement in cost control.

Profit after income tax from discontinued operations

Our profit after income tax from discontinued operations decreased from approximately AUD9.4 million for the year ended 31 December 2016 to nil for the year ended 31 December 2017 as the disposal of the Cactus Group and C.O.S. Printers were completed during the year ended 31 December 2016.

Year ended 31 December 2016 compared to year ended 31 December 2015

Revenue

Our revenue increased by approximately AUD6.2 million or 7.7% from approximately AUD80.7 million for the year ended 31 December 2015 to approximately AUD87.0 million for the year ended 31 December 2016. The increase was mainly attributable to the revenue growth in printing solutions and services for (i) read-for-pleasure books due to the entering into of a new long-term agreement with Customer F in 2016; and (ii) Government Printed Matters due to the 2016 Australia federal elections, the launch of a new student loan programme and an increase in printing demand on another project related to a cancer screening programme.

Direct operating costs

Our direct operating costs increased by approximately AUD5.2 million or 8.6% from approximately AUD60.4 million for the year ended 31 December 2015 to approximately AUD65.6 million for the year ended 31 December 2016. Such increase was mainly attributable to (i) the increase in raw materials costs due to the change in revenue mix with a higher portion of revenue generated from read-for-pleasure books, which consumed a higher percentage of raw materials; and (ii) an increase in mailing costs due to the increase in revenue in respect of Government Printed Matters.

Gross profit and gross profit margin

Our gross profit increased by approximately AUD1.0 million or 5.1% from approximately AUD20.4 million for the year ended 31 December 2015 to approximately AUD21.4 million for the year ended 31 December 2016. The increase in gross profit was mainly attributable to the greater increase in revenue than direct operating costs in terms of absolute amount, as detailed in the immediate paragraphs above.

Our gross profit margin decreased from approximately 25.2% for the year ended 31 December 2015 to approximately 24.6% for the year ended 31 December 2016, which was mainly attributable to the change in revenue mix with a higher portion of revenue generated from read-for-pleasure books in 2016, which tended to consume more raw materials and therefore had a lower profit margin.

Other income

Our other income decreased by approximately AUD0.4 million or 26.8% from approximately AUD1.6 million for the year ended 31 December 2015 to approximately AUD1.2 million for the year ended 31 December 2016. The decrease was mainly attributable to the gain on disposal of certain printing presses and post-press machines recorded in 2015, which had not recurred in 2016.

Selling and distribution costs

Our selling and distribution costs increased by approximately AUD0.5 million or 9.0% from approximately AUD6.0 million for the year ended 31 December 2015 to approximately AUD6.5 million for the year ended 31 December 2016. The increase was mainly attributable to the increase in commission paid for sales referrals in respect of catalogues, operating manuals and promotional leaflets in 2016, but such arrangements ceased in 2017.

Administrative expenses

Our administrative expenses decreased by approximately AUD3.4 million or 30.7% from approximately AUD11.1 million for the year ended 31 December 2015 to approximately AUD7.7 million for the year ended 31 December 2016. The decrease was mainly attributable to the decrease in (i) employee benefits expense following the reduction in headcount for senior management and administrative staff due to the implementation of cost control measures; (ii) computer costs, where the licence fees for idle or excessive software were written off during the year ended 31 December 2015; (iii) make good provision, represented the estimated cost of returning the leasehold properties to its original state at the end of the lease, in respect of five operating lease agreements, the expense of which for the year ended 31 December 2015 included underprovisions for prior years; and (iv) one-off management fee charged by the Lion Rock Group for conducting a strategic review of the Group's business and operations in 2015 after Lion Rock became the controlling shareholder of OPUS in November 2014 not having recurred in 2016. The aforesaid led to our cost control and rationalisation initiatives which in turn resulted in reductions in administrative expenses thereafter during the Track Record Period.

Finance costs

Our finance costs decreased by approximately AUD0.2 million or 99.4% from approximately AUD0.2 million for the year ended 31 December 2015 to approximately AUD1,000 for the year ended 31 December 2016. The decrease was mainly attributable to (i) the settlement of finance lease liabilities in respect of printing presses held under finance leases; and (ii) the settlement in 2015 of the promissory note issued in 2014 for a principal amount of AUD1.9 million.

Profit before income tax from continuing operations

As a result of the foregoing, our profit before income tax from continuing operations increased by approximately AUD3.7 million or 77.9% from approximately AUD4.7 million for the year ended 31 December 2015 to approximately AUD8.4 million for the year ended 31 December 2016.

Income tax expense

We recorded an income tax benefit of approximately AUD2.5 million for the year ended 31 December 2015 while we incurred an income tax expense of approximately AUD2.9 million for the year ended 31 December 2016. The increase in income tax expense was mainly attributable to the utilisation of an income tax credit of approximately AUD3.6 million in 2015 which included (i) previously unrecognised tax losses brought forward from prior years; and (ii) previously unrecognised deferred tax assets, all of which were not available for reducing income tax expense in 2016.

Profit after income tax from continuing operations

As a result of the foregoing reasons, our profit after income tax from continuing operations decreased by approximately AUD1.6 million or 23.0% from approximately AUD7.2 million for the year ended 31 December 2015 to approximately AUD5.5 million for the year ended 31 December 2016.

Our net profit margin from continuing operations decreased from approximately 8.9% for the year ended 31 December 2015 to approximately 6.3% for the year ended 31 December 2016. The decrease was mainly due to the increase in income tax expense.

Profit after income tax from discontinued operations

Our profit after income tax from discontinued operations increased by approximately AUD4.5 million or 91.8% from approximately AUD4.9 million for the year ended 31 December 2015 to approximately AUD9.4 million for the year ended 31 December 2016. The increase in profit after income tax from discontinued operations was mainly attributable to (i) a gain on disposal of the Cactus Group in the amount of approximately AUD4.8 million; and (ii) a gain on disposal of C.O.S. Printers in the amount of approximately AUD3.6 million recorded for the year ended 31 December 2016; partially offset by the fact that (a) our Group only consolidated the financial results of the Cactus Group and C.O.S. Printers in 2016 up to the respective date of completion of disposal in May 2016 and August 2016, respectively, while the full year results thereof in 2015 were consolidated into our combined profit and loss accounts in 2015; and (b) the profit after tax from our outdoor media business in New Zealand under Cactus Imaging (NZ) during 2015 prior to its disposal, together with our gain on disposal of such business in October 2015, were not recurring in 2016.

ANALYSIS ON MAJOR COMPONENTS OF THE COMBINED STATEMENTS OF FINANCIAL POSITION

The table below presents the combined statements of financial position of our Group as at 31 December 2015, 2016 and 2017 and 31 March 2018 as extracted from the Accountants' Report in Appendix IA to this prospectus.

	As at 31 December			As at 31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	8,183	7,063	7,003	6,635
Deferred tax assets	3,065	2,632	2,460	2,886
Other non-current assets	1,469	262	–	–
	12,717	9,957	9,463	9,521
Current assets				
Inventories	6,430	3,765	5,331	5,745
Trade receivables	16,825	14,352	10,870	11,099
Other receivables, deposits and prepayment	2,720	1,261	1,262	1,574
Current tax receivables	–	–	226	10
Cash and cash equivalents	11,459	17,519	25,673	24,850
	37,434	36,897	43,362	43,278
Current liabilities				
Trade and other payables	13,888	12,320	10,607	10,642
Finance lease liabilities	151	17	56	57
Provisions	5,076	3,945	3,611	3,680
Amount due to fellow subsidiary	700	–	–	–
Provision for income tax	1,171	108	–	–
	20,986	16,390	14,274	14,379
Net current assets	16,448	20,507	29,088	28,899
Total assets less current liabilities	29,165	30,464	38,551	38,420
Non-current liabilities				
Finance lease liabilities	–	73	199	185
Provisions	1,363	1,360	1,940	1,973
Deferred tax liabilities	153	301	422	399
	1,516	1,734	2,561	2,557
Net assets	27,649	28,730	35,990	35,863
EQUITY				
Share capital	–	–	–	–
Reserves	27,649	28,730	35,990	35,863
Total equity	27,649	28,730	35,990	35,863

Property, plant and equipment

Our Group's property, plant and equipment comprised (i) land and buildings; (ii) plant and equipment; (iii) office furniture and equipment; (iv) motor vehicles; (v) leasehold improvements; and (vi) computer equipment. As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's property, plant and equipment were approximately AUD8.2 million, AUD7.1 million, AUD7.0 million and AUD6.6 million, respectively, representing approximately 16.3%, 15.1%, 13.3% and 12.6% of our Group's total assets. A substantial portion of our property, plant and equipment was plant and equipment, representing 70.2%, 75.8%, 72.7% and 72.7% of the total property, plant and equipment as at 31 December 2015, 2016 and 2017 and 31 March 2018, respectively. Our owned land and buildings represented the land and buildings erected thereon in respect of the MPG Facility, which is located at Maryborough, VIC, Australia with a total land area of approximately 36,052 sq.m., and represented approximately 20.5%, 21.2%, 18.9% and 19.3% of the total property, plant and equipment as at 31 December 2015, 2016, 2017 and 31 March 2018, respectively.

Our Group's property, plant and equipment decreased by approximately AUD1.1 million or 13.7% from approximately AUD8.2 million as at 31 December 2015 to AUD7.1 million as at 31 December 2016, which was mainly attributable to (i) the disposal of the Cactus Group and C.O.S. Printers; and (ii) the depreciation charged during 2016 which was partially offset by the additions of equipment which mainly included post-press machines and digital printing presses.

Our Group's property, plant and equipment decreased slightly by approximately AUD0.1 million or 0.8% from approximately AUD7.1 million as at 31 December 2016 to AUD7.0 million as at 31 December 2017. Such decrease was mainly attributable to the depreciation charged during 2017 which was partially offset by (i) the additions of equipment which mainly included post-press machines and digital printing presses; and (ii) the make good provision in respect of leasehold improvements.

Our Group's property, plant and equipment decreased by approximately AUD0.4 million or 5.3% from approximately AUD7.0 million as at 31 December 2017 to AUD6.6 million as at 31 March 2018, which was mainly attributable to the depreciation charged for the three months ended 31 March 2018.

Inventories

Our Group's inventories comprised raw materials, work-in-progress and finished goods. We have warehousing capacity at all of our three production facilities and a warehousing facility with a total land area of approximately 12,000 sq.m. located at Hume, ACT, Australia near the CanPrint Facility. As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's inventories were approximately AUD6.4 million, AUD3.8 million, AUD5.3 million and AUD5.7 million, respectively, representing approximately 12.8%, 8.0%, 10.1% and 10.9% of our Group's total assets.

The table below sets out a breakdown of the major components of our inventories as at the respective dates indicated:

	As at 31 December			As at 31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Raw materials	5,156	3,974	5,478	6,167
Work in progress	1,369	352	303	291
Finished goods	633	369	442	317
Less: Provision for inventories	(728)	(930)	(892)	(1,030)
Total	**6,430**	**3,765**	**5,331**	**5,745**

Our inventories decreased by approximately AUD2.7 million or 41.4% from approximately AUD6.4 million as at 31 December 2015 to approximately AUD3.8 million as at 31 December 2016. The decrease was mainly attributable to (i) the disposal of the Cactus Group and C.O.S. Printers; and (ii) the increase in sales activities in the fourth quarter of 2016 as compared to the corresponding period of the prior year, leading to a higher consumption of inventories.

Our inventories increased by approximately AUD1.6 million or 41.6% from approximately AUD3.8 million as at 31 December 2016 to approximately AUD5.3 million as at 31 December 2017, which was mainly attributable to the increase in the purchase of paper as inventory as part of our Group's cost savings strategy and our management's expectation of an increase in paper prices.

Our inventories increased by approximately AUD0.4 million or 7.8% from approximately AUD5.3 million as at 31 December 2017 to approximately AUD5.7 million as at 31 March 2018, which was mainly attributable to our Group continuous implementation of cost savings measures as mentioned above.

The following table sets out a summary of our Group's average inventory turnover days for the years/period indicated:

	For the year ended 31 December			For the three months ended 31 March
	2015	**2016**	**2017**	**2018**
Average inventory turnover days *(Note)*	65.8	55.6	67.7	85.7

Note: Inventory turnover days equals average balance of inventory (excluding inventory relating to the discontinued operations) as of the beginning and end of the year/period divided by costs of raw materials under direct operating costs for continuing operations for the relevant year/period and multiplied by the number of days in the relevant year/period.

Our inventory turnover days were approximately 65.8 days, 55.6 days, 67.7 days and 85.7 days for the years ended 31 December 2015, 2016 and 2017 and for the three months ended 31 March 2018, respectively. The decrease in inventory turnover days for the year ended 31 December 2016, as compared to that for the year ended 31 December 2015, was mainly attributable to the increase in sales activities in the fourth quarter of 2016, leading to a higher consumption and lower year-end balance of inventory. For the year ended 31 December 2017 and for the three months ended 31 March 2018, there was a gradual increase in inventory turnover days as compared to the previous corresponding year/period which was mainly attributable to the increase in the purchase of paper due to our management's expectation of an increase in paper prices.

For the inventory balance as at 31 March 2018, amounts of approximately AUD4.4 million (or 77.2%) of the total inventory were utilised/sold as at the Latest Practicable Date. Among which, (i) approximately AUD4.4 million and AUD0.3 million were utilised for raw materials and work-in-progress, respectively; (ii) approximately AUD48,000 of finished goods were sold as at the Latest Practicable Date; and net off by (iii) a reversal of provision of inventories of AUD351,000 as a result of such subsequent utilisation/sales of inventory as at the Latest Practicable Date.

Trade receivables

As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's trade receivables were approximately AUD16.8 million, AUD14.4 million, AUD10.9 million and AUD11.1 million, respectively, representing approximately 33.5%, 30.6%, 20.6% and 21.0% of our Group's total assets as at the respective dates.

The following table sets out the details of our Group's trade receivables as at the respective dates indicated:

	As at 31 December			**As at 31 March**
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Trade receivables	17,673	14,952	10,984	11,219
Less: Provision for impairment	(848)	(600)	(114)	(120)
Total	**16,825**	**14,352**	**10,870**	**11,099**

Our trade receivables represent the amount of receivables from customers for the products and services we sold and delivered. The decrease in trade receivables by approximately AUD2.5 million or 14.7% from approximately AUD16.8 million as at 31 December 2015 to approximately AUD14.4 million as at 31 December 2016 was mainly attributable to the decrease in receivables from customers of the outdoor media business in Australia and the printing business in Singapore following the disposal of the Cactus Group and C.O.S. Printers, respectively, in 2016. The decrease in trade receivables by approximately AUD3.5 million or 24.3% from AUD14.4 million as at 31 December 2016 to AUD10.9 million as at 31 December 2017 was mainly attributable to

(i) the improvement in debt collection as we have conducted better monitoring and follow-up procedures on overdue balances; and (ii) the decrease in sales in the fourth quarter of 2017 as compared to the corresponding period in 2016. The increase in trade receivables by approximately AUD0.2 million or 2.1% from approximately AUD10.9 million as at 31 December 2017 to approximately AUD11.1 million as at 31 March 2018 was mainly attributable to lower sales in November and December 2017 as compared to February and March 2018.

The following table sets out the aging analysis of our trade receivables based on the invoice date as at the respective dates indicated:

	As at 31 December			As at 31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
0 – 30 days	7,525	7,215	5,144	6,288
31 – 60 days	5,397	4,388	2,936	4,044
61 – 90 days	2,957	1,854	2,092	586
91 – 120 days	901	526	402	72
121 – 150 days	312	311	285	69
Over 150 days	581	658	125	160
Total	**17,673**	**14,952**	**10,984**	**11,219**

We generally offer credit terms to customers ranging from 30 to 90 days. We manage credit granted to each customer by setting up a credit limit. We conduct monthly review of our trade receivables and make follow-up calls or send emails to customers for overdue trade receivables. As at 31 December 2015, 2016 and 2017 and 31 March 2018, we made provision for impairment of trade receivables of approximately AUD0.8 million, AUD0.6 million, AUD0.1 million and AUD0.1 million, respectively.

As at the Latest Practicable Date, approximately AUD11.1 million, representing 99.1% of our trade receivables as at 31 March 2018, has been subsequently settled.

The following table sets out a summary of the turnover of our Group's trade receivables for the years/period indicated:

	For the year ended 31 December			For the three months ended 31 March
	2015	**2016**	**2017**	**2018**
Trade receivables turnover days *(Note)*	48.0	55.3	58.1	51.2

Note: Trade receivables turnover days equals average balance of trade receivables (excluding trade receivables from discontinued operations) as of the beginning and end of the year/period divided by revenue from continuing operations for the relevant year/period and multiplied by the number of days in the relevant year/period.

For each of the three years ended 31 December 2017, our trade receivables turnover days were approximately 48.0 days, 55.3 days and 58.1 days, respectively. The overall increase in the trade receivables turnover days for each of the three years ended 31 December 2017 was mainly attributable to the increase in sales with major customers which generally have longer credit periods.

The trade receivables turnover days for the three months ended 31 March 2018 was approximately 51.2 days, which represented an improvement from the year ended 31 December 2017 of approximately 58.1 days. The decrease was mainly attributable to an improvement in debt collection.

Trade and other payables

As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's trade and other payables were approximately AUD13.9 million, AUD12.3 million, AUD10.6 million and AUD10.6 million, respectively, representing approximately 61.7%, 68.0%, 63.9% and 62.9% of our Group's total liabilities.

Our trade and other payables primarily comprised (i) trade payables; (ii) other payables and accruals due to other creditors; (iii) sundry provisions and accruals; (iv) receipt in advance; (v) amortisation of rent free period; (vi) provision for PAYE/PAYG; and (vii) GST payables.

The following table sets out the details of our Group's trade and other payables as at the respective dates indicated:

	As at 31 December			As at 31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Trade payables	7,867	6,432	5,487	4,238
Other payables and accruals:				
Other payables	1,124	1,053	616	1,630
Sundry provisions and accruals	4,217	4,449	3,943	4,383
Receipt in advance	249	–	240	90
Amortisation of rent free period	231	–	–	–
Provision for PAYE/PAYG	56	57	38	105
GST payables	144	329	283	196
	6,021	5,888	5,120	6,404
Total	**13,888**	**12,320**	**10,607**	**10,642**

Trade payables

Our Group's trade payables mainly represent amounts payable to our suppliers for purchases of raw materials and sub-contracting services. As at 31 December 2015, 2016 and 2017 and 31 March 2018, our trade payables amounted to approximately AUD7.9 million, AUD6.4 million, AUD5.5 million and AUD4.2 million, respectively. The decrease in trade payables by approximately AUD1.4 million or 18.2% from approximately AUD7.9 million as at 31 December 2015 to approximately AUD6.4 million as at 31 December 2016 was mainly attributable to the disposal of the Cactus Group and C.O.S. Printers in 2016. The decrease in trade payables by approximately AUD0.9 million or 14.7% from approximately AUD6.4 million as at 31 December 2016 to approximately AUD5.5 million as at 31 December 2017 was mainly attributable to the reduction in direct operating costs associated with the decrease in sales in the fourth quarter of 2017, as compared to the corresponding period in 2016. The decrease in trade payables by approximately AUD1.2 million or 22.8% from approximately AUD5.5 million as at 31 December 2017 to approximately AUD4.2 million as at 31 March 2018 was mainly attributable to the reduction of the credit period provided by Supplier B from 30 and 60 days in 2017 to 7 days in 2018 for better pricing from Supplier B.

The following table sets out the aging analysis of our trade payables based on the invoice date as at the respective dates indicated:

	As at 31 December			As at 31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
0 – 30 days	4,216	3,569	2,196	2,665
31 – 60 days	2,523	2,434	2,394	1,060
61 – 90 days	756	224	669	381
91 – 120 days	165	59	86	47
Over 120 days	207	146	142	85
Total	**7,867**	**6,432**	**5,487**	**4,238**

Our suppliers grant us credit periods ranging from 0 to 90 days. As at the Latest Practicable Date, approximately AUD4.2 million, representing 99.6% of the outstanding balance of our trade payables as at 31 March 2018, has been subsequently settled.

The following table sets out a summary of the turnover of our Group's trade payables for the years/period indicated:

	For the year ended 31 December 2015	2016	2017	For the three months ended 31 March 2018
Trade payables turnover days *(Note)*	58.4	50.8	54.9	47.1

Note: Trade payables turnover days equals average balance of trade payables (excluding trade payables for discontinued operations) as of the beginning and end of the year/period divided by direct operating costs (exclusive of direct labour costs and depreciation of property, plant and equipment) from continuing operations for the relevant year/period and multiplied by the number of days in the relevant year/period.

For the three years ended 31 December 2017, the trade payables turnover days were approximately 58.4 days, 50.8 days and 54.9 days, respectively. The higher trade payables turnover days for 2015 was due to the higher trade payable balance as at beginning of the year as we did not, for the purpose of enjoying discount from suppliers in the preceding year, early settle our trade payables. The increase in the trade payables turnover days for the year ended 31 December 2017 as compared to 2016 was mainly attributable to the shift of purchases to Supplier B which allowed us a longer credit period.

The trade payables turnover days for the three months ended 31 March 2018 was approximately 47.1 days, which represented a decrease from the year ended 31 December 2017 of approximately 54.9 days and was mainly attributable to the reduction of the credit period provided by Supplier B from 30 and 60 days in 2017 to 7 days in 2018 for better pricing from Supplier B.

Other payables

Our other payables represented mainly (i) revenue collected on behalf of our customers from their end-user customers; (ii) overpayment from our customers to be refunded; and (iii) dividend payable. As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's other payables were approximately AUD1.1 million, AUD1.1 million, AUD0.6 million and AUD1.6 million, respectively.

Our other payables were relatively stable as at 31 December 2015 and 2016. The decrease in other payables by approximately AUD0.4 million or 41.5% from approximately AUD1.1 million as at 31 December 2016 to approximately AUD0.6 million as at 31 December 2017 was mainly attributable to settlement with our customers in respect of amounts received on their behalf in 2017 for purchases of their products by their end-user customers from websites which we managed through our IPALM platform.

The increase in other payables by approximately AUD1.0 million or 164.6% from approximately AUD0.6 million as at 31 December 2017 to approximately AUD1.6 million as at 31 March 2018 was mainly attributable to the declaration of dividend in the amount of approximately AUD1.1 million payable by OPUS to OPUS Shareholders on 23 February 2018, which was not yet settled as at 31 March 2018.

Sundry provisions and accruals

Our sundry provisions and accruals represented the provisions and accruals in respect of operating expenses, such as staff salaries, sub-contracting fees and volume rebates to customers. As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's sundry provisions and accruals were approximately AUD4.2 million, AUD4.4 million, AUD3.9 million and AUD4.4 million, respectively.

The increase in sundry provisions and accruals by approximately AUD0.2 million or 5.5% from approximately AUD4.2 million as at 31 December 2015 to approximately AUD4.4 million as at 31 December 2016 was mainly attributable to the increase in volume rebates payable to customers and partially offset by the disposal of the Cactus Group and C.O.S. Printers in 2016.

The decrease in sundry provisions and accruals by approximately AUD0.5 million or 11.4% from approximately AUD4.4 million as at 31 December 2016 to approximately AUD3.9 million as at 31 December 2017 was mainly attributable to the decrease in accruals for direct operating costs, which was in line with the decrease in revenue in the fourth quarter of 2017.

The sundry provisions and accruals as at 31 March 2018 increased by approximately AUD0.4 million or 11.2% from approximately AUD3.9 million as at 31 December 2017 to approximately AUD4.4 million as at 31 March 2018 which was mainly attributable to the accruals made for certain listing expenses which were pending the receipt of invoice from professional parties.

Receipt in advance

Receipt in advance represented deposits received from certain new customers who have yet to establish relationships with us and hence were not granted credit terms, as such, we require payment in advance for printing solutions and services to be rendered. As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's receipt in advance were approximately AUD0.2 million, nil, AUD0.2 million and AUD90,000, respectively.

Amortisation of rent free period

We had an amortisation of rent free period of approximately AUD0.2 million as at 31 December 2015 in relation to the properties leased by C.O.S. Printers and the Cactus Group, which were disposed of in 2016. As a results of such disposal, no such balance was recorded as at 31 December 2016 and 2017 and 31 March 2018, respectively.

Provision for PAYE/PAYG

We had provision for PAYE/PAYG balances which represents "pay-as-you-earn" and "pay-as-you-go" withholding payable on behalf of our employees in respect of their salaries received. As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's provision for PAYE/PAYG was AUD56,000, AUD57,000, AUD38,000 and approximately AUD0.1 million, respectively.

Our provision for PAYE/PAYG was stable as at 31 December 2016, as compared to 31 December 2015. The decrease in our provision for PAYE/PAYG by AUD19,000 from AUD57,000 as at 31 December 2016 to AUD38,000 as at 31 December 2017 was mainly attributable to the decrease in salaries expenses after the overall reduction of headcount. Our provision for PAYE/PAYG of AUD38,000 as at 31 December 2017 was lower than that of approximately AUD0.1 million as at 31 March 2018, which was due to early payment of salaries prior to the Christmas break in December which in turn reduced the balance of provision for PAYE/PAYG.

GST payables

As GST registered business entities in Australia and New Zealand, we incurred GST on our sales and purchases in Australia and New Zealand with the current applicable rate of 10.0% and 15.0% charged on the selling price of goods and services provided and received in Australia and New Zealand, respectively. As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's GST payables were approximately AUD0.1 million, AUD0.3 million, AUD0.3 million and AUD0.2 million, respectively. The GST payables were relatively stable as at 31 December 2015, 2016 and 2017 and 31 March 2018.

Provisions

As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's provisions were as follows:

	As at 31 December			As at 31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Employee benefit liabilities for annual leave and time in lieu – current	2,571	1,855	1,569	1,571
Employee benefit liabilities for long service leave – current	2,505	2,090	2,042	2,109
Total current liabilities	5,076	3,945	3,611	3,680
Employee benefit liabilities for long service leave – non-current	448	243	245	268
Provision for leasehold dilapidations	915	1,117	1,695	1,705
Total non-current liabilities	1,363	1,360	1,940	1,973
	6,439	5,305	5,551	5,653

Employee benefit liabilities for annual leave and time in lieu represented employees' annual leave and compensation leave for overtime work which was untaken. As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's employee benefit liabilities for annual leave and time in lieu were approximately AUD2.6 million, AUD1.9 million, AUD1.6 million and AUD1.6 million, respectively. The decrease in employee benefit liabilities for annual leave and time in lieu by approximately AUD0.7 million or 27.8% from approximately AUD2.6 million as at 31 December 2015 to approximately AUD1.9 million as at 31 December 2016 was mainly attributable to the disposal of the Cactus Group and C.O.S. Printers in 2016. The decrease in employee benefit liabilities for annual leave and time in lieu by approximately AUD0.3 million or 15.4% from approximately AUD1.9 million as at 31 December 2016 to approximately AUD1.6 million as at 31 December 2017 was mainly attributable to the overall reduction in headcount. The employee benefit liabilities for annual leave and time in lieu remained stable at approximately AUD1.6 million as at 31 March 2018, as compared to the balance as at 31 December 2017.

The employee benefit liabilities for long service leave represented employees' leave entitlement upon reaching the requisite years of service. As at 31 December 2015, 2016 and 2017 and 31 March 2018, our Group's employee benefit liabilities for long service leave was approximately AUD3.0 million, AUD2.3 million, AUD2.3 million and AUD2.4 million, respectively. The decrease in employee benefit liabilities for long service leave by approximately AUD0.6 million or 21.0% from approximately AUD3.0 million as at 31 December 2015 to approximately AUD2.3 million as at 31 December 2016 was mainly attributable to the disposal of the Cactus Group in 2016. The employee benefit liabilities for long service leave was maintained at a relatively stable level as at 31 December 2016 and 2017 and as at 31 March 2018.

Provisions for leasehold dilapidations represented the estimated cost of returning leasehold properties to its original status at the end of the lease in accordance with the terms of the lease agreement relating to the properties leased by the Group under operating lease. As at 31 December 2015, 2016 and 2017 and 31 March 2018, provisions for leasehold dilapidations amounted to approximately AUD0.9 million, AUD1.1 million, AUD1.7 million and AUD1.7 million, respectively. The overall increase in provisions for leasehold dilapidations during the Track Record Period was mainly attributable to (i) the recognition of interests on discounting the make good provision; and (ii) the change in estimation based on the latest conditions of leasehold properties.

Finance lease liabilities

Certain printing presses of our Group were held under finance leases. The leases are for an initial period of five years and do not have options to renew or any contingent rental provisions. As at 31 December 2015, 2016 and 2017, 31 March 2018 and 31 July 2018, our finance lease liabilities were as follows:

	As at 31 December			As at 31 March	As at 31 July
	2015	**2016**	**2017**	**2018**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000 (unaudited)*
Total minimum lease payments:					
Due within one year	157	23	71	70	71
Due in second to fifth years	–	84	220	203	179
	157	107	291	273	250
Future finance charges on finance leases	(6)	(17)	(36)	(31)	(26)
Present value of finance lease liabilities	151	90	255	242	224
Present value of minimum lease payments:					
Due within one year	151	17	56	57	58
Due in the second to fifth years	–	73	199	185	166
	151	90	255	242	224

The finance lease liabilities as at 31 December 2016 of AUD90,000, representing a decrease by approximately AUD0.1 million or 40.4% from approximately AUD0.2 million as at 31 December 2015 and was mainly due to the combined effect of the disposal of the Cactus Group, which their finance lease liabilities were deconsolidated from our Group upon such disposal, and the finance lease arranged for new digital printing presses during 2016. The increase in finance lease liabilities to approximately AUD0.3 million, AUD0.2 million and AUD0.2 million as at 31 December 2017, 31 March 2018 and 31 July 2018, respectively, as compared to the balance as at 31 December 2016, was mainly attributable to the entering into of new finance lease agreements for digital printing presses in 2017.

LIQUIDITY AND CAPITAL RESOURCES

We have financed our operations and capital expenditure needs primarily through cash generated from our operating activities during the Track Record Period. Going forward, we believed that our liquidity requirements will be satisfied by using a combination of cash flows generated from our operating activities and proceeds from the Share Offer. For further information on our future plans regarding our use of proceeds from the Share Offer, please refer to the section headed "Future Plans and Proposed Use of Proceeds" in this prospectus.

Cash Flow Analysis

The following table summarises the combined statements of cash flows during the Track Record Period, details of which are set out in the Accountants' Report contained in Appendix IA to this prospectus:

	For the year ended 31 December			For the three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000* *(unaudited)*	*AUD'000*
Net cash generated from (used in) operating activities	7,729	9,426	7,965	2,680	(711)
Net cash inflows/(outflows) from investing activities	1,684	11,504	(1,056)	(42)	(91)
Net cash (outflows)/inflows from financing activities	(5,030)	(14,719)	1,449	(2,681)	(17)
Net increase/(decrease) in cash and cash equivalents	4,383	6,211	8,358	(43)	(819)
Cash and cash equivalents at the beginning of the year/period	7,119	11,459	17,519	17,519	25,673
Net effect of exchange rate changes	(43)	(151)	(204)	32	(4)
Cash and cash equivalents at the end of the year/period	11,459	17,519	25,673	17,508	24,850

Net cash generated from operating activities

During the Track Record Period, we generated cash from operating activities primarily from the provision of our printing solutions and services. Our cash used in operating activities were primarily for (i) the payment of our trade payables, including payments to suppliers of raw materials and sub-contractors; and (ii) the payment of operating expenses, such as salaries, rent and outgoings, etc. Our net cash generated from operating activities during the Track Record Period reflected our profit before income tax (both continuing and discontinued operations), as adjusted for non-cash items, such as depreciation of property, plant and equipment, movement in provision for impairment of trade receivables and inventories, the effects of changes in working capital items and net income tax paid.

For the three months ended 31 March 2018, net cash used in operating activities amounted to approximately AUD0.7 million, which was mainly attributable to (i) the decrease in trade and other payables by approximately AUD1.0 million; (ii) the increase in trade and other receivables by approximately AUD0.5 million; (iii) the increase in inventories by approximately AUD0.6 million; and (iv) net income tax paid of approximately AUD0.6 million during the period despite a net cash inflow from operating activities before working capital change during the period of approximately AUD1.9 million.

For the year ended 31 December 2017, net cash generated from operating activities amounted to approximately AUD8.0 million, which was mainly attributable to (i) approximately AUD9.5 million net cash inflows from operating activities before working capital change; and (ii) a decrease in trade and other receivables of approximately AUD4.1 million; partially offset by (a) an increase in inventories of approximately AUD1.6 million; (b) a decrease in trade and other payables of approximately AUD1.7 million; and (c) net income tax paid of approximately AUD2.3 million during the year.

For the year ended 31 December 2016, net cash generated from operating activities amounted to approximately AUD9.4 million, which was mainly attributable to (i) approximately AUD12.3 million net cash inflows from operating activities before working capital change; and (ii) a decrease in trade and other receivables of approximately AUD2.0 million; partially offset by (a) a decrease in amount due to fellow subsidiary by approximately AUD1.1 million; and (b) net income tax paid of approximately AUD3.5 million during the year.

For the year ended 31 December 2015, net cash generated from operating activities amounted to approximately AUD7.7 million, which was mainly attributable to (i) approximately AUD12.2 million net cash inflows from operating activities before working capital change; and (ii) an increase in provisions of approximately AUD1.5 million; partially offset by (a) an increase in trade and other receivables of approximately AUD3.0 million; (b) an increase in inventories of approximately AUD1.6 million; and (c) net income tax paid of approximately AUD1.3 million during the year.

Net cash generated from/used in investing activities

Our cash generated from investing activities during the Track Record Period primarily comprised proceeds on disposal of property, plant and equipment and net cash inflows from disposal of business/ subsidiaries. Cash used in investing activities primarily comprised payments for purchases of property, plant and equipment.

For the three months ended 31 March 2018, net cash used in investing activities amounted to AUD91,000, which primarily represented payments for purchases of property, plant and equipment of approximately AUD0.1 million.

For the year ended 31 December 2017, net cash used in investing activities amounted to approximately AUD1.1 million, which was mainly attributable to (i) payments for purchases of property, plant and equipment of approximately AUD1.1 million; and (ii) the net cash outflows on disposal of Ligare (NZ) of approximately AUD25,000.

For the year ended 31 December 2016, net cash generated from investing activities amounted to approximately AUD11.5 million, which was mainly attributable to net cash inflows from the disposal of the Cactus Group and C.O.S. Printers of approximately AUD14.6 million and partially offset by payments for purchasing property, plant and equipment of approximately AUD3.2 million.

For the year ended 31 December 2015, net cash generated from investing activities amounted to approximately AUD1.7 million, which was mainly attributable to (i) net cash inflows from the disposal of our outdoor media business in New Zealand under Cactus Imaging (NZ) of approximately AUD2.0 million; (ii) the proceeds received from the disposal of property, plant and equipment of approximately AUD0.8 million mainly as a result of the disposal of some offset printing presses; and (iii) dividends received from Denward Court Pty Limited, a former 33.3% holding associate of our Group which was deregistered in Australia in November 2015; partially offset by (a) payments for purchasing property, plant and equipment of approximately AUD0.9 million; and (b) payments for deferred consideration of approximately AUD0.5 million for the acquisition of a business (including its printing machineries, inventory and customer contracts) which was completed prior to the Track Record Period on 5 April 2013 in Canberra.

Net cash generated from/used in financing activities

Our cash generated from financing activities during the Track Record Period represented the net proceeds from the exercise of share options by Bookbuilders BVI. Cash used in financing activities during the Track Record Period primarily comprised dividend paid, payment of finance lease liabilities and cash used in on-market share buyback by OPUS.

For the three months ended 31 March 2018, net cash used in financing activities represented the principal and interest payments of the finance lease liabilities of AUD17,000.

For the year ended 31 December 2017, net cash generated from financing activities amounted to approximately AUD1.4 million, which was mainly attributable to the net proceeds of approximately AUD7.0 million received from the exercise of 20 million share options by Bookbuilders BVI at AUD0.35 each and partially offset by (i) the payment by OPUS in respect of on-market share buyback on the ASX of 6,902,092 shares of OPUS during 2017 in the amount of approximately AUD3.3 million; and (ii) the dividend paid by OPUS to the OPUS Shareholders during 2017 of approximately AUD2.1 million.

For the year ended 31 December 2016, net cash used in financing activities amounted to approximately AUD14.7 million, which was mainly attributable to (i) the dividend paid by OPUS to the OPUS Shareholders during 2016 of approximately AUD12.5 million; and (ii) the payment by OPUS in respect of the on-market share buyback on the ASX of 4,155,934 shares of OPUS in the amount of approximately AUD2.1 million.

For the year ended 31 December 2015, net cash used in financing activities amounted to approximately AUD5.0 million, which was mainly attributable to (i) the payment of finance lease liabilities of approximately AUD2.0 million as a result of the settlement of the finance lease agreement in respect of certain leased machinery; (ii) the repayment of the promissory note issued in 2014 with a principal amount of AUD1.9 million; and (iii) the dividend paid by OPUS to the OPUS Shareholders during 2015 of approximately AUD1.0 million.

NET CURRENT ASSETS

As at 31 December 2015, 2016 and 2017, 31 March 2018 and 31 July 2018, we had net current assets of approximately AUD16.4 million, AUD20.5 million, AUD29.1 million, AUD28.9 million and AUD13.7 million, respectively. The following table sets out a breakdown of our Group's current assets and current liabilities as at the respective dates indicated:

	As at 31 December			As at 31 March	As at 31 July
	2015	**2016**	**2017**	**2018**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*
					(unaudited)
Current assets					
Inventories	6,430	3,765	5,331	5,745	6,949
Trade receivables	16,825	14,352	10,870	11,099	12,272
Other receivables, deposits and prepayment	2,720	1,261	1,262	1,574	2,079
Current tax receivables	–	–	226	10	164
Cash and cash equivalents	11,459	17,519	25,673	24,850	18,714
	37,434	36,897	43,362	43,278	40,178
Current liabilities					
Trade and other payables	13,888	12,320	10,607	10,642	21,930
Finance lease liabilities	151	17	56	57	58
Provisions	5,076	3,945	3,611	3,680	3,817
Amount due to fellow subsidiary	700	–	–	–	715
Provision for income tax	1,171	108	–	–	–
	20,986	16,390	14,274	14,379	26,520
Net current assets	16,448	20,507	29,088	28,899	13,658

During the Track Record Period and as at 31 July 2018, our current assets mainly comprised (i) trade receivables; (ii) inventories; (iii) other receivables, deposits and prepayment; and (iv) cash and cash equivalents. Our liabilities primarily included (i) trade and other payables; and (ii) provisions.

As at 31 July 2018, we had an unaudited net current assets of approximately AUD13.7 million, which represented a decrease of approximately AUD15.2 million or 52.7% from approximately AUD28.9 million as at 31 March 2018. Such decrease was mainly attributable to (i) the increase in trade and other payables by approximately AUD11.3 million, mainly attributable to the Special Dividend of AUD0.13 per OPUS Share declared by OPUS on 14 June 2018 and in the total amount of approximately AUD13.7 million but not yet settled as at 31 July 2018 (please refer to the paragraph headed "Recent development and no material adverse change" in this prospectus for details of the Special Dividend); and

(ii) the decrease in cash and cash equivalent by approximately AUD6.1 million mainly due to the payments for purchase of property, plant and equipment, listing expenses and the dividend declared during the three months ended 31 March 2018 of approximately AUD1.1 million. The aforesaid Special Dividend payable was subsequently settled on 22 August 2018 as to approximately AUD1.9 million in cash and approximately AUD11.8 million by way of issue of 28,614,371 new OPUS Shares under the Dividend Reinvestment Plan to certain OPUS Shareholders. The unaudited amount due to a fellow subsidiary of approximately AUD0.7 million as at 31 July 2018 included trading balance due to the Lion Rock Group and expenses paid by the Lion Rock Group on our behalf, which has been fully repaid as at the Latest Practicable Date.

As at 31 March 2018, we had net current assets of approximately AUD28.9 million, which represented a slight decrease by approximately AUD0.2 million or 0.6% from approximately AUD29.1 million as at 31 December 2017. Such decrease was mainly attributable to the decrease in cash and cash equivalents by approximately AUD0.8 million, which was partly offset by the increase in inventories and other receivables, deposits and prepayment by approximately AUD0.4 million and AUD0.3 million respectively.

As at 31 December 2017, we had net current assets of approximately AUD29.1 million, which represented an increase by approximately AUD8.6 million or 41.8% from approximately AUD20.5 million as at 31 December 2016. Such increase was mainly attributable to the increase in cash and cash equivalents by approximately AUD8.2 million.

As at 31 December 2016, we had net current assets of approximately AUD20.5 million, which represented an increase of approximately AUD4.1 million or 24.7% from approximately AUD16.4 million as at 31 December 2015. Such increase was mainly attributable to the increase in cash and cash equivalents by approximately AUD6.1 million and offset by the decrease in inventories by approximately AUD2.7 million.

For this discussion and analysis on material fluctuations of our key balance sheet items during the Track Record Period, please refer to the paragraphs headed "Analysis on major components of the combined statements of financial position" and "Liquidity and capital resources – Cash flow analysis" in this section.

CAPITAL EXPENDITURE

Capital expenditure

Our capital expenditure during the Track Record Period primarily related to purchases of machinery in support of our operations, which mainly included post-press machines and digital printing presses. For each of the three years ended 31 December 2015, 2016 and 2017 and for the three months ended 31 March 2018, our capital expenditure amounted to approximately AUD0.9 million, AUD3.3 million, AUD1.7 million and AUD0.1 million, respectively. We have mainly financed our capital expenditure through cash flows generated from our operating activities and through finance lease arrangements.

COMMITMENTS

Operating lease commitments

Our operating lease commitments represent rental payments payable by our Group for our office premises, production facilities, warehouses, plant and machineries and motor vehicles. The leases are for an initial period ranging from one to five years, with some carrying an option to renew the lease and renegotiate the terms at the expiry date or at dates as mutually agreed between our Group and the respective landlords/lessors. The following table sets out a breakdown of our total minimum rent payables under our non-cancellable operating leases as at the respective dates indicated:

	As at 31 December			As at 31 March	As at 31 July
	2015	**2016**	**2017**	**2018**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000* *(unaudited)*
Within one year	3,207	2,667	2,249	2,495	2,682
In the second to fifth year inclusive	8,900	6,529	3,942	3,292	2,653
After five years	2,309	234	–	–	–
Total	**14,416**	**9,430**	**6,191**	**5,787**	**5,335**

Capital commitments

The following table sets out a breakdown of our capital commitments as at the respective dates indicated:

	As at 31 December			As at 31 March	As at 31 July
	2015	**2016**	**2017**	**2018**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000* *(unaudited)*
Contracted, but not provided for property, plant and equipment	817	168	456	1,053	823

CONTINGENT LIABILITIES

As at the Latest Practicable Date, we did not have any significant contingent liabilities, guarantees or litigation against us.

INDEBTEDNESS

As at 31 December 2015, 31 December 2016, 31 December 2017, 31 March 2018 and 31 July 2018, being the latest practicable date for ascertaining information for inclusion in this indebtedness statement, our Group had outstanding finance lease liabilities of approximately AUD0.2 million, AUD90,000, AUD0.3 million, AUD0.2 million and AUD0.2 million, respectively.

As at 31 July 2018, our Group had unutilised banking facilities of approximately AUD1.2 million in relation to the issue of performance instrument in respect of non-financial contractual obligations, trade finance loan facility, commercial card facility and electronic payaway facility. These banking facilities were secured by a corporate guarantee of AUD2.0 million provided by Lion Rock.

Save as set out above and apart from intra-group liabilities, our Group did not have any outstanding mortgages, charges, debentures or other loan capital term loans, debt securities issued and outstanding or authorised or otherwise credited but unissued, other borrowings or other indebtedness in the nature of borrowing including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments or any guarantees or other material contingent liabilities as at 31 July 2018.

Our Directors confirmed that there have been no material changes in the indebtedness and contingent liabilities of the Group since 31 July 2018 and up to the Latest Practicable Date.

KEY FINANCIAL RATIOS

The following table sets out key financial ratios as of and for the period ended the dates indicated:

		For the year ended/as at 31 December			For the three months ended/as at 31 March
	Notes	**2015**	**2016**	**2017**	**2018**
Profitability ratios					
Gross profit margin for continuing operations	*1*	25.2%	24.6%	22.7%	24.7%
Net profit margin for continuing operations	*2*	8.9%	6.3%	7.2%	4.8%
Return on equity	*3, 9*	25.9%	19.2%	15.8%	10.3%
Return on total assets	*4, 9*	17.5%	11.8%	10.8%	7.0%
Liquidity ratios					
Current ratio	*5*	1.3 times	2.3 times	3.0 times	3.0 times
Quick ratio	*6*	1.1 times	2.0 times	2.7 times	2.6 times
Capital adequacy ratio					
Gearing ratio	*7*	0.1%	0.3%	0.7%	0.7%
Interest coverage ratio	*8*	27.0 times	8,363.0 times	233.7 times	95.9 times

Notes:

(1) Gross profit margin equals gross profit from continuing operations for the year/period divided by revenue from continuing operations for the year/period.

(2) Net profit margin equals profit after tax from continuing operations for the year/period divided by revenue from continuing operations for the year/period.

(3) Return on equity is calculated by profit for the year/period from continuing operations over total equity as at the end of the respective year/period.

(4) Return on total assets is calculated by profit for the year/period from continuing operations over total assets (excluding total assets from discontinued operations) as at the end of the respective year/period.

(5) Current ratio is calculated by current assets over current liabilities (excluding current assets and current liabilities from discontinued operations) as at the end of the respective year/period.

(6) Quick ratio is calculated by current assets (excluding inventories) over current liabilities (excluding current assets and current liabilities from discontinued operations) as at the end of the respective year/period.

(7) Gearing ratio is calculated based on the finance lease liabilities (excluding finance lease liabilities from discontinued operations) divided by total equity as at the respective year/period end and multiplied by 100%.

(8) Interest coverage ratio is calculated by the profit before interest and tax from continuing operations for the year/period divided by the interest expenses from continuing operations for the respective year/period.

(9) The ratios for the three months ended 31 March 2018 were calculated based on an annualised figure of the profit for the three months ended 31 March 2018, and hence may not be comparable to the ratios based on the full-year profit for 2015, 2016 or 2017.

Please refer to the paragraph headed "Comparison of results of operation" in this section for the discussion of the factors affecting our gross profit margin and net profit margin from continuing operations during the Track Record Period.

Return on equity

Our return on equity for the year ended 31 December 2015 was 25.9%. The relatively lower return on equity for the year ended 31 December 2016 of 19.2% as compared to that for the year ended 31 December 2015 was mainly attributable to the recognition of an income tax benefit in 2015 as compared to income tax expenses which were incurred in 2016. Our return on equity decreased from 19.2% for the year ended 31 December 2016 to 15.8% for the year ended 31 December 2017, which was mainly attributable to the enlargement of equity as at 31 December 2017 due to the profit in the same year and the exercise of share options by Bookbuilders BVI in May 2017. Our return on equity decreased to 10.3% for the three months ended 31 March 2018, which was mainly attributable to the decrease in profit before income tax for the three months ended 31 March 2018 as a result of the recognition of listing expenses.

Return on total assets

Our return on total assets decreased from 17.5% for the year ended 31 December 2015 to 11.8% for the year ended 31 December 2016. The decrease was mainly attributable to the effect of the income tax benefit recognised in 2015 as explained above.

Our return on total assets decreased from 11.8% for the year ended 31 December 2016 to 10.8% for the year ended 31 December 2017. The decrease was mainly attributable to the increase in total assets as a result of an increase in the balance of our cash and cash equivalents due to the receipt of net proceeds from the exercise of share options by Bookbuilders BVI in May 2017.

Our return on total assets decreased from 10.8% for the year ended 31 December 2017 to 7.0% for the three months ended 31 March 2018. The decrease was mainly attributable to the decrease in profit before income tax from continuing operations for the three months ended 31 March 2018 as a result of the recognition of listing expenses.

Current ratio

Our current ratio increased from 1.3 times as at 31 December 2015 to 2.3 times as at 31 December 2016. The increase was mainly attributable to the increase in cash and cash equivalents following the receipt of the proceeds from disposal of the Cactus Group and C.O.S. Printers in 2016.

Our current ratio increased further from 2.3 times as at 31 December 2016 to 3.0 times as at 31 December 2017. The increase was mainly attributable to the increase in our cash position due to net proceeds from the exercise of share options by Bookbuilders BVI in May 2017.

Our current ratio remained relatively stable as at 31 December 2017 and 31 March 2018 being 3.0 times and 3.0 times, respectively.

Quick ratio

Our quick ratio increased from 1.1 times as at 31 December 2015 to 2.0 times as at 31 December 2016. The increase was mainly attributable to the increase in cash and cash equivalents following the receipt of the proceeds from disposal of the Cactus Group and C.O.S. Printers in 2016.

Our quick ratio increased further from 2.0 times as at 31 December 2016 to 2.7 times as at 31 December 2017. The increase was mainly attributable to the increase in our cash position due to net proceeds from the exercise of share options by Bookbuilders BVI in May 2017.

Our quick ratio remained relatively stable as at 31 December 2017 and 31 March 2018, being 2.7 times and 2.6 times, respectively.

Gearing ratio

Our gearing ratio increased from approximately 0.1% as at 31 December 2015 to approximately 0.3% as at 31 December 2016, and further to approximately 0.7% as at 31 December 2017. The gradual increase was mainly attributable to the entering into of new finance lease agreements for digital printing presses in 2016 and 2017. Our gearing ratio remained relatively stable at approximately 0.7% as at 31 December 2017 and 31 March 2018.

Interest coverage ratio

Our interest coverage ratio increased from approximately 27.0 times for the year ended 31 December 2015 to 8,363.0 times for the year ended 31 December 2016. The increase was mainly attributable to the settlement in 2015 of finance lease liabilities and the repayment of the promissory note issued in 2014 with a principal amount of AUD1.9 million.

Our interest coverage ratio decreased from approximately 8,363.0 times as at 31 December 2016 to approximately 233.7 times as at 31 December 2017. The decrease was mainly attributable to the increase in interest expenses due to the entering into of new finance lease agreements in 2017.

Our interest coverage ratio decreased from approximately 233.7 times as at 31 December 2017 to approximately 95.9 times as at 31 March 2018. The decrease was mainly attributable to the decrease in profit before interest and income tax from continuing operations for the three months ended 31 March 2018 as a result of the recognition of listing expenses.

QUALITATIVE AND QUANTITATIVE DISCLOSURE ABOUT MARKET RISKS

In the ordinary course of our business, we are exposed to various types of financial risks, mainly foreign exchange risk, interest rate risk, credit risk and liquidity risk. Our overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects of such risks on our financial performance.

Further details on our financial risk management policies are set out in note 35 "Financial Risk Management" to the Accountants' Report as set out in Appendix IA to this prospectus.

WORKING CAPITAL

Taking into consideration the financial resources available to our Group, including internally generated funds and the estimated proceeds from the Share Offer, our Directors are of the opinion that our Group has sufficient working capital available for our present requirements and for at least the next 12 months from the date of this prospectus.

DIVIDENDS

No dividends have been declared or paid by our Company since the date of its incorporation. For each of the three years ended 31 December 2017, dividends of approximately AUD1.0 million, AUD12.5 million and AUD2.1 million, respectively, were paid by OPUS to its shareholders. For the year ended 31 December 2016, OPUS declared (i) a special dividend of approximately AUD8.7 million in May 2016 as a means of sharing part of the proceeds from the sale of C.O.S. Printers with OPUS Shareholders; and (ii) other dividends of approximately AUD3.8 million. For the three months ended 31 March 2018, a dividend of approximately AUD1.1 million was declared and subsequently paid in June 2018 by OPUS to its shareholders. In advance of the Scheme of Arrangement, OPUS declared a special dividend of AUD0.13 per OPUS Share in June 2018 as a means of sharing returns with OPUS Shareholders prior to the Delisting. Our Group does not have any dividend policy. Our dividend distribution record in the past 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. The recommendation of the payment of dividend is subject to the absolute discretion of our Board, and, after Listing, any declaration of final dividend for the year will be subject to the approval of our Shareholders. Our Directors may recommend a payment of dividend in the future after taking into account our operations, earnings, financial condition, availability of surplus cash, capital expenditure and future development requirements and other factors as it may deem relevant at such time. Any declaration and payment as well as the amount of the dividend will be subject to our constitutional documents and the Companies Act, including the approval of our Shareholders.

TRANSACTIONS WITH RELATED PARTIES

Details of the related parties transactions of our Group during the Track Record Period are set out in note 33 "Related Party Transactions" to the Accountants' Report as set out in Appendix IA to this prospectus. In addition to the aforesaid related parties transactions, our Group and Bookbuilders BVI entered into an unsecured loan agreement dated 4 September 2014 pursuant to which, Bookbuilders BVI agreed to make available to OPUS a working capital facility amounting to up to AUD7.0 million with an interest rate of 6.0% per annum for the period commencing from 4 September 2014 and ending on 5 September 2016. Our Group did not utilise any of the facility from the aforesaid loan agreement during the Track Record Period.

Our Group obtained a facility from ANZ Bank which is subject to their annual review and was secured by, among other things, a standby letter of credit and/or a corporate guarantee and indemnity provided by Lion Rock Group.

During the Track Record Period and as at the Latest Practicable Date, a total of approximately AUD0.6 million of the facility limit had been utilised for trade finance and commercial card purposes. Our Directors confirmed that these transactions were conducted on normal commercial terms or such terms that were no less favourable to our Group than those available to Independent Third Parties and were fair and reasonable and in the interest of our Shareholders as a whole. Our Directors confirmed that the said corporate guarantee provided by Lion Rock will be fully released upon Listing.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

During the Track Record Period and up to the Latest Practicable Date, we did not have any material off-balance sheet commitments and arrangements.

LISTING EXPENSES

Listing expenses represent professional fees (across Bermuda, Hong Kong and Australia jurisdictions), underwriting commission and other fees and expenses incurred in connection with the Share Offer and the Listing, which includes, among other things, fees and expenses relating to the fulfilment of the conditions precedent to and implementation of the Scheme of Arrangement to effect the Reorganisation in preparation for the Listing. We expect to incur a total of approximately HK$36.9 million in listing expenses (assuming an Offer Price of HK$1.05 per Offer Share, being the mid-point of the indicative Offer Price range of HK$1.00 to HK$1.10 per Offer Share). During the Track

Record Period, we incurred approximately HK$9.1 million in listing expenses, of which HK$6.9 million was recognised in our combined statements of profit or loss and other comprehensive income and approximately HK$2.2 million will be charged against equity upon Listing. We expect to incur further listing expenses of approximately HK$27.8 million, of which approximately HK$10.2 million will be charged against equity upon Listing and approximately HK$17.6 million will be charged to our combined statements of profit or loss and other comprehensive income for the year ending 31 December 2018.

DISTRIBUTABLE RESERVES

Our Company was incorporated on 18 April 2018 and has not carried out any business since the date of incorporation save for the transactions related to the Reorganisation. Accordingly, as at 31 March 2018, our Company has no distributable reserves available for distribution to our Shareholders.

PROPERTY INTERESTS AND PROPERTY VALUATION

Our Directors confirmed that, as at 31 March 2018, there were no circumstances that would give rise to a disclosure requirement under Rules 5.01 to 5.10 of the Listing Rules. As at 31 March 2018, our property interests do not form part of our property activities and no single property interest that forms part of our non-property activities has a carrying amount of 15% or more of our total assets.

DISCLOSURE REQUIRED UNDER CHAPTER 13 OF THE LISTING RULES

The Directors confirm that as of the Latest Practicable Date, there were no circumstances which would give rise to a disclosure required under Rules 13.13 to 13.19 of the Listing Rules upon Listing.

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

For our unaudited pro forma adjusted net tangible assets, please refer to Appendix II to this prospectus.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

The unaudited consolidated financial statements of OPUS for the six months ended 30 June 2018, which have been reviewed by BDO Limited, our auditors and reporting accountants, in accordance with Hong Kong Standard on Review Engagements 2410, is set out in Appendix IB to this prospectus.

OPUS's unaudited consolidated revenue for the six months ended 30 June 2018 declined by approximately 2.0% to approximately AUD38.9 million, as compared to that of approximately AUD39.7 million for the six months ended 30 June 2017. Such decrease was mainly due to the completion of some one-off projects in the prior period not having recurred for the six months ended 30 June 2018 but partially offset by (i) growth in sales by Customer G in the second half of 2017 and the first half of 2018 after the commencement of a new long-term contract signed with Customer G in early 2017; and (ii) the commencement of a new long-term warehouse and fulfilment contract in the second quarter of 2018. For the six months ended 30 June 2017 and 2018, OPUS generated an unaudited gross profit of approximately AUD10.1 million and AUD9.5 million, respectively, representing a gross margin of approximately 25.4% and 24.5%, respectively and were relatively stable.

OPUS's unaudited net profit after income tax was approximately AUD6.3 million for the six months ended 30 June 2018, representing an increase of approximately AUD3.1 million as compared to that of approximately AUD3.2 million for the six months ended 30 June 2017. The aforesaid growth was mainly attributable to a one-off gain of approximately AUD4.8 million reclassified from foreign exchange translation reserve to profit or loss as a result of the deregistration of OPUS NZ on 22 May 2018, and partially set off by the recognition of listing expenses of approximately AUD2.7 million (which are tax-deductible). In the absence of such one-off gain and listing expenses (net of tax effect), OPUS's unaudited net profit after income tax would have been approximately AUD3.3 million, representing an increase of approximately 2.8% as compared to the corresponding period in 2017.

On 14 June 2018, OPUS announced that it declared the Special Dividend of AUD0.13 per OPUS Share. In addition, OPUS had put in place the Dividend Reinvestment Plan, pursuant to which OPUS Shareholders could elect to receive additional new OPUS Shares in lieu of cash in respect of the Special Dividend they are entitled to receive. As at 30 June 2018, OPUS had a Special Dividend payable of approximately AUD13.7 million under current liabilities, which was the main reason for the decrease in OPUS's net assets value from approximately AUD35.9 million as at 31 March 2018 to approximately AUD22.7 million as at 30 June 2018. On 22 August 2018, such Special Dividend payable was settled as to approximately AUD1.9 million in cash and approximately AUD11.8 million by way of issue of 28,614,371 new OPUS Shares under the Dividend Reinvestment Plan to certain OPUS Shareholders. Such settlement of Special Dividend payable resulted in a reduction in OPUS's cash position by approximately AUD1.9 million, an increase of share capital of OPUS by approximately AUD11.8 million and an improvement of OPUS's net assets value by approximately AUD11.8 million as compared to 30 June 2018.

Save for the Special Dividend, our Directors confirmed that, up to the date of this prospectus, there has been no material adverse change in the financial or trading position of the Group since 31 March 2018, being the date to which the latest audited financial statements of our Group were made up as set out in the Accountants' Report in Appendix IA to this prospectus.

FUTURE PLANS

Please refer to the paragraph headed "Business – Our business strategies" in this prospectus for detailed description of our future plans. As at 30 June 2018, our unaudited cash and cash equivalents amounted to approximately AUD19.3 million. We believe such cash balance would be needed for (or at least partially maintained), among other things, (i) our ordinary course of business (including fulfilment of payment obligations when they fall due, where our operating payments amounted to approximately AUD6 to 8 million per month based on our existing scale) (ii) serving as an expected pledged deposit of approximately AUD1.1 million as security against a bank facility to replace the existing corporate guarantee provided by Lion Rock which will be fully released upon Listing; and/or (iii) the settlement of dividends (if any and including the amount of approximately AUD1.9 million paid on 22 August 2018 to those OPUS Shareholders who elected to receive cash in respect of the Special Dividend under the Dividend Reinvestment Plan). Further, as disclosed in the paragraph headed "Business – Our business strategies" in this prospectus, the total capital expenditure for the implementation of our future plan is currently estimated at approximately AUD16.8 million. Accordingly, we believe that, going forward, our liquidity requirements for our operations and implementation of our future plan will be satisfied by using a combination of cash flows generated from our operating activities and proceeds from the Share Offer. Meanwhile, our unutilised banking facilities, which accounted to approximately AUD1.2 million as at 31 July 2018, are mainly reserved by our Group to facilitate the trade/contracts arrangements with customers and suppliers as and when required.

USE OF PROCEEDS

We estimate that the aggregate net proceeds to be received by us from the Share Offer (after deducting underwriting fees and estimated expenses payable by us in connection with the Share Offer, and assuming an Offer Price of HK$1.05 per Offer Share, being the mid-point of the indicative Offer Price range of HK$1.00 to HK$1.10 per Offer Share) will be approximately HK$73.3 million. We currently intend to apply such net proceeds in the following manner:

(i) approximately HK$41.9 million (equivalent to approximately AUD7.0 million) or approximately 57.2% of the estimated net proceeds from the Share Offer will be utilised for the expansion of production capacity (particularly at our MPG Facility) and enhancing efficiency by purchasing machinery. We intend to utilise approximately (a) HK$7.1 million (equivalent to approximately AUD1.2 million) to purchase three digital printing presses, two binding machines and one pre-press machine to replace certain existing machines which are performing with low efficiency and incurring higher maintenance costs, which has impacted their performance; and (b) HK$34.8 million (equivalent to approximately AUD5.8 million) to purchase one new digital printing press, two binding machines and warehousing equipment to expand our current capacity as well as to reduce binding related sub-contracting works;

(ii) approximately HK$17.7 million (equivalent to approximately AUD3.0 million) or approximately 24.1% of the estimated net proceeds from the Share Offer will be utilised for upgrading our ERP system and IPALM platform. We intend to upgrade our ERP system and IPALM platform in order to improve their general functionality with the aim of maximising the efficiency of our production and operations as well as enhancing product offerings to our customers. Such overall upgrades will involve the purchase and installation of equipment, such as servers, wifi networks and RFID equipment at our warehouses, as well as the development and/or purchase of software and new applications, which can be integrated into our ERP system and IPALM platform;

(iii) approximately HK$6.4 million (equivalent to approximately AUD1.1 million) or approximately 8.7% of the estimated net proceeds from the Share Offer will be utilised for expansion of our warehousing facilities and/or streamlining of our printing facilities. Such improvements may include enhancements to our existing facilities or potential relocations to larger premises; and

(iv) approximately HK$7.3 million (equivalent to approximately AUD1.2 million) or approximately 10.0% of the estimated net proceeds from the Share Offer will be utilised as general working capital of our Group.

If the Offer Price is fixed at the high-end of the indicative range of the Offer Price, being HK$1.10 per Offer Share, the net proceeds we receive from the Share Offer will increase by approximately HK$5.25 million. We intend to apply the additional net proceeds for the above purposes on a pro-rata basis. If the Offer Price is set at the low-end of the indicative range of the Offer Price, being HK$1.00 per Offer Share, the net proceeds we receive from the Share Offer will decrease by approximately HK$5.25 million. We intend to reduce the net proceeds for the above purposes on a pro-rata basis.

To the extent that the net proceeds of 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.

UNDERWRITERS

Public Offer Underwriter

Sun Securities Limited

UNDERWRITING ARRANGEMENTS AND EXPENSES

The Public Offer

Public Offer Underwriting Agreement

The Public Offer Underwriting Agreement was entered into on Wednesday, 19 September 2018 among our Company, OPUS, our Controlling Shareholders, the Additional Warrantors, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and the Public Offer Underwriter. Pursuant to the Public Offer Underwriting Agreement, we are initially offering 10,500,000 Public Offer Shares for subscription by the public in Hong Kong on the terms and subject to the conditions in this prospectus and the Application Forms at the Offer Price. Subject to the Listing Committee granting listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Scheme of Arrangement and the Share Offer as mentioned herein, and to certain other conditions set out in the Public Offer Underwriting Agreement, the Public Offer Underwriter has agreed to subscribe or procure subscribers 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 in this prospectus, the Application Forms and the Public Offer Underwriting Agreement.

The Public Offer Underwriting Agreement is conditional upon and subject to the Placing Underwriting Agreement having been signed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for termination

The obligations of the Public Offer Underwriter to subscribe for, or procure subscribers for, the Public Offer Shares under the Public Offer Underwriting Agreement are subject to termination. The Sole Global Coordinator, the Public Offer Underwriter and the Sole Sponsor may terminate the Public Offer Underwriting Agreement with immediate effect by written notice to our Company at any time at or before 8:00 a.m. (Hong Kong time) on the Listing Date if:

(A) there develops, occurs, exists or comes into effect:

(a) any event or circumstance or series of events in the nature of force majeure (including, without limitation, any acts of government, declaration of a national or international emergency or war, calamity, crisis, epidemic, pandemic, outbreak of diseases, economic sanctions, strikes, lock-outs, fire, explosion, flooding, earthquake, volcanic eruption, civil commotion, riots, labour disputes, public disorder, acts of war, outbreak or escalation of hostilities (whether or not war is declared), acts of God or acts of terrorism (whether or not responsibilities have been claimed) in or affecting Bermuda, Australia, Hong Kong, the PRC, the U.S., any member of the European Union, the United Kingdom, Singapore, Japan or any other jurisdiction relevant to any member of our Group or the Share Offer (collectively, the "**Relevant Jurisdictions**"); or

(b) any change or any event or circumstance or series of events likely to result in any change or development in any local, national, regional or international financial, economic, political, military, industrial, fiscal, regulatory, currency, credit or market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, the interbank markets and credit markets, equity securities or exchange control or any monetary trading settlement system) in or affecting any of the Relevant Jurisdictions or elsewhere; or

(c) any moratorium, suspension or restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on trading in securities generally on the Stock Exchange, the Australian Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Tokyo Stock Exchange, the Singapore Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange; or

(d) any general moratorium on commercial banking activities in Hong Kong (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent authority), New York (imposed at Federal or New York State level or other competent authority), London, the PRC, the European Union (or any member thereof), Australia, Japan, Singapore or any other Relevant Jurisdictions, or any disruption, suspension or restriction in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in any of those places or jurisdictions; or

(e) any new laws, or any change or any development involving a prospective change or any event or circumstance likely to result in a change or a development involving a prospective change in, or in the interpretation or application by any court or other competent authorities of, existing laws, in each case, in or affecting any of the Relevant Jurisdictions; or

(f) the imposition of economic sanctions, or the withdrawal of trading privileges, in whatever form, directly or indirectly, by, or for, any of the Relevant Jurisdictions; or

(g) a change or development involving a prospective change in or affecting taxation or exchange control, currency exchange rates or foreign investment regulations (including, without limitation, a material devaluation of the United States dollar, Australia dollar, Euro, Hong Kong dollar or the Renminbi against any foreign currencies), or the implementation of any exchange control, in any of the Relevant Jurisdictions; or

(h) any proceedings of any third party being threatened or instigated against our Company, OPUS or any member of our Group or our Controlling Shareholders; or

(i) an authority or a political body or organisation in any of the Relevant Jurisdictions commencing any investigation or other action, or announcing an intention to investigate or take other action, against any member of our Group, any Director or any director of any member of our Group or our Controlling Shareholders; or

(j) non-compliance of this prospectus (or any other documents used in connection with the contemplated offer and sale of the Shares) or any aspect of the Share Offer with the Listing Rules or any other applicable Laws; or

(k) the issue or requirement to issue by our Company of any supplement or amendment to this prospectus (or to any other documents used in connection with the contemplated offer and sale of the Shares) pursuant to the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or any requirement or request of the Stock Exchange and/or the SFC;

(l) an order or petition for the winding up of any member of our Group or any composition or arrangement made by any member of our Group with its creditors or a scheme of arrangement entered into by any member of our Group or any resolution for the winding-up of any member of our Group or the appointment of a provisional liquidator, receiver or manager over all or part of the material assets or undertaking of any member of our Group or anything analogous thereto occurring in respect of any member of our Group, which, individually or in the aggregate, in the opinion of the Sole Global Coordinator, the Public Offer Underwriter and the Sole Sponsor:

(a) has or will have or may have a material adverse effect on the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of our Group as a whole; or

(b) has or will have or may have an adverse effect on the success of the Share Offer or the level of applications under the Public Offer or the level of interest under the Placing or dealings in the Offer Shares in the secondary market; or

(c) makes or will make or may make it inadvisable or impracticable or incapable for the Share Offer to proceed or to market the Share Offer; or

(d) has or will have or may have the effect of making any part of the Public Offer Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing or delaying the processing of applications and/or payments pursuant to the Share Offer or pursuant to the underwriting thereof; or

(B) there has come to the notice of the Sole Global Coordinator, the Public Offer Underwriter and the Sole Sponsor:

(a) the Delisting and the Scheme of Arrangement is not approved by the relevant authority, or the relevant approval has been withdrawn, revoked, canceled, qualified (other than customary conditions) or withheld, due to any reason; or

(b) the Delisting and the Reorganisation cannot be implemented in such manner as set out in this prospectus due to any reason; or

(c) the listing status of OPUS on the ASX is revoked, withdrawn or canceled by any relevant authority prior to the Listing Date (other than as a result of the voluntary application of Delisting); or

(d) any documents contemplated by the Scheme of Arrangement becomes illegal, invalid or unenforceable in any respect under any law of any Relevant Jurisdictions; or

(e) any Additional Warrantor and/or Mr. Lau 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

(f) the chairman or chief executive officer or any Additional Warrantor and/or Mr. Lau of our Company or any director of OPUS vacating his or her office; or

(g) a contravention by any member of our Group of the Listing Rules, the ASX Listing Rules or applicable laws; or

(h) a prohibition on our Company or our Controlling Shareholders for whatever reason from offering, allotting, issuing, selling or delivering any of the Offer Shares pursuant to the terms of the Share Offer; or

(i) a valid demand by any creditor for repayment or payment of any indebtedness of any member of our Group or in respect of which any member of our Group is liable prior to its stated maturity; or

(j) that any statement contained in any of the Application Forms and/or in any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Public Offer (including any supplement or amendment thereto) (the "**Public Offer Documents**") and/or in any notices or announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Public Offer (including any supplement or amendment thereto) and/or any announcements, notices and materials issued or published by OPUS on the Delisting or Scheme of Arrangement and/or the PN 15 Submission submitted on behalf of Lion Rock (the "**PN 15 Submission**") and/or the Pre-IPO Submission submitted on behalf of the Company (the "**Pre-IPO Submission**") and/or the scheme booklet of the Scheme of Arrangement (the "**Scheme Booklet**") was, when it was issued, or has become, untrue, incorrect, inaccurate in any material respect or misleading, or that any forecast, estimate, expression of opinion, intention or expectation contained in any of the Public Offer Documents and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Public Offer (including any supplement or amendment thereto) is not, in any material respect, fair and honest and based on reasonable assumptions; or

(k) that any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this prospectus, constitute a material omission from any of the Public Offer Documents and/or any notices, announcements, advertisements, communications or other documents issued or used by or on behalf of our Company in connection with the Public Offer (including any supplement or amendment thereto) and/or any announcements, notices and materials issued or published by OPUS on the Delisting or Scheme of Arrangement and/or the PN 15 Submission and/or the Pre-IPO Submission and/or the Scheme Booklet; or

(l) any breach of any of the obligations imposed upon any party to the Public Offer Underwriting Agreement or the Placing Underwriting Agreement (other than upon the Public Offer Underwriter or the Placing Underwriters); or

(m) any event, act or omission which gives or is likely to give rise to any liability of any of the Indemnifiers; or

(n) any adverse change, or any development likely to result in an adverse change, in or affecting the assets, liabilities, business, general affairs, management, prospects, shareholders' equity, profits, losses, results of operations, position or condition, financial or otherwise, or performance of any member of our Group; or

(o) any breach of, or any event or circumstance rendering untrue or incorrect or misleading in any respect, any of the representations and warranties of our Company, OPUS, our Controlling Shareholders and the Additional Warrantors under the Public Offer Underwriting Agreement; or

(p) approval by the Listing Committee of the Stock Exchange of the listing of, and permission to deal in, the Shares to be issued under the Share Offer is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or

(q) our Company withdraws this prospectus (and/or any other documents issued or used in connection with the Share Offer) or the Share Offer; or

(r) any expert of our Company (as listed in the paragraph headed "Statutory and General Information – E. Other information – 9. Qualification and consent of experts" in Appendix IV to this prospectus) has withdrawn its respective consent to the issue of this prospectus with the inclusion of its reports, letters 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

(s) (i) a material portion of the orders in the bookbuilding process or (ii) the investment commitments by any cornerstone investor after signing of agreements with such cornerstone investors, have been withdrawn, terminated or cancelled; or

(t) there is the commencement by any governmental, political or regulatory body of any investigation or other action against any Director in his or her capacity as such or any member of the Group or an announcement by any governmental, political or regulatory body that it intends to commence any such investigation or take any such action.

then, the Sole Global Coordinator, the Public Offer Underwriter and the Sole Sponsor may, upon giving notice in writing to our Company prior to 8:00 a.m. on the Listing Date, terminate the Public Offer Underwriting Agreement with immediate effect.

Undertakings to the Stock Exchange pursuant to the Listing Rules

(A) Undertakings 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 any of the circumstances provided for under Rule 10.08 of the Listing Rules or pursuant to the Scheme of Arrangement and the Share Offer.

(B) Undertakings by our Controlling Shareholders

Pursuant to Rule 10.07 of the Listing Rules, each of our Controlling Shareholders has jointly and severally undertaken to the Stock Exchange and to our Company that, except pursuant to the Share Offer, and save as permitted under the Listing Rules, he or it will not and will procure that the relevant registered holder(s) will not:

(a) in the period commencing on the date by reference to which disclosure of its/his shareholding is made in this prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which he or it is shown by this prospectus to be the beneficial owner; and

(b) in the period of six months commencing on the date on which the period referred to in paragraph (a) above expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares referred to in paragraph (a) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he or it would cease to be the controlling shareholder (as defined in the Listing Rules) of our Company.

Pursuant to Note 3 to Rule 10.07(2) of the Listing Rules, each of our Controlling Shareholders has jointly and severally undertaken to the Stock Exchange and to our Company that within the period commencing on the date by reference to which disclosure of his/its shareholding in our Company is made in this prospectus and ending on the date which is 12 months from the Listing Date, he or it will:

(a) when he or it pledges or charges any Shares beneficially owned by him/it in favour of an authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform our Company of such pledge or charge together with the number of Shares so pledged or charged; and

(b) when he or it receives indications, either verbal or written, from the pledgee or chargee of any Shares that any of the pledged or charged Shares will be disposed of, immediately inform our Company of such indications.

We will also inform the Stock Exchange as soon as we have been informed of any of the above matters (if any) by our Controlling Shareholders and disclose such matters in accordance with the publication requirements under Rule 2.07C of the Listing Rules as soon as possible after being so informed by our Controlling Shareholders.

Undertakings pursuant to the Public Offer Underwriting Agreement

(A) Undertakings by our Company

We have, pursuant to the Public Offer Underwriting Agreement, undertaken to each of the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and the Public Offer Underwriter that we will not, and will procure each of other members of our Group not to, except pursuant to the Scheme of Arrangement and the Share Offer, without the prior written consent of the Sole Sponsor and the Sole Global Coordinator (such consent shall not be unreasonably withheld) and unless in compliance with the Listing Rules:

(a) at any time after the date of the Public Offer Underwriting Agreement up to and including the date falling six months from the Listing Date (the "**First Six-Month Period**"):

(i) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, hedge, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of, or create an encumbrance over, or contract or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or any securities of such other members of our Group, as applicable, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any other warrants or other rights to purchase, any Shares or any shares of such other members of our Group, as applicable or any interest in any of the foregoing), or deposit any Shares or other securities of the Company or any shares or other securities of such other members of our Group, as applicable, with a depositary in connection with the issue of depositary receipts; 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 any Shares or other securities of the Company or any shares of other securities of such other members of our Group, as applicable, or any interest in any of the foregoing;

(ii) enter into any transaction with the same economic effect as any transaction specified in (i) above; or

(iii) offer to or agree to or announce any intention to effect any transaction specified in (i) and (ii) above.

(b) in the event that our Company does any of the acts set out in paragraph (a) above, during the period of six months immediately following the expiry of the First Six-Month Period (the "**Second Six-Month Period**"), take all reasonable steps to ensure that any such act, if done, shall not create a disorderly or false market for any Shares or other securities of our Company.

(B) Undertakings by our Controlling Shareholders, Mr. Celarc and Mr. Young

Each of our Controlling Shareholders, Mr. Celarc and Mr. Young, pursuant to the Public Offer Underwriting Agreement has jointly and severally agreed and undertaken to the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Public Offer Underwriter and our Company that:

(a) at any time during the First Six-Month Period, it/he shall not and shall procure that the relevant registered holders shall not:

(i) sell, offer to sell, contract or agree to sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to purchase, grant or purchase any option, warrant, contract or right to purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing) (the "**Relevant Securities**"), or deposit any Relevant Securities with a depositary in connection with the issue of depositary receipts; or

(ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Relevant Securities; or

(iii) enter into or effect any transaction with the same economic effect as any of the transactions referred to in sub-paragraphs (i) or (ii) above; or

(iv) offer to or agree to or announce any intention to enter into or effect any of the transactions referred to in sub-paragraphs (i), (ii) or (iii) above, which any of the foregoing transactions referred to in sub-paragraphs (i), (ii), (iii) or (iv) is to be settled by delivery of Shares or such other securities of our Company or in cash or otherwise (whether or not the issue of such Shares or other securities will be completed within the First Six-Month Period);

(b) at any time during the Second Six-Month Period, any of the Controlling Shareholders shall not, and shall procure that the relevant registered holders shall not, enter into any of the transactions referred to in (a)(i), (ii) or (iii) above or offer to or agree to or announce any intention to enter into any such transaction if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or encumbrance pursuant to such transaction, it/he would cease to be a "controlling shareholder" (as defined in the Listing Rules) of our Company or would together with the other Controlling Shareholders cease to be "controlling shareholders" (as defined in the Listing Rules) of our Company;

(c) in the event that it/he enters into any of the transactions specified in (a)(i), (ii) or (iii) above or offer to or agrees to or announce any intention to effect any such transaction within the Second Six-Month Period, it/he shall take all reasonable steps to ensure that it/he will not create a disorderly or false market for any Shares or other securities of our Company.

Each of our Controlling Shareholders, Mr. Celarc and Mr. Young further undertakes to each of the Sole Sponsor, our Company, the Sole Global Coordinator, the Joint Bookrunners and the Public Offer Underwriter that, within the period from the date by reference to which disclosure of their shareholding in our Company is made in this prospectus and ending on the date which is twelve months from the Listing Date, it/he will:

(a) when it/he pledges or charges any securities or interests in any Shares or other securities of our Company or any interest therein (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares or any such other securities, as applicable or any interest in any of the foregoing) in favour of an authorised institution pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform our Company, the Sole Sponsor and the Sole Global Coordinator (on behalf of the Underwriters) in writing of such pledges or charges together with the number of securities and nature of interest so pledged or charged; and

(b) when it/he receives indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged securities or interests in the securities of our Company will be sold, transferred or disposed of, immediately inform our Company, the Sole Sponsor and the Sole Global Coordinator (on behalf of the Underwriters) in writing of such indications.

Indemnity

We, OPUS, our Controlling Shareholders, Mr. Celarc and Ms. Tang have agreed to indemnify the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and the Public Offer Underwriter for certain losses which they may suffer, including, among other matters, losses arising from the performance of their obligations under the Public Offer Underwriting Agreement and any breach by our Company of the Public Offer Underwriting Agreement.

The Placing

Placing Underwriting Agreement

In connection with the Placing, it is expected that our Company, OPUS, our Controlling Shareholders and the Additional Warrantors will enter into the Placing Underwriting Agreement with the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and the Placing Underwriters on terms and conditions that are substantially similar to the Public Offer Underwriting Agreement as described above and on the additional terms described below.

Under the Placing Underwriting Agreement, the Placing Underwriters would, subject to certain conditions, agree to procure subscribers to subscribe for and/or purchase the 94,500,000 Placing Shares initially being offered pursuant to the Placing, or failing which to subscribe for and/or purchase, their respective applicable proportions of such Placing Shares which are not taken up under the Placing. The Placing Underwriting Agreement is expected to provide that it may be terminated on grounds similar to those provided in the Public Offer Underwriting Agreement. Potential investors are reminded that in the event that the Placing Underwriting Agreement is not entered into, the Share Offer will not proceed.

It is expected that, pursuant to the Placing Underwriting Agreement, our Company and our Controlling Shareholders will give undertakings similar to those given pursuant to the Public Offer Underwriting Agreement, as described in the paragraph headed "Underwriting arrangements and expenses – The Public Offer – Undertakings pursuant to the Public Offer Underwriting Agreement" in this section.

It is expected that each of our Controlling Shareholders, Mr. Celarc and Mr. Young will undertake to the Placing Underwriters not to dispose of, or enter into any agreement to dispose of, or otherwise create any options, rights, interest or encumbrances in respect of any of our Shares held by them in our Company for a period similar to that given by them pursuant to the Public Offer Underwriting Agreement as described in the paragraph headed "Underwriting arrangements and expenses – The Public Offer – Undertakings pursuant to the Public Offer Underwriting Agreement" in this section.

Total commission and expenses and the Sole Sponsor's Fee

The Underwriters will receive underwriting commissions of 4.0% of the aggregate Offer Price payable for the Offer Shares in accordance with the terms of the Underwriting Agreements, out of which the Underwriters may pay any sub-underwriting commission in connection with the Share Offer.

Based on an Offer Price of HK$1.05 per Offer Share (being the mid-point of the indicative Offer Price range stated in this prospectus), the aggregate expenses in connection with the Listing and the Share Offer (including underwriting commission, brokerage, the Stock Exchange trading fee, the SFC transaction levy, the sponsorship and documentation fee, the listing fee, the legal and other professional fees, printing cost and other expenses relating to the Share Offer) are estimated to amount to approximately HK$36.9 million in aggregate. An aggregate amount of HK$6.5 million is payable by our Company as sponsor fees to the Sole Sponsor for acting as the sole sponsor in the Share Offer.

Restrictions on the Offer Shares

No action has been taken to permit a public offering of the Offer Shares, other than in 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.

Other Services provided by Underwriters

The Sole Global Coordinator, the Joint Bookrunners, the Underwriters or their affiliates have, from time to time, provided and expect to provide in the future, investment banking and other services to you, other potential investors, our Company and our respective affiliates, for which the Sole Global Coordinator, the Joint Bookrunners, the Underwriters or their respective affiliates have received or will receive customary fees and commissions. The Sole Global Coordinator, the Joint Bookrunners and the Underwriters may in their ordinary course of business provide financing to investors secured by the Offer Shares offered by this prospectus. The Sole Global Coordinator, the Joint Bookrunners and the Underwriters may enter into hedges and/or dispose of such Offer Shares in relation to the financing which may have a negative impact on the trading price of the Shares.

Underwriters' interests in our Group

Save for their respective obligations under the Public Offer Underwriting Agreement and the Placing Underwriting Agreement or as otherwise disclosed in this prospectus, as at the Latest Practicable Date, none of the Underwriters was interested directly or indirectly in any of our Shares or securities or any shares or securities of any other member of our Group or had any right or option (whether legally enforceable or not) to subscribe for, or to nominate persons to subscribe for, any of our Shares or securities or any shares or securities of any other member of our Group.

Following the completion of the Share Offer, the Underwriters and their affiliated companies may hold a certain portion of our Shares as a result of fulfilling their respective obligations under the Public Offer Underwriting Agreement and Placing Underwriting Agreement.

SPONSOR'S INDEPENDENCE

The Sole Sponsor satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

MINIMUM PUBLIC FLOAT

Pursuant to Rule 8.08(1) of the Listing Rules, our Company must maintain the minimum prescribed percentage of 25% of our issued shares must at all times after the completion of the Share Offer be held by the public (as defined in the Listing Rules).

THE SHARE OFFER

This prospectus is published in connection with the Share Offer. The Share Offer comprises:

(a) the Public Offer of 10,500,000 Shares (subject to reallocation as mentioned below) in Hong Kong as described under the paragraph headed "The Public Offer" in this section below; and

(b) the Placing of an aggregate of 94,500,000 Shares (subject to reallocation as mentioned below) which will conditionally be placed with selected professional, institutional and other investors under the Placing.

Investors may apply for the Shares under the Public Offer or indicate an interest, if qualified to do so, for the Shares under the Placing, but may not do both. The Offer Shares will represent approximately 20.71% of the enlarged issued share capital of our Company immediately after completion of the Share Offer.

The number of Shares to be offered under the Public Offer and the Placing respectively may be subject to reallocation as described in the paragraph headed "Reallocation" in this section below.

THE PLACING

Number of Shares Initially Offered

Our Company is expected to offer initially 94,500,000 Placing Shares (subject to reallocation) at the Offer Price under the Placing. The number of Placing Shares expected to be initially available for application under the Placing represents 90% of the total number of Offer Shares being offered under the Share Offer. The Placing is expected to be fully underwritten by the Placing Underwriters subject to the Offer Price being agreed on or before the Price Determination Date.

Allocation

It is expected that the Placing Underwriters or selling agents nominated by it, on behalf of our Company, will conditionally place the Placing Shares at the Offer Price with selected professional, institutional and private investors. Professional and institutional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Private investors applying through banks or other institutions who sought the Placing Shares in the Placing may also be allocated the Placing Shares.

Allocation of the Placing Shares will be based on a number of factors, including the level and timing of demand and whether or not it is expected that the relevant investor is likely to acquire further Shares and/or hold or sell its Shares after the Listing. Such allocation is intended to result in a distribution of the Placing Shares on a basis which would lead to the establishment of a solid shareholder base to the benefit of our Company and its shareholders as a whole. Investors to whom Placing Shares are offered will be required to undertake not to apply for Shares under the Public Offer.

Our Company, our Directors, the Sole Sponsor and the Sole Global Coordinator are required to take reasonable steps to identify and reject applications under the Public Offer from investors who receive Shares under the Placing, and to identify and reject indications of interest in the Placing from investors who receive Shares under the Public Offer.

The Placing is expected to be subject to the conditions as stated in the paragraph headed "Conditions of the Share Offer" of this section.

THE PUBLIC OFFER

Number of Shares Initially Offered

Our Company is initially offering 10,500,000 Public Offer Shares for subscription (subject to reallocation) by members of the public in Hong Kong as well as institutional and professional investors under the Public Offer, representing 10% of the total number of Offer Shares offered under the Share Offer. The Public Offer is fully underwritten by the Public Offer Underwriter subject to the Offer Price being agreed on or before the Price Determination Date. Applicants for the Public Offer Shares are required on application to pay the maximum Offer Price of HK$1.10 per Share plus 1% brokerage, 0.005% Stock Exchange trading fee and 0.0027% SFC transaction levy.

The Public Offer is open to all members of the public in Hong Kong as well as to institutional and professional investor. An applicant for Shares under the Public Offer will be required to give an undertaking and confirmation in the application submitted by him/her/it that he/she/it has not applied for nor taken up any Shares under the Placing nor otherwise participated in the Placing. Applicants should note that if such undertaking and/or confirmation given by an applicant is breached and/or is untrue (as the case may be), such applicant's application under the Public Offer is liable to be rejected.

The Public Offer is subject to the conditions as stated in the paragraph headed "Conditions of the Share Offer" of this section.

Allocation

For allocation purposes only, the number of the Public Offer Shares will be divided equally into two pools: 5,250,000 Shares in pool A and 5,250,000 Shares in pool B. The Public Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for the Public Offer Shares in the value of HK$5 million (excluding the brokerage, the Stock Exchange trading fee and the SFC transaction levy thereon) or less. The Public Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for the Public Offer Shares in the value of more than HK$5 million (excluding the brokerage, the Stock Exchange trading fee and the SFC transaction levy thereon) and up to the value of pool B.

Investors should be aware that the allocation ratios for applications in the two pools, as well as the allocation ratios for applications in the same pool, are likely to be different. Where one of the pool is under-subscribed, the surplus Public Offer Shares will be transferred to satisfy demand in the other pool and be allocated accordingly. Applicants can only receive an allocation of Public Offer Shares from any one pool but not from both pools and can only make applications to either pool A or pool B. Any application made for more than 100% of the Public Offer Shares initially available under pool A or pool B will be rejected.

Multiple applications or suspected multiple application and any application made for more than 50% of Shares initially comprised in the Public Offer are liable to be rejected.

Allocation of the Public Offer Shares to investors under the Public Offer will be based solely on the level of valid applications received under the Public Offer. When there is over-subscription under the Public Offer, allocation of the Public Offer Shares may involve balloting, which would mean that some applicants may be allotted more Public Offer Shares than others who have applied for the same number of the Public Offer Shares, and those applicants who are not successful in the ballot may not receive any Public Offer Shares.

REALLOCATION

The allocation of the Offer Shares between the Placing and the Public Offer is subject to reallocation on the following basis:

(a) if the number of Shares validly applied for under the Public Offer represents 15 times or more but less than 50 times the number of Shares initially available for subscription under the Public Offer, then Shares will be reallocated to the Public Offer from the Placing, so that the total number of Shares available for subscription under the Public Offer will be increased to 31,500,000 Shares, representing 30% of the number of the Offer Shares initially available for subscription under the Share Offer;

(b) if the number of Shares validly applied for under the Public Offer represents 50 times or more but less than 100 times the number of Shares initially available for subscription under the Public Offer, then Shares will be reallocated to the Public Offer from the Placing, so that the number of Shares available for subscription under the Public Offer will be increased to 42,000,000 Shares, representing 40% of the number of the Offer Shares initially available for subscription under the Share Offer; and

(c) if the number of Shares validly applied for under the Public Offer represents 100 times or more the number of Shares initially available for subscription under the Public Offer, then Shares will be reallocated to the Public Offer from the Placing, so that the number of Shares available for subscription under the Public Offer will be increased to 52,500,000 Shares, representing 50% of the number of the Offer Shares initially available for subscription under the Share Offer.

In all cases, the number of Offer Shares allocated to the Placing will be correspondingly reduced.

In addition, if (i) the Offer Shares under the Placing are fully subscribed or oversubscribed, and if the number of Offer Shares validly applied for in the Public Offer represents 100% or more, but less than 15 times, of the number of Offer Shares initially available under Public Offer; or (ii) the Offer Shares under the Placing are not fully subscribed, and if the number of Offer Shares validly applied for in the Public Offer represents 100% or more of the number of Offer Shares initially available under the Public Offer, the Sole Global Coordinator may reallocate Offer Shares from the Placing to the Public Offer to satisfy valid applications under the Public Offer. In accordance with Guidance Letter HKEx-GL91-18 issued by the Stock Exchange, if such reallocation is done other than pursuant to Practice Note 18 of the

Listing Rules, the total number of Offer Shares under the Public Offer following such reallocation shall be not more than 21,000,000 Offer Shares (representing approximately 20% of the total number of Offer Shares available under the Share Offer), and the final Offer Price shall be fixed at the low-end of the indicative Offer Price range (i.e. HK$1.00 per Offer Share) stated in this prospectus.

If the Public Offer is not fully subscribed, the Sole Global Coordinator may reallocate all or any unsubscribed Public Offer Shares to the Placing, in such proportions as the Sole Global Coordinator deems appropriate.

The Offer Shares to be offered in the Public Offer and the Placing may, in certain circumstances, be reallocated as between these offerings at the discretion of the Sole Global Coordinator.

PRICING AND ALLOCATION

Determining the Offer Price

The Placing Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the Placing. Prospective professional, institutional and other investors will be required to specify the number of Offer Shares under the Placing which they would be prepared to acquire either at different prices or at a particular price. This process, known as "book-building" is expected to continue up to, and to cease on or around, the last day for lodging applications under the Public Offer.

Pricing for the Offer Shares for the purpose of the various offerings under the Share Offer will be fixed on the Price Determination Date, which is expected to be on or around Thursday, 27 September 2018, by agreement between the Sole Global Coordinator (for itself and on behalf of the Underwriters) and our Company and the number of Offer Shares to be allocated under the various offerings will be determined shortly thereafter.

Offer Price Range

The Offer Price will be not more than HK$1.10 per Offer Share and is expected to be not less than HK$1.00 per Offer Share, unless otherwise announced not later than the morning of the last day for lodging applications under the Public Offer, as further explained below. Prospective investors 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.

Price payable on application

Applicants for the Public Offer Shares under the Public Offer are required to pay, on application, the maximum Offer Price of HK$1.10 for each Public Offer Share (plus brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%), amounting to a total of HK$3,333.26 for each board lot of 3,000 Shares. If the Offer Price is less than HK$1.10, appropriate refund payments (including the brokerage, SFC transaction levy and the Stock Exchange trading fee attributable to the surplus application monies, without any interest) will be made to successful applications.

If, for any reason, our Company and the Sole Global Coordinator (for itself and on behalf of the Underwriters) are unable to reach agreement on the Offer Price on or before Thursday, 4 October 2018, the Share Offer will not proceed and will lapse.

Reduction in Indicative Offer Price Range and/or Number of Offer Shares

The Sole Sponsor and the Sole Global Coordinator (for itself and 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, reduce the indicative Offer Price range and/or the number of Offer Shares below those stated in this prospectus at any time on or 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, cause to be published in China Daily (in English) and Ta Kung Pao (in Chinese) and posted on the website of the Stock Exchange (**www.hkexnews.hk**) and on the website of our Company (**www.leftfieldprinting.com**) notices of the reduction. Upon issue of such a notice, the revised indicative Offer Price range and/or number of Offer Shares will be final and conclusive and the Offer Price, if agreed upon by the Sole Sponsor and the Sole Global Coordinator (for itself and on behalf of the Underwriters) and our Company, will be fixed within such revised range. Such notice will also include confirmation or revision, as appropriate, of the working capital statement and the Share Offer statistics as currently set out in this prospectus, and any other financial information which may change materially as a result of such reduction.

Before submitting applications for the Public Offer Shares, applicants should have regard to the possibility that any announcement of a reduction in the indicative Offer Price range and/or number of Offer Shares may not be made until the day which is the last day for lodging applications under the Public Offer. In the absence of any such announcement so published, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon by the Sole Sponsor and the Sole Global Coordinator (for itself and on behalf of the Underwriters) and our Company, will under no circumstances be set outside the Offer Price range as stated in this prospectus. However, if the number of Offer Shares and/or the Offer Price range is reduced, applicants under the Public Offer 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.

In the event of a reduction in the number of Offer Shares, the Sole Global Coordinator may, at its discretion, reallocate the number of Offer Shares to be offered in the Public Offer and the Placing, provided that the number of Offer Shares comprised in the Public Offer shall not be less than 10% of the total number of Offer Shares available under the Share Offer. The Offer Shares to be offered in the Public Offer and the Offer Shares to be offered in the Placing may, in certain circumstances, be reallocated between these offerings at the discretion of the Sole Global Coordinator.

Announcement of Offer Price and Basis of Allocations

The final Offer Price, the level of indication of interest in the Placing, the level of applications in respect of the Public Offer and the basis of allotment of the Public Offer Shares are expected to be announced on Friday, 5 October 2018 in China Daily (in English) and Ta Kung Pao (in Chinese) and to be posted on the website of the Stock Exchange (**www.hkexnews.hk**) and on the website of our Company (**www.leftfieldprinting.com**).

UNDERWRITING

The Public Offer is fully underwritten by the Public Offer Underwriter under the terms of the Public Offer Underwriting Agreement and is subject to our Company and the Sole Global Coordinator (for itself and on behalf of the Public Offer Underwriter) agreeing on the Offer Price.

We expect to enter into the Placing Underwriting Agreement relating to the Placing on or around the Price Determination Date.

These underwriting arrangements and the Underwriting Agreements are summarised in the section headed "Underwriting" in this prospectus.

CONDITIONS OF THE SHARE OFFER

Acceptance of all applications for the Offer Shares pursuant to the Public Offer will be conditional on:

- the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Scheme of Arrangement and the Share Offer (subject only to allotment) and such listing and permission not subsequently having been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;

- the Offer Price having been duly agreed between us and the Sole Global Coordinator (for itself and on behalf of the Underwriters);

- the execution and delivery of the Placing Underwriting Agreement on or around the Price Determination Date;

- the obligations of the Public Offer Underwriter under the Public Offer Underwriting Agreement and the obligations of the Placing Underwriters under the Placing Underwriting Agreement becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective agreements, in each case on or before the dates and times specified in the Public Offer Underwriting Agreement or the Placing Underwriting Agreement (unless and to the extent such conditions are validly waived on or before such dates and times); and

- the Scheme of Arrangement has become effective and implemented.

If, for any reason, the Offer Price is not agreed between our Company and the Sole Global Coordinator (for itself and on behalf of the Underwriters) on or before Thursday, 4 October 2018, the Share Offer will not proceed and will lapse.

The consummation of each of the Public Offer and the Placing is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with their respective terms.

If the above conditions are not fulfilled or waived prior to the dates and times specified, the Share Offer will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Public Offer will be published by us in China Daily (in English) and Ta Kung Pao (in Chinese) on the next day following such lapse. In such eventuality, all application monies will be returned, without interest, on the terms set out in the paragraph headed "How to Apply for Public Offer Shares – 14. Despatch/Collection of share certificates and refund monies" in this prospectus. In the meantime, all application monies will be held in separate bank account(s) with the receiving banker or other bank(s) in Hong Kong licenced under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

Share certificates will only become valid at 8:00 a.m. on Monday, 8 October 2018, provided that the Share Offer has become unconditional and the right of termination described in the paragraph headed "Underwriting – Underwriting arrangements and expenses – The Public Offer – Grounds for termination" in this prospectus has not been exercised.

ADMISSION OF THE SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in the Shares and our Company complies 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 Listing Date or any other date as determined by HKSCC. 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 advisor for details of the settlement arrangements as such arrangements will affect their rights and interests.

All necessary arrangements have been made enabling the Shares to be admitted into the Central Clearing and Settlement System, or CCASS.

DEALINGS IN THE SHARES

Assuming that the Share Offer becomes unconditional at or before 8:00 a.m. in Hong Kong on Monday, 8 October 2018, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Monday, 8 October 2018.

The Shares will be traded in board lots of 3,000 Shares each and the stock code of the Shares will be 1540.

1. HOW TO APPLY

If you apply for the Public Offer Shares, then you may not apply for or indicate an interest for Placing Shares.

To apply for the Public Offer Shares, you may:

- use a **WHITE** or **YELLOW** Application Form;
- apply online via **eWhite Form** service at **www.ewhiteform.com.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.

Our Company, the Sole Global Coordinator, the **eWhite 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 the 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); and
- are not a legal or natural person of the PRC.

If you apply online through the **eWhite Form** service, in addition to the above, you must also: (i) have a valid Hong Kong identity card member; 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 or her representative capacity, and stamped with your corporation's chop.

If an application is made by a person under a power of attorney, the Sole Global Coordinator may accept it at its discretion and on any conditions it thinks 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 **eWhite 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 our Company, OPUS and/or any of their subsidiaries;
- a Director or the chief executive officer of our Company, OPUS and/or any of their subsidiaries;
- a core connected person (as defined in the Listing Rules) of our Company or will become a core connected person of our Company immediately upon completion of the Share Offer;
- a close associate (as defined in the Listing Rules) of any of the above; or
- have been allocated or have applied for any Placing Shares or otherwise participate in the Placing.

3. APPLYING FOR THE PUBLIC OFFER SHARES

Which application channel to use

For the Public Offer Shares to be issued in your own name, use a **WHITE** Application Form or apply online through **www.ewhiteform.com.hk.**

For the 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 Thursday, 20 September 2018 until 12:00 noon on Wednesday, 26 September 2018 from:

(i) the following office of the Public Offer Underwriter:

Sun Securities Limited
Room 805-806, 8/F, Far East Consortium Building
121 Des Voeux Road Central
Hong Kong

(ii) or the following office of the Sole Sponsor:

Optima Capital Limited
Suite 1501, 15th Floor
Jardine House
1 Connaught Place
Central, Hong Kong

(iii) or any of the following branches of Bank of China (Hong Kong) Limited, the receiving bank for the Public Offer:

District	Branch Name	Address
Hong Kong Island	Wan Chai (Wu Chung House) Branch	213 Queen's Road East, Wan Chai, Hong Kong
Kowloon	Prince Edward Branch	774 Nathan Road, Kowloon

You can collect a **YELLOW** Application Form and a prospectus during normal business hours from 9:00 a.m. on Thursday, 20 September 2018 until 12:00 noon on Wednesday, 26 September 2018 from the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, 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 – LEFT FIELD 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:

Thursday, 20 September 2018 – 9:00 a.m. – 5:00 p.m.
Friday, 21 September 2018 – 9:00 a.m. – 5:00 p.m.
Saturday, 22 September 2018 – 9:00 a.m. – 1:00 p.m.
Monday, 24 September 2018 – 9:00 a.m. – 5:00 p.m.
Wednesday, 26 September 2018 – 9:00 a.m. – 12:00 noon

The application lists will be open from 11:45 a.m. to 12:00 noon on Wednesday, 26 September 2018, the last application day or such later time as described in "10. Effect of bad weather on the opening of the application 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 **eWhite Form** service, among other things, you (and if you are joint applicants, each of you jointly and severally) for yourself or as an agent or a nominee on behalf of each person for whom you act:

(i) **undertake** to execute all relevant documents and instruct and authorise our Company and/or the Sole Global Coordinator (or their agents or nominees), as agents of our 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 Bye-laws;

(ii) **agree** to comply with the Companies Act, Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Companies Ordinance, the Memorandum of Association and the Bye-laws;

(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 our Company, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Underwriters, their respective directors, officers, employees, partners, agents, advisors 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 Offer Shares under the Placing nor participated in the Placing;

(viii) **agree** to disclose to our Company, our Hong Kong Branch Share Registrar, the receiving bank, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, 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 our Company, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and the Underwriters nor any of their respective officers or advisors 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 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 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** our Company to place your name(s) or the name of the HKSCC Nominees, on our Company's register of members as the holder(s) of any Public Offer Shares allocated to you, and our Company and/or its agents to send any share certificate(s) and/or any refund cheque(s)/or any e-Refund payment instructions 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 applied for 1,000,000 Offer Shares or more who are eligible to collect your share certificate(s) and/or refund cheque(s) (when applicable) 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 our Company and the Sole Global Coordinator 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 **eWhite Form** Service Provider by you or by anyone as your agent or by any other person; and

(xviv) (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.

Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance

For the avoidance of doubt, our 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 Companies (Winding Up and Miscellaneous Provisions) Ordinance (as applied by Section 342E of the Companies (Winding Up and Miscellaneous Provisions) Ordinance).

5. APPLYING THROUGH eWHITE FORM SERVICE

General

Individuals who meet the criteria in "Who can apply" section, may apply through the **eWhite Form** service for the Offer Shares to be allotted and registered in their own names through the designated website at **www.ewhiteform.com.hk**.

Detailed instructions for application through the **eWhite 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 our Company. If you apply through the designated website, you authorise the **eWhite Form** Service Provider to apply on the terms and conditions in this prospectus, as supplemented and amended by the terms and conditions of the **eWhite Form** service.

Time for Submitting Applications under the eWhite Form

You may submit your application to the **eWhite Form** Service Provider at **www.ewhiteform.com.hk** (24 hours daily, except on the last application day) from 9:00 a.m. on Thursday, 20 September 2018 until 11:30 a.m. on Wednesday, 26 September 2018 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Wednesday, 26 September 2018 or such later time under the "10. Effects of bad weather on the opening of the applications lists" in this section.

No Multiple Applications

If you apply by means of **eWhite Form**, once you complete payment in respect of any **electronic application instruction** given by you or for your benefit through the **eWhite Form** service to make an application for the Public Offer Shares, an actual application shall be deemed to have been made. For the avoidance of doubt, giving an **electronic application instruction** under **eWhite 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 **eWhite Form** service or by any other means, all of your applications are liable to be rejected.

Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance

For the avoidance of doubt, our 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 Companies (Winding Up and Miscellaneous Provisions) Ordinance (as applied by Section 342E of the Companies (Winding Up and Miscellaneous Provisions) 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 (852) 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 Center
1/F, One & Two Exchange Square,
8 Connaught Place, 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 our Company, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners and our Hong Kong Branch 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 Offer Shares under the Placing;

- (if the **electronic application instructions** are given for your benefit) **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 our Company, our Directors and the Sole Global Coordinator 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** our Company to place HKSCC Nominees' name on our 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 our Company, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Underwriter, their respective directors, officers, employees, partners, agents, advisors 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 our Company, our Hong Kong Branch Share Registrar, receiving bank, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, 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 our 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 Companies (Winding Up and Miscellaneous Provisions) 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 our 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 the Public Offer Shares;

- **agree** with our Company, for itself and for the benefit of each Shareholder (and so that our 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 Companies (Winding Up and Miscellaneous Provisions) Ordinance, Companies Ordinance and the Bye-laws; 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 our 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 3,000 Public Offer Shares. Instructions for more than 3,000 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[1]

CCASS Clearing/Custodian Participants can input **electronic application instructions** at the following times on the following dates:

Thursday, 20 September 2018 – 9:00 a.m. – 8:30 p.m.
Friday, 21 September 2018 – 8:00 a.m. – 8:30 p.m.
Saturday, 22 September 2018 – 8:00 a.m. – 1:00 p.m.
Monday, 24 September 2018 – 8:00 a.m. – 8:30 p.m.
Wednesday, 26 September 2018 – 8:00 a.m. – 12:00 noon

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Thursday, 20 September 2018 until 12:00 noon on Wednesday, 26 September 2018 (24 hours daily, except on Wednesday, 26 September 2018, the last application day).

The latest time for inputting your **electronic application instructions** will be 12:00 noon on Wednesday, 26 September 2018, the last application day or such later time as described in the paragraph headed "10. Effect of bad weather on the opening of the application lists" in this section.

(1) The times in the sub-section are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants and/or CCASS Investor Participants.

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 Companies (Winding Up and Miscellaneous Provisions) Ordinance

For the avoidance of doubt, our 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 Companies (Winding Up and Miscellaneous Provisions) Ordinance (as applied by Section 342E of the Companies (Winding Up and Miscellaneous Provisions) Ordinance).

Personal Data

The section of the Application Form headed "Personal data" applies to any personal data held by our Company, the Hong Kong Branch Share Registrar, the receiving bank, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the Underwriters and any of their respective advisors 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 the Public Offer Shares through the **eWhite Form** service is also only a facility provided by the **eWhite 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. Our Company, our Directors, the Sole Global Coordinator, the Joint Bookrunners, 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 **eWhite 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 Wednesday, 26 September 2018 or such later time under the paragraph "10. Effect of bad weather on the opening of the application lists" in this section.

8. HOW MANY APPLICATIONS CAN YOU MAKE

Multiple application 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 (whether individually or jointly) or by giving **electronic application instructions** to HKSCC or through **eWhite 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 **eWhite Form** service in respect of a minimum of 3,000 Public Offer Shares. Each application or **electronic application instructions** in respect of more than 3,000 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.ewhiteform.com.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 details on the Offer Price, please see the section headed "Structure of the Share Offer" in this prospectus.

10. EFFECT OF BAD WEATHER ON THE OPENING OF THE APPLICATION LISTS

The application lists will not open if there is:

- a tropical cyclone warning 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 Wednesday, 26 September 2018. 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 Wednesday, 26 September 2018 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

Our Company expects to announce the final Offer Price, 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 Friday, 5 October 2018 in China Daily (in English) and Ta Kung Pao (in Chinese) and on our Company's website at **www.leftfieldprinting.com** 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 our Company's website at **www.leftfieldprinting.com** and the Stock Exchange's website at **www.hkexnews.hk** by no later than 9:00 a.m. on Friday, 5 October 2018;

- from the designated results of allocations website at **www.ewhiteform.com.hk/results** with a "search by ID" function on a 24-hour basis from 9:00 a.m. on Friday, 5 October 2018 to 12:00 midnight on Thursday, 11 October 2018;

- by telephone enquiry line by calling +852 2153 1688 between 9:00 a.m. and 6:00 p.m. from Friday, 5 October 2018 to Thursday, 11 October 2018 on a Business Day (excluding Saturday, Sunday and Public Holidays);

- in the special allocation results booklets which will be available for inspection during opening hours from Friday, 5 October 2018 to Monday, 8 October 2018 at all the receiving bank designated branches.

If our 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 "Structure 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 ALLOCATED 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 **eWhite 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 our 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 Companies (Winding Up and Miscellaneous Provisions) Ordinance (as applied by Section 342E of the Companies (Winding Up and Miscellaneous Provisions) 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 announcement 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:

Our Company, the Sole Sponsor, the Sole Global Coordinator, the Joint Bookrunners, the **eWhite 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 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 our 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 **eWhite 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;
- our Company or the Sole Global Coordinator 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$1.10 per Offer Share (excluding brokerage, SFC transaction levy and the Stock Exchange trading fee thereon), or if the conditions of the Public Offer set out in the section "Structure of the Share Offer – Conditions of the Public Offer" in this prospectus are not fulfilled 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 Friday, 5 October 2018.

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 of HK$1.10 per Offer Share (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 before Friday, 5 October 2018. The right is reserved to retain any share certificate(s) and any surplus application monies pending clearance of cheque(s) or banker's cashier order(s).

Share certificates will only become valid at 8:00 a.m. on Monday, 8 October 2018 provided that the Share Offer has become unconditional and the right of termination described in the section "Underwriting" 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 the Hong Kong Branch Share Registrar, Boardroom Share Registrars (HK) Limited at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Friday, 5 October 2018 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 Branch 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 dispatched 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 Friday, 5 October 2018, 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 for collection of refund cheque(s). 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 Friday, 5 October 2018, 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 Friday, 5 October 2018, 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*

  Our 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 "11. 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 Friday, 5 October 2018 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 **eWhite 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 the Hong Kong Branch Share Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Friday, 5 October 2018, or such other date as notified by our Company in the newspapers as the date of despatch/collection of share certificates/e-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 or before Friday, 5 October 2018 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-Refund payment instructions. If you apply and pay the application monies from multiple bank accounts, any refund monies will be dispatched 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 Friday, 5 October 2018, or, on any other date determined by HKSCC or HKSCC Nominees.

- Our Company expects to publish the application results of CCASS Participants (and where the CCASS Participant is a broker or custodian, our 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 "11. Publication of results" in this section on Friday, 5 October 2018. You should check the announcement published by our Company and report any discrepancies to HKSCC before 5:00 p.m. on Friday, 5 October 2018 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 Friday, 5 October 2018. 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 Friday, 5 October 2018.

- No interest will be paid thereon.

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 arrangements 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, prepared for the sole purpose of inclusion in this prospectus, from the independent reporting accountant, BDO Limited, Certified Public Accountants, Hong Kong.

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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF LEFT FIELD PRINTING GROUP LIMITED AND OPTIMA CAPITAL LIMITED

Introduction

We report on the historical financial information of Left Field Printing Group Limited (the "Company") and its subsidiaries (together the "Group") set out on pages IA-4 to IA-68, which comprises the combined statements of financial position as at 31 December 2015, 2016 and 2017 and 31 March 2018, the combined statements of profit or loss and other comprehensive income, the combined statements of changes in equity and the combined statements of cash flows for each of the years ended 31 December 2015, 2016 and 2017 and the three months ended 31 March 2018 (the "Track Record Period"), and a summary of significant accounting policies and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages IA-4 to IA-68 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 20 September 2018 (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 "Stock Exchange").

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and preparation set out in note 2 and note 3 to the Historical Financial Information, respectively, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and preparation set out in note 2 and note 3 to the Historical Financial Information, respectively, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical 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, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the combined financial position of the Group as at 31 December 2015, 2016, 2017 and 31 March 2018 and its combined financial performance and cash flows for the Track Record Period in accordance with the basis of presentation and preparation set out in note 2 and note 3 to the Historical Financial Information, respectively.

Review of Stub Period Comparative Historical Financial Information

We have reviewed the stub period comparative historical financial information of the Group which comprises the combined statement of profit or loss and other comprehensive income, the combined statement of changes in equity and the combined statement of cash flows for the three months ended 31 March 2017 and other explanatory information (together the "Stub Period Comparative Historical Financial Information"). The directors of the Company are responsible for the preparation and presentation of the Stub Period Comparative Historical Financial Information in accordance with the basis of presentation and preparation set out in note 2 and note 3 to the Historical Financial Information, respectively. Our responsibility is to express a conclusion on the Stub Period Comparative Historical 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 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 Hong Kong Standards on Auditing 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 Historical Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of presentation and preparation set out in note 2 and note 3 to the Historical Financial Information, respectively.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information and the Stub Period Comparative Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page IA-4 have been made.

Dividends

We refer to note 15 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

No statutory financial statements for the Company

No statutory financial statements have been prepared for the Company since its date of incorporation.

BDO Limited
Certified Public Accountants
Yu Tsui Fong
Practising Certificate Number P05440

Hong Kong
20 September 2018

I. HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by BDO Limited in accordance with Hong Kong Standards on Auditing (the "HKSAs") issued by the HKICPA (the "Underlying Financial Statements").

The Historical Financial Information is presented in Australian dollars ("AUD") and all values are rounded to the nearest thousand (AUD'000) except when otherwise indicated.

Combined Statements of Profit or Loss and Other Comprehensive Income

		Year ended 31 December			Three months ended 31 March	
		2015	2016	2017	2017	2018
	Notes	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000* *(unaudited)*	*AUD'000*
Continuing Operations						
Revenue	8	80,745	86,977	79,206	20,590	19,291
Direct operating costs		(60,369)	(65,569)	(61,213)	(15,355)	(14,531)
Gross profit		20,376	21,408	17,993	5,235	4,760
Other income	8	1,600	1,172	1,954	320	452
Selling and distribution costs		(5,960)	(6,499)	(5,410)	(1,374)	(1,303)
Administrative expenses		(11,134)	(7,718)	(6,591)	(1,761)	(1,412)
Other expenses		–	–	–	–	(1,155)
Finance costs	9	(181)	(1)	(34)	(1)	(14)
Profit before income tax from continuing operations	10	4,701	8,362	7,912	2,419	1,328
Income tax (expense)/benefit	12	2,453	(2,854)	(2,222)	(737)	(401)
Profit after income tax from continuing operations		7,154	5,508	5,690	1,682	927
Discontinued Operations						
Profit after income tax from discontinued operations	14	4,893	9,386	–	–	–
Profit for the year/period		12,047	14,894	5,690	1,682	927

		Year ended 31 December			Three months ended 31 March	
		2015	**2016**	**2017**	**2017**	**2018**
	Notes	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*
					(unaudited)	
Other comprehensive income, net of tax						
Items that may be reclassified subsequently to profit or loss						
Derecognition to profit or loss on disposal of subsidiaries		–	816	(101)	–	–
Exchange differences on translation of foreign operations		299	(33)	160	107	–
Other comprehensive income for the year/period		299	783	59	107	–
Total comprehensive income for the year/period		12,346	15,677	5,749	1,789	927

Combined Statements of Financial Position

					As at
			As at 31 December		31 March
		2015	2016	2017	2018
	Notes	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*
ASSETS AND LIABILITIES					
Non-current assets					
Property, plant and equipment	17	8,183	7,063	7,003	6,635
Deferred tax assets	13	3,065	2,632	2,460	2,886
Other non-current assets	18	1,469	262	–	–
		12,717	9,957	9,463	9,521
Current assets					
Inventories	19	6,430	3,765	5,331	5,745
Trade receivables	20	16,825	14,352	10,870	11,099
Other receivables, deposits and prepayment	21	2,720	1,261	1,262	1,574
Current tax receivables		–	–	226	10
Cash and cash equivalents	22	11,459	17,519	25,673	24,850
		37,434	36,897	43,362	43,278
Current liabilities					
Trade and other payables	23	13,888	12,320	10,607	10,642
Finance lease liabilities	24	151	17	56	57
Provisions	25	5,076	3,945	3,611	3,680
Amount due to fellow subsidiary	26	700	–	–	–
Provision for income tax		1,171	108	–	–
		20,986	16,390	14,274	14,379
Net current assets		16,448	20,507	29,088	28,899
Total assets less current liabilities		29,165	30,464	38,551	38,420

		As at 31 December			As at 31 March
		2015	**2016**	**2017**	**2018**
	Notes	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*
Non-current liabilities					
Finance lease liabilities	24	–	73	199	185
Provisions	25	1,363	1,360	1,940	1,973
Deferred tax liabilities	13	153	301	422	399
		1,516	1,734	2,561	2,557
Net assets		27,649	28,730	35,990	35,863
EQUITY					
Share capital	27	–	–	–	–
Reserves	29	27,649	28,730	35,990	35,863
Total equity		27,649	28,730	35,990	35,863

Combined Statements of Changes in Equity

	Share capital *AUD'000*	Merger reserve *AUD'000*	Foreign currency translation reserve *AUD'000*	Share option reserve *AUD'000*	Profits reserve *AUD'000*	Accumulated losses *AUD'000* *(Note (i))*	Total *AUD'000*
Balance at 1 January 2015	–	70,594	3,699	4,810	–	(62,836)	16,267
Other comprehensive income, net of tax	–	–	299	–	–	–	299
Profit for the year	–	–	–	–	12,047	–	12,047
Total comprehensive income for the year	–	–	299	–	12,047	–	12,346
Transactions with owners in their capacity as owners							
Dividends *(Note 15)*	–	–	–	–	(964)	–	(964)
Total changes in ownership interests	–	–	–	–	(964)	–	(964)
Balance at 31 December 2015 and 1 January 2016	–	70,594	3,998	4,810	11,083	(62,836)	27,649
Other comprehensive income, net of tax	–	–	783	–	–	–	783
Profit for the year	–	–	–	–	14,894	–	14,894
Total comprehensive income for the year	–	–	783	–	14,894	–	15,677
Transactions with owners in their capacity as owners							
Dividends *(Note 15)*	–	–	–	–	(12,533)	–	(12,533)
Capital reduction in a subsidiary *(Note (ii))*	–	(62,495)	–	–	–	62,495	–
Share buyback in a subsidiary	–	(2,063)	–	–	–	–	(2,063)
Transfer	–	–	–	–	(341)	341	–
Total changes in ownership interests	–	(64,558)	–	–	(12,874)	62,836	(14,596)
Balance at 31 December 2016 and 1 January 2017	–	6,036	4,781	4,810	13,103	–	28,730

	Share capital *AUD'000*	Merger reserve *AUD'000*	Foreign currency translation reserve *AUD'000*	Share option reserve *AUD'000*	Profits reserve *AUD'000*	Accumulated losses *AUD'000* *(Note (i))*	Total *AUD'000*
Other comprehensive income, net of tax	–	–	59	–	–	–	59
Profit for the year	–	–	–	–	5,690	–	5,690
Total comprehensive income for the year	–	–	59	–	5,690	–	5,749
Transactions with owners in their capacity as owners							
Dividends *(Note 15)*	–	–	–	–	(2,134)	–	(2,134)
Share buyback in a subsidiary	–	(3,339)	–	–	–	–	(3,339)
Share option exercised in a subsidiary	–	11,794	–	(4,810)	–	–	6,984
Total changes in ownership interests	–	8,455	–	(4,810)	(2,134)	–	1,511
Balance at 31 December 2017	–	14,491	4,840	–	16,659	–	35,990
For the three months ended 31 March 2018							
Balance at 1 January 2018	–	14,491	4,840	–	16,659	–	35,990
Other comprehensive income, net of tax	–	–	–	–	–	–	–
Profit for the period	–	–	–	–	927	–	927
Total comprehensive income for the period	–	–	–	–	927	–	927
Transactions with owners in their capacity as owners							
Dividends *(Note 15)*	–	–	–	–	(1,054)	–	(1,054)
Total changes in ownership interests	–	–	–	–	(1,054)	–	(1,054)
Balance at 31 March 2018	–	14,491	4,840	–	16,532	–	35,863

	Share capital AUD'000	Merger reserve AUD'000	Foreign currency translation reserve AUD'000	Share option reserve AUD'000	Profits reserve AUD'000	Accumulated losses AUD'000 (Note (i))	Total AUD'000
For the three months ended 31 March 2017 (unaudited)							
Balance at 1 January 2017	–	6,036	4,781	4,810	13,103	–	28,730
Other comprehensive income, net of tax	–	–	107	–	–	–	107
Profit for the period	–	–	–	–	1,682	–	1,682
Total comprehensive income for the period	–	–	107	–	1,682	–	1,789
Transactions with owners in their capacity as owner							
Dividends	–	–	–	–	(1,067)	–	(1,067)
Share buyback in a subsidiary	–	(2,675)	–	–	–	–	(2,675)
Total change in ownership interest	–	(2,675)	–	–	(1,067)	–	(3,742)
Balance at 31 March 2017	–	3,361	4,888	4,810	13,718	–	26,777

Notes:

(i) The accumulated loss as at 1 January 2015 of AUD62,836,000, which was mainly due to loss including goodwill impairment, restructuring costs, bank loan costs and interests charged to profit or loss in the financial years prior to the Track Record Period.

(ii) On 29 April 2016, the board of directors of OPUS Group Limited resolved to reduce the share capital amount of OPUS Group Limited by AUD62,495,000 in accordance with section 258F of Corporation Act 2001. The capital reduction had the effect of reducing the "Merger reserve" and "Accumulated losses" in the financial statements and did not impact the net assets, financial results and cash flows of OPUS Group Limited.

Combined Statements of Cash Flows

		Year ended 31 December			Three months ended 31 March	
		2015	2016	2017	2017	2018
	Notes	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*
					(unaudited)	
Cash flows from operating activities						
Profit before income tax:						
– From continuing operations		4,701	8,362	7,912	2,419	1,328
– From discontinued operations		5,099	9,698	–	–	–
		9,800	18,060	7,912	2,419	1,328
Adjustments for:						
Unrealised foreign exchange loss/(gain)		(18)	92	162	(26)	2
Finance costs		199	6	34	1	14
Depreciation of property, plant and equipment	17	3,685	2,233	1,689	367	468
Reversal of impairment of investment in associate		(42)	–	–	–	–
Movement in provision for impairment of trade receivables		614	(199)	(486)	43	6
Bad debt written-off		–	58	93	–	–
Provision for/(reversal of) impairment of inventories		448	332	(38)	119	138
Loss/(gain) on disposal of property, plant and equipment		(633)	64	40	–	(9)
Overprovision of deferred consideration for Blue Star acquisition		(158)	–	–	–	–
Gain on disposal of outdoor media business in New Zealand		(1,706)	–	–	–	–
Loss/(gain) on disposal of subsidiaries		–	(8,393)	133	133	–
Net cash inflow generated from operating activities		12,189	12,253	9,539	3,056	1,947
Decrease/(increase) in trade and other receivables		(2,986)	2,030	4,135	1,657	(546)
Decrease/(increase) in inventories		(1,593)	555	(1,559)	(40)	(552)
Decrease in trade and other payables		(779)	(532)	(1,713)	(1,936)	(1,019)
Increase/(decrease) in amount due to fellow subsidiary		696	(1,114)	–	501	–
Increase/(decrease) in provisions		1,515	(218)	(174)	(41)	94
Cash generated from/(used in) operations		9,042	12,974	10,228	3,197	(76)
Income tax paid, net		(1,313)	(3,548)	(2,263)	(517)	(635)
Net cash generated from/(used in) operating activities		7,729	9,426	7,965	2,680	(711)

	Notes	Year ended 31 December 2015 AUD'000	2016 AUD'000	2017 AUD'000	Three months ended 31 March 2017 AUD'000 (unaudited)	2018 AUD'000
Cash flows from investing activities						
Net cash inflows on disposal of outdoor media business in New Zealand		1,954	–	–	–	–
Net cash inflows/(outflows) on disposal of subsidiaries		–	14,618	(25)	(25)	–
Payments for purchase of property, plant and equipment		(877)	(3,227)	(1,083)	(17)	(116)
Proceeds from the disposal of property, plant and equipment		772	113	52	–	25
Payment for deferred consideration for acquisition of assets		(540)	–	–	–	–
Dividends received from associate investments		375	–	–	–	–
Net cash inflows/(outflows) from investing activities		1,684	11,504	(1,056)	(42)	(91)
Cash flows from financing activities						
Other interest paid		(58)	–	–	–	–
Payment for share buyback		–	(2,063)	(3,339)	(2,675)	–
Dividend paid	15	(964)	(12,533)	(2,134)	–	–
Repayment of unsecured promissory note		(1,900)	–	–	–	–
Net proceeds from share options exercised		–	–	6,984	–	–
Interest element of finance lease payments		(141)	(6)	(14)	(1)	(4)
Payment of finance lease liabilities		(1,967)	(117)	(48)	(5)	(13)
Net cash (outflows)/inflows from financing activities		(5,030)	(14,719)	1,449	(2,681)	(17)
Net increase/(decrease) in cash and cash equivalents		4,383	6,211	8,358	(43)	(819)
Cash and cash equivalents at the beginning of the year/period		7,119	11,459	17,519	17,519	25,673
Net effect of exchange rate changes		(43)	(151)	(204)	32	(4)
Cash and cash equivalents at the end of the year/period		11,459	17,519	25,673	17,508	24,850

II. NOTES TO HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION AND REORGANISATION

(a) General information

Left Field Printing Group Limited (the "Company") was incorporated as an exempted company with limited liability in Bermuda on 18 April 2018. The address of the Company's registered office and the principal place of business is disclosed in the section headed "Corporate Information" in this prospectus.

The principal activity of the Company is investment holding while its subsidiaries are principally engaged in the provision of printing services (the "Listing business").

In the opinion of the directors, the ultimate holding company of the Company is Lion Rock Group Limited, which is a listed company on the Main Board of the Stock Exchange.

(b) Reorganisation

Pursuant to a group reorganisation carried out by the Group in preparation for the listing of shares of the Company on the Stock Exchange (the "Reorganisation"), the Company will become the holding company of the subsidiaries comprising the Group after the Reorganisation. Details of the Reorganisation are set out in the section headed "History and Corporate Structure" in this prospectus issued by the Company.

Upon completion of a group reorganisation, the particulars of subsidiaries in which the Company has direct or indirect interests are set out as follows:

Company name	Place and date of incorporation	Particulars of issued and fully paid up share capital	Effective interest held by the Company	Principal activities	Notes
OPUS Group Limited ("OPUS GL")	Australia, 7 June 1983	AUD14,491,000	100%	Investment holding	(i)
OPUS Group NZ Holdings Limited* ("OPUS NZ Holdings")	New Zealand, 6 August 2007	NZD6,050,000	100%	Investment holding	(ii)
OPUS Group (Australia) Pty Ltd ("OPUS AU")	Australia, 23 May 2007	AUD700,000	100%	Investment holding	(iii)
Ligare Pty Ltd ("Ligare")	Australia, 17 September 1979	AUD4	100%	Production and distribution of published content	(iii)
McPhersons Printing Pty Ltd ("McPhersons")	Australia, 1 November 1971	AUD490,000	100%	Production and distribution of published content	(iii)
CanPrint Holdings Pty Ltd ("CanPrint Holdings")	Australia, 4 December 2008	AUD8,184,000	100%	Investment holding	(iii)
Union Offset Co Pty Ltd ("Union Offset")	Australia, 24 August 1967	AUD120,000	100%	Production of Government Printed Matters and catalogues, operating manuals and promotions leaflets	(iii)
CanPrint Communication Pty Ltd ("CanPrint Com")	Australia, 4 September 1997	AUD17,333	100%	Production and distribution of published content	(iii)
Integrated Print And Logistics Management Pty Ltd ("IPALM")	Australia, 5 February 1999	AUD2,300	100%	Investment holding	(iii)

* Deregistered on 22 May 2018.

Notes:

(i) The statutory financial statements of OPUS GL for the years ended 31 December 2015, 2016 and 2017 were audited by BDO East Coast Partnership, a firm of certified public accountants registered in Australia. These statutory financial statements were prepared in accordance with the relevant accounting principles and financial regulations applicable to the enterprise registered in the Australia.

(ii) The financial statements of OPUS Group NZ Holdings Limited for the years ended 31 December 2015, 2016 and 2017 were audited by BDO Auckland, a firm of certified public accountants registered in New Zealand. These statutory financial statements were prepared in accordance with the relevant accounting principles and financial regulations applicable to the enterprise registered in the New Zealand.

(iii) OPUS Group Limited and these companies are parties to a Deed of Cross Guarantee under which each company guarantees the debts of the others. By entering into the deed, these companies have been relieved from the requirement to prepare audited financial statements under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission.

2. BASIS OF PRESENTATION

Immediately after the Reorganisation, the Company will become the holding company of its subsidiaries comprising the Group after the Reorganisation.

The Group is regarded as a continuing entity resulting from the Reorganisation since the insertion of new holding company at the top of OPUS GL has not resulted in any change in economic substance.

The combined statements of profit or loss and other comprehensive income, the combined statements of changes in equity and the combined statements of cash flows of the Group for the Track Record Period include the financial performance and cash flows of all companies now comprising the Group, as if the current group structure had been in existence throughout the Track Record Period, or since their respective dates of incorporation, where this is a shorter period. The combined statements of financial position of the Group as at 31 December 2015, 2016 and 2017 and 31 March 2018 have been prepared to present the assets and liabilities of the entities now comprising the Group as if the current group structure had been in existence as at the respective dates.

The assets and liabilities of the companies comprising the Group are combined using the existing book values (i.e. carrying amount). Intra-group transactions, balances and unrealised gains on transactions between listing group companies have been eliminated on combination.

3. BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with the basis of presentation set out in note 2 and the accounting policies in note 5 below which comply with International Financial Reporting Standards ("IFRSs") which collective terms includes all applicable individual International Financial Reporting Standards and Interpretations approved by the International Accounting Standard Board (the "IASB"), and all applicable individual International Accounting Standards ("IASs") and Interpretations as originated by the Board of the International Accounting Standards Committee and adopted by the IASB. The Historical Financial Information also includes the disclosure requirements of the Hong Kong Companies Ordinance and applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange. All IFRSs effective for the accounting periods commencing from 1 January 2018 and relevant to the Group, together with the relevant transitional provisions, have been adopted by the Group in the preparation of the Historical Financial Information consistently throughout the Track Record Period.

The Group has adopted IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers on a consistent basis throughout the Track Record Period.

The Historical Financial Information has been prepared under the historical cost convention.

It should be noted that accounting estimates and assumptions are used in the preparation of the Historical Financial Information. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in note 6.

The Historical Financial Information is presented in AUD, which is also the functional currency of its major subsidiaries, and all values are rounded to the nearest thousand except when otherwise indicated.

4. IMPACT OF ISSUED BUT NOT YET EFFECTIVE IFRSs

At the date of this report, the following new/revised IFRSs, have been issued but are not yet effective, and have not been early adopted by the Group.

Annual Improvements to IFRSs 2015-2017 Cycle	Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs[1]
IFRS 16	Leases[1]
IFRS 17	Insurance Contracts[3]
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement[1]
Amendments to IAS 28	Long-term Interests in Associates and Joint Venture[1]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[2]
Amendments to IFRS 9	Prepayment Features with Negative Compensation[1]
IFRIC-Int 23	Uncertainty over Income Tax Treatments[1]

1 Effective for annual periods beginning on or after 1 January 2019

2 The amendments were originally intended to be effective for periods beginning on or after 1 January 2016. The effective date has now been deferred/removed. Early application of the amendments of the amendments continue to be permitted.

3 Effective for annual periods beginning on or after 1 January 2021

Further information about IFRSs which are expected to be applicable to the Group is as follows:

Annual Improvements to IFRSs 2015-2017 Cycle – Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to IFRS 3 Business Combinations, remeasurement of an investor's previously held interest in a joint operation that is a business when it obtains control of the business, IFRS 11 Joint Arrangements, remeasurement of an investor's previously held interest in a joint operation that is a business when it obtains joint control of the business, IAS 12 Income Taxes, accounting for the income tax consequences of dividend payments and IAS 23 Borrowing Costs, clarifying which borrowing costs are eligible for capitalisation.

The Group expects to adopt the amendments on 1 January 2019 and does not expect its adoption will have significant impact on the Group's financial position and performance.

IFRS 16 – Leases

IFRS 16, which upon the effective date will supersede IAS 17 "Leases" and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under IFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, IAS 17.

In respect of the lessor accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

IFRS 16 will primarily affect the Group's accounting as a lessee of leases for property, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease. As set out in Note 30, the future aggregate minimum lease payments under non-cancellable operating lease of the Group as at 31 December 2015, 2016, 2017 and 31 March 2018 are AUD14,416,000, AUD9,430,000, AUD6,191,000 and AUD5,787,000 respectively. Based on current leasing patterns, the Group does not expect the adoption of IFRS 16 as compared with the current accounting policy would result in significant impact on the Group's results but it is expected that certain portion of the future aggregate minimum lease payments under non-cancellable operating lease of the Group, will be required to be recognised in the consolidated statement of financial position as right-of-use assets and lease liabilities.

Amendments to IFRS 9 – Prepayment Features with Negative Compensation

The amendment clarifies that a financial asset passes the solely payments of principal and interest on the principal amount outstanding criterion regardless of the event or circumstance that cause the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The Group expects to adopt the amendments on 1 January 2019 and does not expect its adoption will have significant impact on the Group's financial position and performance.

IFRIC-Int 23 – Uncertainty over Income Tax Treatments

The Interpretation supports the requirements of IAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes. Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the "most likely amount" or the "expected value" approach, whichever better predicts the resolution of the uncertainty. The Group does not expect the adoption of IFRIC-Int 23 will result in a significant impact on the Group's financial position.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the Historical Financial Information are summarised below. These policies have been consistently applied to all the years/periods presented unless otherwise stated.

Basis of combination

The Historical Financial Information incorporates the financial statements of the Company and its subsidiaries comprising the Group for the Track Record Period on a combined basis as set out in note 2.

The merger method of accounting involves incorporating the financial statement items of the combining entities or businesses in which the common control combination occurs. No amount is recognised in respect of goodwill or gain on bargain purchase at the time of common control combination. All differences between the cost of acquisition and the amount at which the assets and liabilities are recorded have been recognised directly in equity as part of reserve.

The Historical Financial Information includes the results and financial positions of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities first came under common control, where this is a shorter period, regardless of the date of the common control combination.

All intra-group transactions, balances and unrealised gains on transactions have been eliminated in full on combination. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred, in which the case the loss is recognised in profit or loss. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Associate

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Associate is accounted for using the equity method whereby they are initially recognised at cost and thereafter, its carrying amount is adjusted for the Group's share of the post-acquisition change in the associate's net assets except that losses in excess of the Group's interest in the associate is not recognised unless there is an obligation to make good those losses.

Profits and losses arising on transactions between the Group and its associate are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate. Where unrealised losses provide evidence of impairment of the asset transferred they are recognised immediately in profit or loss.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalized and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

Foreign currency translation

Transactions entered into by the Group entities in currencies other than the currency of the primary economic environment in which they operate (the "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of the Track Record Period.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to the working condition and location for its intended use.

Freehold land in Australia is not depreciated. Depreciation on other property, plant and equipment is provided to write-off their costs, net of their residual values, over their estimated useful lives, using the straight line method, as follows:

Buildings	The shorter of the lease or 7-25 years
Leasehold improvements	The shorter of the lease or 2-25 years
Plant and equipment	2-20 years
Office furniture and equipment	2-10 years
Motor vehicles	3-8 years
Computer equipment	1-5 years

The assets' depreciation methods, residual values and estimated useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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 Group and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

Financial assets

Classification

The Group classifies its financial assets as measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

See note 36 for details about financial asset.

Recognition and measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

On initial recognition, the Group's financial assets are classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as fair value through profit or loss:

- The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit loss ("**ECL**") associated with its debt instrument assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk by considering reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's experience and informed credit assessment and including forward-looking information.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, that is to measure the loss allowance at the amount equal to lifetime ECL at initial recognition and through its life of the asset. The Group uses practical expedients when estimating lifetime ECL on trade receivables, which is calculated using a provision matrix where a fixed provision rate applies depending on the number of days that a trade receivable is outstanding.

Impairment on other receivables is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follow:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive); and
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated further cash flows.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification

Debt and equity instrument issued by a group entity are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of an equity instruments and a financial liability.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of and entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Trade receivables

Trade receivables are amounts due from customers for 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.

Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using weighted average cost method, and in the case of work-in-progress and finished goods, cost comprises direct materials and, where applicable, direct labour costs and those overhead costs that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and applicable selling expenses.

When the inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Cash and cash equivalents

For the purpose of the combined statements of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value and have a short maturity of generally within three months when acquired, less bank overdrafts which are payable on demand and form an integral part of the Group's cash management.

For the purpose of the combined statements of financial position, cash and bank balances comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade 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.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset or, if lower, the present value of the minimum lease payments (the "**Initial Value**"), of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance lease charges, are recorded as finance lease liabilities.

Subsequent accounting for assets held under finance leases corresponds to those applied to comparable acquired assets. The corresponding finance lease liability is reduced by lease payments less finance lease charges.

(iii) Operating lease charges as the lessee

Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to profit or loss using straight-line method over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the period in which they are incurred.

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued.

Any transaction costs associated with the issue of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

Revenue recognition

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer

- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the services underlying in particular performance obligation is transferred to customers.

Control of the goods or services may be transferred over time or at a point in time. Control of the services is transferred over time if:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or services.

Sales of goods

Revenue arising from sales of goods is recognised at a point in time when the goods is transferred and the customer (i.e. publishers) has received the publications, since only by the time the Group has a present right to payment for the goods delivered. In determining the transaction price, the Group measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of services

Revenue arising from services is recognised over time (i.e. service period) because the customer (i.e. publishers) simultaneously receives and consumes the benefits provided by the entity's performance as the entity performed.

Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased.

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Employee benefits

(i) Short term obligations

The liabilities for wages and salaries, including annual leave and long service leave expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

A provision is recognised for an amount expected to be paid under short-term cash bonus or profit sharing plans if there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The liabilities of employee benefit obligations are presented as payables in the combined statements of financial position.

Obligations for contributions to defined contribution plans are recognised as an expense in combined statements of profit or loss and other comprehensive income as they are due.

(ii) Other long-term employee benefit obligations

The liabilities for long service leave and annual leave which is not expected to be settled within twelve months after the end of the period in which the employees rendered the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the combined statements of financial position if the entity does not have any unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when 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 restructuring costs involving 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 twelve months after the end of the reporting period are discounted to present value.

(iv) Defined contribution superannuation expense

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due and are not reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Share-based payment transactions

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted.

Borrowing costs

Borrowing costs incurred for the acquisition, construction or production of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are expensed when incurred.

Income tax

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates expected to apply in the period when the liability is settled or the asset is realised based on tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the reporting date.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

Current tax assets and current tax liabilities are presented in net if, any only if, the Group has the legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if, the entity has a legally enforceable right to set off current tax assets against current tax liabilities and deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either:

(i) The same taxable entity; or

(ii) Different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Related parties

(1) A person or a close member of that person's family is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of key management personnel of the Group or the Company's parent.

(2) An entity is related to the Group if any of the following conditions apply:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (1).

(vii) A person identified in (1)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Company's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

(i) that person's children and spouse or domestic partner;

(ii) children of that person's spouse or domestic partner; and

(iii) dependents of that person or that person's spouse or domestic partner.

Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

Where an operation is classified as discontinued, a single amount is presented on the face of the combined statements of profit or loss and other comprehensive income, which comprises:

– The post-tax profit or loss of the discontinued operation; and

– The post-tax gain or loss recognised on the measurement to fair value less costs of disposal, or on the disposal of the assets or disposal groups constituting the discontinued operation.

Segment information

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components.

6. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

In addition to disclosed elsewhere in the Historical Financial Information, other key sources estimation uncertainty that have a significant risk of resulting a material adjustment to the carrying amounts of assets and liabilities within next financial period are as follows:

Employee benefits provision

The liability for employee benefits expected to be settled more than twelve months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of receivables

The impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the risk of default and expected credit loss rates. The Group adopts judgement in making these assumption and selecting inputs for computing such impairment loss, broadly based on the available customers' historical data, existing market conditions including forward looking estimates at end of reporting period.

Impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Recognition of deferred tax assets

Judgement is required in determining whether deferred tax assets are recognised on the combined statements of financial position. Deferred tax assets, including those arising from un-utilised tax losses, require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable earnings in future periods, are based on forecasted taxable income.

Share-based payment transactions

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Provision for leasehold dilapidations

A provision has been made for the estimated cost of returning the leasehold properties to its original state at the end of the lease in accordance with the lease terms. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the combined statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

7. SEGMENT INFORMATION

Operating segments are presented using the "Management approach", where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker is responsible for the allocation of resources to operating segments and assessing their performance, has been identified as the board of directors.

(a) Description of segments

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision Maker as defined above that are used to make strategic decision.

These individuals review the business primarily from a product and service offering perspective and have identified two distinct operating segments: Printing solutions and services and Outdoor Media.

Printing solutions and services

The Printing solutions and services Division provides digital and offset printing, and other ancillary business services including digital asset management, content management, back catalogue fulfilment, direct to consumer distribution and warehousing, variable data and intelligent mailing.

The division has short run, medium and long run production capabilities and in-house finishing.

The Printing solutions and services Division also has a business services model that enables the efficient and seamless content creation to consumption for the Federal government, government departments and agencies. This includes webhosting, electronic fulfilment, printing on demand and digital asset management. These capabilities have been extended to the publishing sector as well.

On 10 May 2016, the Company disposed of its entire equity interests of C.O.S. Printers Pte. Ltd. (the "**C.O.S.**") that principally engaged in the Printing solutions and services Division. The operation of C.O.S. represented the entire business segment of Printing solutions and services Division in Singapore of the Group and therefore it is presented as discontinued operations in 2015 and 2016 in accordance with IFRS 5 "Non-current Assets Held for Sale and Discounted Operations".

Outdoor Media

The Outdoor Media Division produces and distributes outdoor advertising material and corporate signage for the outdoor advertising industry and corporate signage market. The majority of the work performed by the Outdoor Media Division consists of billboards and posters and requires a rapid turnaround to meet strict advertising campaign deadlines.

On 1 August 2016, the Company disposed of its entire equity interests of Cactus Imaging Pty. Ltd. and Cactus Imaging Holdings Pty. Ltd. (the "**Cactus Group**") that principally engaged in the Outdoor Media Division in Australia and in 2015, the Company disposed of its Outdoor Media business in New Zealand. The operation of Cactus Group and the Outdoor Media business in New Zealand represented the entire business segment of Outdoor Media Division of the Group and therefore it is presented as discontinued operations in 2015 and 2016 in accordance with IFRS 5 "Non-current Assets Held for Sale and Discounted Operations". Upon the disposal of Cactus Group in 2016, the Group ceased activities in Outdoor Media Division.

(b) Segment revenue

Sales between segments are carried out on an arm's length basis and are eliminated on consolidation. The revenue from external parties reported is measured in a manner consistent with that in the combined statements of profit or loss and other comprehensive income.

The revenue by geographic location is not used by the Chief Operating Decision Maker in reviewing the performance of the cash generating unit. The board of directors considered the cost to develop it would be excessive.

(c) EBITDA as monitored by the board of directors and senior management

The Chief Operating Decision Maker assesses the performance of the operating segments based on a measure of EBITDA as monitored by the board of directors and senior management ("**EBITDA**"). This measure is consistent with the presentation of financial information internally for management accounts purpose.

A reconciliation of EBITDA to the profit before income tax per the combined statements of profit or loss and other comprehensive income is as follows:

	Year ended 31 December			Three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000 (unaudited)*	*AUD'000*
EBITDA on ordinary activities from continuing operations	7,406	10,093	9,527	2,797	1,722
Depreciation and amortisation	(2,598)	(1,847)	(1,689)	(367)	(468)
Net finance income/(cost)	(107)	116	74	(11)	74
Profit before income tax from continuing operations	4,701	8,362	7,912	2,419	1,328

(e) Segment assets and liabilities

The amounts provided to the Chief Operating Decision Maker with respect to total assets and total liabilities are not reported by operating segment. The Chief Operating Decision Maker does not receive information about the geographical locations of the segment assets and liabilities.

(f) Segment information

	Year ended 31 December			Three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000 (unaudited)*	*AUD'000*
Printing solutions and services	80,745	86,977	79,206	20,590	19,291
Total revenue from continuing operations	80,745	86,977	79,206	20,590	19,291

	Printing solutions and services *AUD'000*	Outdoor Media *AUD'000*	Corporate* *AUD'000*	Inter-segment eliminations *AUD'000*	Total *AUD'000*
Year ended 31 December 2015					
Continuing Operations					
Total external revenue	80,745	–	–	–	80,745
Other income	1,468	–	(16)	–	1,452
Operating expenses#	(71,232)	–	(3,783)	224	(74,791)
EBITDA from Continuing Operations	10,981	–	(3,799)	224	7,406
Depreciation and amortisation expenses	(2,484)	–	(114)	–	(2,598)
Net finance income/(cost)	(85)	–	(71)	49	(107)
Profit before income tax from Continuing Operations	8,412	–	(3,984)	273	4,701
Discontinued Operations					
Total external revenue	14,218	20,502	–	–	34,720
Inter-segment sales	–	306	–	(306)	–
Other income	643	(84)	–	–	559
Gains on disposal of business in New Zealand+	–	1,706	–	–	1,706
Operating expenses#	(12,653)	(18,123)	–	82	(30,694)
EBITDA from Discontinued Operations	2,208	4,307	–	(224)	6,291
Depreciation and amortisation expenses	(491)	(596)	–	–	(1,087)
Net finance income/(cost)	26	(82)	–	(49)	(105)
Profit before income tax from Discontinued Operations	1,743	3,629	–	(273)	5,099
Total combined segment result	10,155	3,629	(3,984)	–	9,800

	Printing solutions and services *AUD'000*	Outdoor Media *AUD'000*	Corporate* *AUD'000*	Inter-segment eliminations *AUD'000*	Total *AUD'000*
Year ended 31 December 2016					
Continuing Operations					
Total external revenue	86,977	–	–	–	86,977
Other income	800	–	203	–	1,003
Operating expenses#	(75,361)	–	(2,526)	–	(77,887)
EBITDA from Continuing Operations	12,416	–	(2,323)	–	10,093
Depreciation and amortisation expenses	(1,816)	–	(31)	–	(1,847)
Net finance income/(cost)	(37)	–	153	–	116
Profit before income tax from Continuing Operations	10,563	–	(2,201)	–	8,362
Discontinued Operations					
Total external revenue	5,297	6,770	–	–	12,067
Other income	226	26	–	–	252
Gains on disposal of subsidiaries+	3,589	4,804	–	–	8,393
Operating expenses#	(5,000)	(5,441)	–	–	(10,441)
EBITDA from Discontinued Operations	4,112	6,159	–	–	10,271
Depreciation and amortisation expenses	(99)	(286)	–	–	(385)
Net finance income/(cost)	(157)	(31)	–	–	(188)
Profit before income tax from Discontinued Operations	3,856	5,842	–	–	9,698
Total combined segment result	14,419	5,842	(2,201)	–	18,060
Year ended 31 December 2017					
Continuing Operations					
Total external revenue	79,206	–	–	–	79,206
Other income	1,096	–	521	–	1,617
Operating expenses#	(69,861)	–	(1,435)	–	(71,296)
EBITDA from Continuing Operations	10,441	–	(914)	–	9,527
Depreciation and amortisation expenses	(1,604)	–	(85)	–	(1,689)
Net finance income/(cost)	(42)	–	116	–	74
Profit before income tax from Continuing Operations	8,795	–	(883)	–	7,912
Total combined segment result	8,795	–	(883)	–	7,912

	Printing solutions and services *AUD'000*	Outdoor Media *AUD'000*	Corporate* *AUD'000*	Inter-segment eliminations *AUD'000*	Total *AUD'000*
Three months ended 31 March 2017 (unaudited)					
Continuing Operations					
Total external revenue	20,590	–	–	–	20,590
Other income	251	–	14	–	265
Operating expenses#	(17,416)	–	(642)	–	(18,058)
EBITDA from Continuing Operations	3,425	–	(628)	–	2,797
Depreciation and amortisation expenses	(367)	–	–	–	(367)
Net finance income/(cost)	(9)	–	(2)	–	(11)
Profit before income tax from Continuing Operations	3,049	–	(630)	–	2,419
Total combined segment result	3,049	–	(630)	–	2,419
Three months ended 31 March 2018					
Continuing Operations					
Total external revenue	19,291	–	–	–	19,291
Other income	322	–	24	–	346
Operating expenses#	(16,576)	–	(1,339)	–	(17,915)
EBITDA from Continuing Operations	3,037	–	(1,315)	–	1,722
Depreciation and amortisation expenses	(426)	–	(42)	–	(468)
Net finance income/(cost)	(13)	–	87	–	74
Profit before income tax from Continuing Operations	2,598	–	(1,270)	–	1,328
Total combined segment result	2,598	–	(1,270)	–	1,328

* Included in "Corporate" are the Group's activities in finance income and costs, staff costs and other corporate activities incurred under central corporate and treasury function which are not able to be allocated to neither Printing solutions and services nor Outdoor Media segment.

Included in "Operating expenses" are production expenses, staff costs and other administrative expenses incurred by the Group.

+ For the year ended 31 December 2016, gain of disposal of subsidiaries represented AUD3,589,000 and AUD4,804,000 from disposal of C.O.S. and Cactus Group, respectively (2015: AUD1,706,000 gain on disposal of outdoor media business in New Zealand) (Note 14).

8. REVENUE, OTHER INCOME AND GAINS

(a) The Group derives its revenue from sales of goods at a point in time during the Track Record Period.

The Group has assessed that the disaggregation of revenue by operating segments in note 7 is appropriate in meeting this disclosure requirement as this is the information regularly reviewed by the Chief Operating Decision Maker in order to evaluate the financial performance of the entity.

Revenue from customer of the corresponding years contributing over 10% of the Group's revenue is as follows:

	Year ended 31 December			Three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000* *(unaudited)*	*AUD'000*
Customer A	*	*	*	*	2,182

* The amounts of revenue from corresponding customer was less than 10% of the total revenue for the relevant years.

(b) An analysis of the Group's other income and gains during the Track Record Period is as follows:

	Year ended 31 December			Three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000* *(unaudited)*	*AUD'000*
Scrap recoveries	351	504	650	172	141
Reversal of impairment of trade receivables	–	57	463	–	–
Bad debts recovery	–	6	–	–	–
Exchange gain, net	74	–	–	–	–
Reversal of make good provision	–	–	239	–	–
Gain on disposal of property, plant and equipment	638	–	–	–	9
Interest income	74	200	326	54	106
Insurance refund	146	157	31	5	71
Reversal of impairment of investment in associate	42	–	–	–	–
Other *(Note)*	275	248	245	89	125
Total other income	1,600	1,172	1,954	320	452

Note: The balance mainly included reversal of overprovision/accrual in prior years.

9. FINANCE COSTS

	Year ended 31 December			Three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*
				(unaudited)	
Finance lease charges	125	1	14	1	4
Other interest expenses	56	–	20	–	10
Total finance costs	181	1	34	1	14

10. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	Year ended 31 December			Three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000* *(unaudited)*	*AUD'000*
Auditor's remuneration *(Note (i) below)*	303	229	156	29	28
Bad debts written off	–	58	93	–	–
Cost of inventories recognised as expense	23,709	27,493	24,536	6,097	5,813
Depreciation of property, plant and equipment *(Note 17 and Note (ii) below)*					
– Owned	2,571	1,829	1,633	361	452
– Held under finance leases	27	18	56	6	16
Provision for obsolete stock	425	299	(35)	119	120
Provision for/(reversal of) impairment of trade receivables	423	(57)	(463)	43	6
Exchange (gain)/losses, net	(74)	21	165	48	4
(Gain)/Loss on disposal of property, plant and equipment	(638)	60	40	–	(9)
Loss on disposal of a subsidiary	–	–	133	133	–
Minimum lease payments related to operating leases	2,122	2,562	2,553	677	764
Listing expenses (included in other expenses)	–	–	–	–	1,155
Employee benefits expense *(Note (iii) below)*					
Salaries, wages and other staff costs	25,464	24,469	23,214	5,939	5,432
Superannuation *(Note (iv) below)*	1,970	2,006	1,887	473	440
	27,434	26,475	25,101	6,412	5,872

Notes:

(i) Auditor's remuneration for other non-audit services of AUD60,000, AUD23,000, AUD32,000 and Nil was recognised during the years ended 31 December 2015, 2016, 2017 and three months ended 31 March 2018.

(ii) Depreciation charges of AUD366,000 (Year ended: 2017: AUD1,369,000; 2016: AUD1,444,000 and 2015: AUD1,911,000) and AUD102,000 (Year ended: 2017: AUD320,000; 2016: AUD402,000 and 2015: AUD687,000) have been included in direct operating costs and administrative expenses respectively for the three months ended 31 March 2018.

(iii) Employee benefit expense of AUD4,882,000 (Year ended: 2017: AUD20,190,000; 2016: AUD20,377,000 and 2015: AUD20,320,000), AUD312,000 (Year ended: 2017: AUD1,814,000; 2016: AUD2,557,000 and 2015: AUD2,529,000) and AUD678,000 (Year ended: 2017: AUD3,097,000; 2016: AUD3,541,000 and 2015: AUD4,585,000) have been included in direct operating costs, selling and distribution costs and administrative expenses respectively for the three months ended 31 March 2018.

(iv) OPUS Group Limited and its controlled entities contribute to a number of superannuation funds. The funds provide benefits on a cash accumulation basis for employees or their dependants on resignation, retirement, total and permanent disablement or death. Benefits are based on the contributions and net income thereon held by the funds on behalf of their members. The level of these benefits varies according to the fund to which the employee belongs. The Group contributions to all superannuation funds are legally enforceable. Contributions may be made by the member in addition to the Group contributions, as specified by the rules of the fund.

11. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

(a) Directors' remuneration

The emolument of each of the directors for the Track Record Period is set out below:

	Fees	Salaries, allowances and benefits in kind	Post-employment benefits	Long-term benefits	Total
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*
Year ended 31 December 2015					
Executive directors:					
Mr. Richard Francis Celarc	325	–	2	–	327
Mr. Lau Chuk Kin	–	–	–	–	–
Ms. Tang Tsz Ying	–	–	–	–	–
Non-Executive director:					
Mr. Paul Antony Young	–	56	5	–	61
Independent Non-Executive directors:					
Mr. Chan David Yik Keung	–	–	–	–	–
Mr. David Ho	–	–	–	–	–
Mr. Tsui King Chung David	–	–	–	–	–
	325	56	7	–	388
Year ended 31 December 2016					
Executive directors:					
Mr. Richard Francis Celarc	362	–	1	–	363
Mr. Lau Chuk Kin	–	–	–	–	–
Ms. Tang Tsz Ying	–	79	7	3	89
Non-Executive director:					
Mr. Paul Antony Young	–	64	6	–	70
Independent Non-Executive directors:					
Mr. Chan David Yik Keung	–	–	–	–	–
Mr. David Ho	–	–	–	–	–
Mr. Tsui King Chung David	–	–	–	–	–
	362	143	14	3	522

	Fees *AUD'000*	Salaries, allowances and benefits in kind *AUD'000*	Post-employment benefits *AUD'000*	Long-term benefits *AUD'000*	Total *AUD'000*
Year ended 31 December 2017					
Executive directors:					
Mr. Richard Francis Celarc	267	–	–	–	267
Mr. Lau Chuk Kin	–	–	–	–	–
Ms. Tang Tsz Ying	–	120	11	5	136
Non-Executive director:					
Mr. Paul Antony Young	–	64	6	–	70
Independent Non-Executive directors:					
Mr. Chan David Yik Keung	–	–	–	–	–
Mr. David Ho	–	–	–	–	–
Mr. Tsui King Chung David	–	–	–	–	–
	267	184	17	5	473
Three months ended 31 March 2017 (unaudited)					
Executive directors:					
Mr. Richard Francis Celarc	90	–	–	–	90
Mr. Lau Chuk Kin	–	–	–	–	–
Ms. Tang Tsz Ying	–	37	4	3	44
Non-Executive director:					
Mr. Paul Antony Young	–	16	2	–	18
Independent Non-Executive directors:					
Mr. Chan David Yik Keung	–	–	–	–	–
Mr. David Ho	–	–	–	–	–
Mr. Tsui King Chung David	–	–	–	–	–
	90	53	6	3	152

	Fees	Salaries, allowances and benefits in kind	Post-employment benefits	Long-term benefits	Total
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*
Three months ended 31 March 2018					
Executive directors:					
Mr. Richard Francis Celarc	50	–	–	–	50
Mr. Lau Chuk Kin	–	–	–	–	–
Ms. Tang Tsz Ying	–	37	4	2	43
Non-Executive director:					
Mr. Paul Antony Young	–	16	2	–	18
Independent Non-Executive directors:					
Mr. Chan David Yik Keung	–	–	–	–	–
Mr. David Ho	–	–	–	–	–
Mr. Tsui King Chung David	–	–	–	–	–
	50	53	6	2	111

Note:

(i) Mr. Richard Francis Celarc is also the Chairman of the Company and appointed as Executive director on 28 May 2018.

(ii) Mr. Lau Chuk Kin and Ms. Tang Tsz Ying were being appointed as director on 23 April 2018 and re-designated as Executive director on 28 May 2018.

(iii) Mr. Paul Antony Young were being appointed as Non-Executive director on 28 May 2018.

(iv) Mr. Chan David Yik Keung, Mr. David Ho and Mr. Tsui King Chung David were being appointed as Independent Non-Executive director on 28 May 2018.

During the Track Record Period, no director or any of the highest paid individuals waived or agreed to waive any emoluments. No emoluments were paid by the Group to the directors or any of the highest paid individuals of the Group as an inducement to join or upon joining the Group or as compensation for loss of office.

(b) Five highest paid individuals

The five highest paid individuals of the Group included one, one, one and two directors for the years ended 31 December 2015, 2016, 2017 and the three months ended 31 March 2018 respectively, whose emoluments are reflected in note (a).

The analysis of the emolument of the four, four, four and three highest paid non-director individuals for the years ended 31 December 2015, 2016, 2017 and the three months ended 31 March 2018, respectively, are set out below:

	Year ended 31 December			Three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000 (unaudited)*	*AUD'000*
Salaries, allowances and benefits in kind	929	785	620	260	198
Post-employment benefits	87	65	56	22	13
	1,016	850	676	282	211

The emolument paid or payables to each of the above non-director individuals for the Track Record Period fell within the following band:

	Year ended 31 December			Three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	Number of individuals	*Number of individuals*	*Number of individuals*	*Number of individuals (unaudited)*	*Number of individuals*
Nil to AUD500,000	4	4	4	4	3

During the Track Record Period, no director or any of the highest paid individuals waived or agreed to waive any emoluments. No emoluments were paid by the Group to the directors or any of the highest paid individuals of the Group as an inducement to join or upon joining the Group or as compensation for loss of office.

12. INCOME TAX EXPENSE/(BENEFIT)

(a) Income tax

The amount of taxation in the combined statements of profit or loss and other comprehensive income during the Track Record Period represents:

	Year ended 31 December			Three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000 (unaudited)*	*AUD'000*
Current tax expense	120	2,262	2,102	753	851
Deferred tax	(2,573)	291	293	30	(450)
Under/(over) provision in prior years	–	301	(173)	(46)	–
Total income tax expense/(benefit)	(2,453)	2,854	2,222	737	401

The Group's subsidiaries in Australia are subject to domestic tax rate of 30% on the estimated assessable profits.

(b) Reconciliation of current income tax expense/(benefit)

The income tax expense for the Track Record Period can be reconciled to the profit before income tax per the combined statements of comprehensive income as follows:

	Year ended 31 December			Three months ended 31 March	
	2015	**2016**	**2017**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000* *(unaudited)*	*AUD'000*
Profit before income tax	4,701	8,362	7,912	2,419	1,328
Income tax using the Group's domestic rate of tax (30%)	1,410	2,508	2,374	726	398
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:					
Share of results of associate	(13)	–	–	–	–
Tax effect of non-assessable income	(89)	–	(64)	–	–
Tax effect of non-deductible expenses	–	15	242	56	2
Utilisation of previously unrecognised tax losses	(1,124)	–	6	–	–
Utilisation of previously unrecognised temporary differences	(2,473)	–	–	–	–
Tax rate difference in overseas entities	(113)	(73)	(156)	1	–
Current year tax losses not recognised	–	59	–	1	–
Current year temporary differences not recognised	–	(48)	–	–	–
Under/(over) provision in prior years	–	301	(173)	(46)	–
Other	(51)	92	(7)	(1)	1
Total income tax expense/(benefit)	(2,453)	2,854	2,222	737	401

(c) Tax losses

	31 December			31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Unused tax losses for which no deferred tax asset has been recognised	728	863	101	102

Tax losses related to New Zealand the current year and the prior year is not likely to be recovered in the foreseeable future and hence have not been recognised.

The Group has capital losses, for which no deferred tax asset is recognised on the combined statements of financial position, of AUD7,538,000 as at 31 December 2015, 2016, 2017 and 31 March 2018. These are available indefinitely for offset against future capital gains, subject to relevant tax tests.

13. DEFERRED TAX BALANCES

Deferred tax assets

	31 December			31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Deferred tax assets are attributable to the following:				
Property, plant and equipment	244	316	273	270
Employee benefits	1,636	1,240	1,157	1,184
Make good provision	275	335	509	512
Provision for inventory obsolescence	213	278	267	309
Others	697	463	254	611
Deferred tax assets	3,065	2,632	2,460	2,886

Details of the movements of deferred tax assets in the Track Record Period:

	Plant and equipment	Employee benefits	Make good provision	Tax losses	Provision for inventory obsolescence	Others	Total
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*
At 1 January 2015	–	–	–	–	–	–	–
Recognition of tax effect of previously unrecognised temporary differences	744	1,462	–	–	237	498	2,941
Previously unrecognised tax losses now recouped to reduce current tax expense	–	–	–	1,346	–	–	1,346
Credited/(charged) to profit or loss	(500)	174	275	(1,346)	(24)	199	(1,222)
At 31 December 2015	244	1,636	275	–	213	697	3,065
Credited/(charged) to profit or loss	72	(126)	60	–	103	(191)	(82)
De-recognised through disposals of subsidiaries	–	(270)	–	–	(38)	(43)	(351)
At 31 December 2016	316	1,240	335	–	278	463	2,632
Credited/(charged) to profit or loss	(43)	(83)	174	–	(11)	(209)	(172)
At 31 December 2017	273	1,157	509	–	267	254	2,460
Credited/(charged) to profit or loss	(3)	27	3	–	42	357	426
At 31 March 2018	270	1,184	512	–	309	611	2,886

Recognition of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognised on the combined statements of financial position. Deferred tax assets, including those arising from un-utilised tax losses, require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilize the recognised deferred tax assets. Estimates of future taxable earnings in future periods, are based on forecasted taxable income.

At 31 March 2018, the Group had not recognised a deferred tax asset of AUD29,000 (Year ended: 2017: AUD29,000; 2016: AUD460,000; 2015: AUD393,000), which includes accumulated tax losses of AUD29,000 (Year ended: 2017: AUD29,000; 2016: AUD266,000; 2015: AUD204,000) and no other temporary differences (Year ended: 2017: nil; 2016: AUD194,000; 2015: AUD189,000) in the New Zealand business (31 December 2017, 2016 and 2015: New Zealand businesses) as they are not likely to be recovered in the foreseeable future.

Deferred tax liabilities

		31 December		31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Deferred tax liabilities are attributable to the following:				
Property, plant and equipment	71	147	153	135
Inventories	81	106	111	100
Others	1	48	158	164
Deferred tax liabilities	153	301	422	399

Details of the movements of deferred tax liabilities in the Track Record Period:

	Plant and equipment	**Inventories**	**Others**	**Total**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
At 1 January 2015	104	–	(4)	100
Over provision in prior years	(39)	–	–	(39)
Recognition of tax effect of previously unrecognised temporary difference	–	95	25	120
Charged to profit or loss	8	(14)	(19)	(25)
Effect of movements in exchange rates	(2)	–	(1)	(3)
At 31 December 2015	71	81	1	153
Charged to profit or loss	181	25	46	252
Derecognised through disposals of subsidiaries	(105)	–	1	(104)
At 31 December 2016	147	106	48	301
Charged to profit or loss	6	5	110	121
At 31 December 2017	153	111	158	422
Charged to profit or loss	(18)	(11)	6	(23)
At 31 March 2018	135	100	164	399

14. DISCONTINUED OPERATIONS

There were no discontinued operations during the three months ended 31 March 2018 and year ended 31 December 2017.

(a) Disposal of C.O.S

On 29 March 2016, the Group entered into a conditional sale and purchase agreement to dispose of its 100% interest in C.O.S., a wholly owned subsidiary of the Group. The proceeds of the disposal of AUD11,300,000 were received in cash. This transaction was completed on 10 May 2016.

The profit from the discontinued operation is analysed as follows:

	Year ended 31 December 2015	From 1 January 2016 to 10 May 2016
	AUD'000	*AUD'000*
Revenue	14,218	5,297
Operating expenses	(12,524)	(5,030)
Profit before income tax	1,694	267
Gain on disposal of C.O.S.	–	3,589
Profit before income tax	1,694	3,856
Income tax expense	(217)	(50)
Profit after income tax	1,477	3,806

The net cash inflows/(outflows) of C.O.S. are as follows:

	Year ended 31 December 2015	From 1 January 2016 to 10 May 2016
	AUD'000	*AUD'000*
Operating	1,355	(202)
Investing	2,546	(81)
Financing	(2,536)	–
Net cash inflows/(outflows) for the year/period	1,365	(283)

The net assets and the net cash inflows of C.O.S. at the date of disposal are as follows:

	At date of disposal *AUD'000*
Total consideration received	11,300
Carrying value of net assets of C.O.S. sold	(6,895)
Gain on disposal before de-recognition of foreign currency translation reserve	4,405
De-recognition of foreign currency translation reserve	(816)
Gain on disposal of C.O.S.	3,589
Total consideration received in cash	11,300
Cash and cash equivalents held at C.O.S.	(2,521)
Net cash inflows on disposal of C.O.S.	8,779

Carrying value of net assets and liabilities by categories for C.O.S. at 31 December 2015 and at 10 May 2016 (date of disposal) was:

	At 31 December 2015 *AUD'000*	**At 10 May 2016 (date of disposal)** *AUD'000*
Property, plant and equipment	761	745
Cash and cash equivalents	2,885	2,521
Inventories	1,227	1,317
Trade receivables	1,995	1,464
Other receivables	1,299	1,328
Other non-current assets	939	878
Total assets	9,106	8,253
Trade payables	943	–
Other payables and accruals	705	908
Amounts due to fellow subsidiaries	200	–
Deferred tax liabilities	67	101
Provision for income tax	436	343
Employee benefits	23	6
Total liabilities	2,374	1,358
Carrying value of net assets	6,732	6,895

(b) Disposal of Cactus Group

On 26 July 2016, the Group entered into another conditional sale and purchase agreement to dispose of the shares of Cactus Group. The proceeds of the disposal of AUD5,839,000 were received in cash. This transaction was completed on 1 August 2016.

The profit from the discontinued operation is analysed as follows:

	Year ended 31 December 2015 *AUD'000*	**From 1 January 2016 to 1 August 2016** *AUD'000*
Revenue	14,047	6,770
Operating expenses	(12,188)	(5,732)
Profit before income tax	1,859	1,038
Gain on disposal of Cactus Group	–	4,804
Profit before income tax	1,859	5,842
Income tax benefit/(expense)	11	(262)
Profit after income tax	1,870	5,580

The net cash inflows/(outflows) of Cactus Group are as follows:

	Year ended 31 December 2015 *AUD'000*	**From 1 January 2016 to 1 August 2016** *AUD'000*
Operating	2,229	2,921
Investing	(17)	(498)
Financing	(2,535)	(2,510)
Net cash outflows for the year/period	(323)	(87)

The net assets of Cactus Group and the net cash inflows at the date of disposal are as follows:

	At date of disposal *AUD'000*
Total consideration received	5,839
Carrying value of net assets of Cactus Group	(1,035)
Gain on disposal	4,804
Total consideration received in cash	5,839
Cash and cash equivalents held at Cactus Group	–
Net cash inflows on disposal of Cactus Group	5,839

Carrying value of net assets and liabilities by categories for Cactus Group at 31 December 2015 and at 1 August 2016 (date of disposal) was:

	At 31 December 2015 *AUD'000*	**At 1 August 2016 (date of disposal)** *AUD'000*
Property, plant and equipment	1,064	1,273
Cash and cash equivalents	87	–
Inventories	620	466
Trade receivables	2,880	–
Other receivables	117	20
Amounts due from fellow subsidiaries	8,950	–
Deferred tax assets	407	351
Total assets	14,125	2,110
Trade payables	1,180	–
Other payables and accruals	355	131
Amounts due to fellow subsidiaries	5,034	–
Finance lease liabilities	110	34
Employee benefits	926	910
Total liabilities	7,605	1,075
Carrying value of net assets	6,520	1,035

(c) Disposal of Outdoor Media business in New Zealand

On 18 September 2015, the Group entered into a conditional sale and purchase agreement to dispose of its Outdoor Media business in New Zealand. The proceeds of the disposal of NZD2,000,000 (equivalent to AUD1,954,000) were received in cash. This transaction was completed on 30 October 2015.

The profit from the discontinued operation is analysed as follows:

	From 1 January 2015 to 30 October 2015 *AUD'000*
Revenue	6,455
Operating expenses	(6,615)
Loss before income tax	(160)
Gain on disposal of Outdoor Media business in New Zealand	1,706
Profit before income tax	1,546
Income tax expense	–
Profit after income tax	1,546

The net cash outflows of Outdoor Media business in New Zealand are as follows:

	From 1 January 2015 to 30 October 2015 *AUD'000*
Operating	(2,434)
Investing	1,689
Financing	–
Net cash outflows for the period	(745)

The net assets and the net cash inflows of outdoor media business in New Zealand at the date of disposal are as follows:

	At date of disposal *AUD'000*
Total consideration received	1,954
Carrying value of net assets of outdoor media business in New Zealand	(248)
Gain on disposal of outdoor media business in New Zealand	1,706
Total consideration received in cash	1,954
Net cash inflows on disposal of outdoor media business in New Zealand	1,954

Carrying value of net assets and liabilities by categories for the Outdoor Media business in New Zealand at 30 October 2015 (date of disposal) was:

	At 30 October 2015 (date of disposal) *AUD'000*
Property, plant and equipment	190
Inventories	115
Trade and other receivables	9
Total assets	314
Trade and other payables	66
Total liabilities	66
Carrying value of net assets	248

The operations of C.O.S. represented the entire business segment of Singapore operations and Cactus Group and the Outdoor Media business in New Zealand represented the entire business segment of outdoor media of the Group respectively and therefore they are presented as discontinued operations in 2015 and 2016 in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

15. DIVIDENDS

No dividend has been declared or paid by the Company since its incorporation.

Dividends of AUD964,000, AUD12,533,000 and AUD2,134,000 were paid by OPUS Group Limited to its equity shareholders for the years ended 31 December 2015, 2016, 2017 respectively.

Dividend of AUD1,054,000 was declared by OPUS Group Limited to its equity shareholders during the three months ended 31 March 2018.

The rates for dividends and the ranking for dividends are not presented as such information is not considered meaningful for the purpose of this report.

16. EARNINGS PER SHARE

Earnings per share information is not presented as its inclusion, for the purpose of this report, is not considered meaningful due to the Reorganisation, and the presentation of the financial performance of the Group for the Track Record Period on a combined basis as disclosed in note 2 above.

17. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings AUD'000	Plant and equipment AUD'000	Office furniture and equipment AUD'000	Motor vehicles AUD'000	Leasehold improvements AUD'000	Computer equipment AUD'000	Total AUD'000
At 1 January 2015							
Cost	2,633	71,558	951	858	2,097	5,074	83,171
Accumulated depreciation and impairment	(657)	(63,166)	(849)	(734)	(1,764)	(4,707)	(71,877)
Net book amount	1,976	8,392	102	124	333	367	11,294
Year ended 31 December 2015							
Opening net book amount	1,976	8,392	102	124	333	367	11,294
Additions	–	538	186	66	44	43	877
Disposals	–	(117)	(1)	–	(4)	(17)	(139)
Disposal of business	–	(190)	–	–	–	–	(190)
Effect of movements in exchange rates	–	13	2	7	–	4	26
Depreciation for the year	(302)	(2,888)	(35)	(48)	(200)	(212)	(3,685)
Closing net book amount	1,674	5,748	254	149	173	185	8,183
At 31 December 2015							
Cost	2,633	67,214	1,072	695	1,571	4,824	78,009
Accumulated depreciation and impairment	(959)	(61,466)	(818)	(546)	(1,398)	(4,639)	(69,826)
Net book amount	1,674	5,748	254	149	173	185	8,183
Year ended 31 December 2016							
Opening net book amount	1,674	5,748	254	149	173	185	8,183
Additions	–	3,023	141	–	62	91	3,317
Disposals	–	(117)	–	–	–	(60)	(177)
Disposal of subsidiaries	–	(1,516)	(276)	(114)	(73)	(37)	(2,016)
Effect of movements in exchange rates	–	(4)	(5)	(2)	–	–	(11)
Depreciation for the year	(176)	(1,778)	(37)	(23)	(111)	(108)	(2,233)
Closing net book amount	1,498	5,356	77	10	51	71	7,063
At 31 December 2016							
Cost	2,632	47,887	455	314	1,516	3,083	55,887
Accumulated depreciation and impairment	(1,134)	(42,531)	(378)	(304)	(1,465)	(3,012)	(48,824)
Net book amount	1,498	5,356	77	10	51	71	7,063

	Land and buildings AUD'000	Plant and equipment AUD'000	Office furniture and equipment AUD'000	Motor vehicles AUD'000	Leasehold improvements AUD'000	Computer equipment AUD'000	Total AUD'000
Year ended 31 December 2017							
Opening net book amount	1,498	5,356	77	10	51	71	7,063
Additions	–	1,228	19	–	499	7	1,753
Disposals	–	(92)	–	–	–	–	(92)
Disposal of subsidiaries	–	(29)	(2)	–	–	(1)	(32)
Depreciation for the year	(177)	(1,369)	(27)	(2)	(85)	(29)	(1,689)
Closing net book amount	1,321	5,094	67	8	465	48	7,003
At 31 December 2017							
Cost	2,632	48,454	461	293	1,990	3,035	56,865
Accumulated depreciation and impairment	(1,311)	(43,360)	(394)	(285)	(1,525)	(2,987)	(49,862)
Net book amount	1,321	5,094	67	8	465	48	7,003
Three months ended 31 March 2018							
Opening net book amount	1,321	5,094	67	8	465	48	7,003
Additions	–	113	–	–	–	3	116
Disposals	–	(16)	–	–	–	–	(16)
Depreciation for the year	(43)	(366)	(6)	(1)	(44)	(8)	(468)
Closing net book amount	1,278	4,825	61	7	421	43	6,635
At 31 March 2018							
Cost	2,632	48,036	461	293	1,990	3,038	56,450
Accumulated depreciation and impairment	(1,354)	(43,211)	(400)	(286)	(1,569)	(2,995)	(49,815)
Net book amount	1,278	4,825	61	7	421	43	6,635

As at 31 December 2015, 2016, 2017 and 31 March 2018, the Group's freehold land and buildings are situated in Australia.

Net book amount of property, plant and equipment as at 31 December 2015, 2016, 2017 and 31 March 2018 includes the net carrying amount of AUD288,000, AUD88,000, AUD246,000 and AUD230,000 held under finance leases respectively (Note 24).

18. OTHER NON-CURRENT ASSETS

The balance represented the prepayment for the leases related to 1) a lease of the operational facility building in Singapore for 10 years, starting from 2013 and 2) a lease of the office equipment for 4 years, starting from 2015.

The movements during the Track Record Periods are as follows:

	31 December			31 March
	2015	2016	2017	2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Opening balance	1,019	2,069	602	182
Additions	1,000	–	–	–
Amortisation	(168)	(431)	(420)	(160)
Disposal of subsidiaries	–	(1,027)	–	–
Exchange differences	218	(9)	–	–
Closing balance	2,069	602	182	22

Represented by:

	31 December			31 March
	2015	2016	2017	2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Non-current assets	1,469	262	–	–
Current assets	600	340	182	22
	2,069	602	182	22

19. INVENTORIES

	31 December			31 March
	2015	2016	2017	2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Raw materials	5,156	3,974	5,478	6,167
Work in progress	1,369	352	303	291
Finished goods	633	369	442	317
Less: Provision for inventories	(728)	(930)	(892)	(1,030)
Total inventories	6,430	3,765	5,331	5,745

20. TRADE RECEIVABLES

	31 December 2015	2016	2017	31 March 2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Trade receivables	17,673	14,952	10,984	11,219
Less: Provision for impairment	(848)	(600)	(114)	(120)
Total trade receivables	16,825	14,352	10,870	11,099

Movements in the provision for impairment loss on trade receivables are as follows:

	31 December 2015	2016	2017	31 March 2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Opening balance	234	848	600	114
Amount written off	–	(31)	(23)	–
Impairment losses recognised	614	–	–	6
Impairment losses recovered	–	(168)	(463)	–
Disposal of subsidiaries	–	(49)	–	–
Closing balance	848	600	114	120

Ageing analysis of trade receivables based on the invoice date, is as follows:

	31 December 2015	2016	2017	31 March 2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
0 – 30 days	7,525	7,215	5,144	6,288
31 – 60 days	5,397	4,388	2,936	4,044
61 – 90 days	2,957	1,854	2,092	586
91 – 120 days	901	526	402	72
121 – 150 days	312	311	285	69
Over 150 days	581	658	125	160
Total trade receivables	17,673	14,952	10,984	11,219

In general, the Group allows a credit period from 30 to 90 days to its customers during the Track Record Periods.

The directors consider that the fair values of trade receivables are not materially different from their carrying amounts because these amounts have short maturity periods on their inception.

The Group applies the simplified approach to provide the expected credit losses prescribed by IFRS 9. During the years ended 31 December 2015, 2016, 2017 and three months ended 31 March 2018, a provision of AUD848,000, AUD600,000, AUD114,000 and AUD120,000 was made against the gross amounts of trade receivables respectively (Note 35(c)).

As at 31 December 2015, 2016, 2017 and 31 March 2018, the Group did not hold any collateral as security or other credit enhancements over the impaired trade receivables.

21. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENT

	31 December			31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Sundry debtors	173	110	211	190
Prepayments	945	783	904	834
Deposits	1,602	368	147	550
Total other receivables, deposits and prepayment	2,720	1,261	1,262	1,574

22. CASH AND CASH EQUIVALENTS

	31 December			31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Cash on hand and at banks	11,459	17,519	25,673	24,850

Bank balances earn interest at floating rates based on daily bank deposit rates.

23. TRADE AND OTHER PAYABLES

	31 December			31 March
	2015	2016	2017	2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Trade payables	7,867	6,432	5,487	4,238
Other payables and accruals:				
Other payables	1,124	1,053	616	1,630
Sundry provisions and accruals	4,217	4,449	3,943	4,383
Receipt in advance	249	–	240	90
Amortisation of rent free period	231	–	–	–
Provision for PAYE/PAYG	56	57	38	105
GST payables	144	329	283	196
	6,021	5,888	5,120	6,404
Total trade and other payables	13,888	12,320	10,607	10,642

Ageing analysis of trade payables, based on the invoice date, is as follows:

	31 December			31 March
	2015	2016	2017	2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
0 – 30 days	4,216	3,569	2,196	2,665
31 – 60 days	2,523	2,434	2,394	1,060
61 – 90 days	756	224	669	381
91 – 120 days	165	59	86	47
Over 120 days	207	146	142	85
Total trade payables	7,867	6,432	5,487	4,238

Credit terms granted by the suppliers are generally 0 to 90 days during the Track Record Period.

All amounts are short term and hence the carrying values of trade and other payables are considered to be a reasonable approximation to their fair values.

24. FINANCE LEASE LIABILITIES

	31 December			31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Total minimum lease payments:				
Due within one year	157	23	71	70
Due in the second to fifth years	–	84	220	203
	157	107	291	273
Future finance charges on finance leases	(6)	(17)	(36)	(31)
Present value of finance lease liabilities	151	90	255	242
Present value of minimum lease payments:				
Due within one year	151	17	56	57
Due in the second to fifth years	–	73	199	185
	151	90	255	242
Less: Portion due within one year included under current liabilities	(151)	(17)	(56)	(57)
Non-current portion included under non-current liabilities	–	73	199	185

The Group entered into finance lease for various items of machineries. The lease runs for an initial period of five years and does not have options to renew or any contingent rental provisions.

Finance lease liabilities are effectively secured by the underlying assets as the rights to the leased asset would be reverted to the lessor in the event of default by repayment by the Group.

25. PROVISIONS

	31 December			31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Employee benefit liabilities for annual leave and time in lieu – current	2,571	1,855	1,569	1,571
Employee benefit liabilities for long service leave – current	2,505	2,090	2,042	2,109
Total current liabilities	5,076	3,945	3,611	3,680
Employee benefit liabilities for long service leave – non-current	448	243	245	268
Provision for leasehold dilapidations	915	1,117	1,695	1,705
Total non-current liabilities	1,363	1,360	1,940	1,973
	6,439	5,305	5,551	5,653

For long service leave in Australia, it covers all unconditional entitlements where employees have completed the required period of service and also where employees are entitled to pro-rata payments in certain circumstances. The amount is classified as current, since the Group does not have an unconditional right to defer settlement. Based on the past experience, the Group does not expect all employees to take the full amount of leave or require payment within twelve months. As at 31 December 2015, 2016, 2017 and 31 March 2018, management estimates that approximately AUD1,922,000, AUD1,183,000, AUD1,083,000 and AUD1,105,000 of the above employee entitlement provision will not be taken within 12 months respectively

Leasehold dilapidations relate to the estimated cost of returning the leasehold properties to its original state at the end of the lease in accordance with the lease terms. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease.

26. AMOUNT DUE TO FELLOW SUBSIDIARY

Amount due to fellow subsidiary is unsecured, interest-free and repayable on demand. The balance as at 31 December 2015 was management fee payable to a fellow subsidiary, which was non-trade in nature.

27. SHARE CAPITAL

The Company was incorporated in Bermuda on 18 April 2018 with an authorised share capital of HK$100,000 comprising 10,000,000 ordinary shares with a par value of HK$0.01 each, of which two fully paid shares was issued to two independent nominee shareholders in cash at par on 20 April 2018. Therefore, share capital is shown as nil in the combined statements of financial position as at 31 December 2015, 2016 and 2017 and 31 March 2018.

On 3 September 2018, the authorised share capital of the Company was increased from HK$100,000 to HK$100,000,000 by creation of 9,990,000,000 new shares.

28. SHARE-BASED PAYMENT TRANSACTIONS

On 4 September 2014, the Group signed a recapitalisation program deed and a placement agreement and completed on 3 November 2014. OPUS Group Limited issued to a wholly owned subsidiary of Lion Rock Group Limited (formerly known as 1010 Printing Group Limited) 20 million options to subscribe for 20 million shares of OPUS Group Limited at a total exercise price of AUD7,000,000 (AUD0.35 each), exercisable at any time up to and including 30 September 2017.

Details and movement of share options during the Track Record Periods is as follows:

Grant date	Expiry date	Exercise price	As at 1 January 2015, 2016 and 2017	Exercised	As at 31 December 2017
3/11/2014	30/09/2017	AUD0.35	20,000,000	(20,000,000)	–

For the options granted in November 2014, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
3/11/2014	30/09/2017	AUD0.38	AUD0.35	119.86%	0%	2.65%	AUD0.2405

29. RESERVES

(a) Merger reserve

The merger reserve represents the share capital of a subsidiary now comprising the Group.

(b) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation on consolidation of the financial statements of the subsidiaries, which do not have an Australian Dollar functional currency.

The Group funds its foreign operations through the use of internal borrowings between the Group businesses. These borrowings which are taken out to provide additional equity to the New Zealand operations have been designated as a net investment in the subsidiary.

(c) Share option reserve

The share option reserve comprises the fair value of the share option on issue. On 24 October 2014, the Group granted 20 million options to a wholly owned subsidiary of Lion Rock Group Limited to subscribe for 20 million shares of OPUS Group Limited at a total exercise price of AUD7,000,000 (AUD0.35 each), exercisable at any time up to and including 30 September 2017 (refer to Note 28). Share Option reserve was transferred to share capital upon the exercise of the share options during the year ended 31 December 2017.

(d) Profits reserve

The profits reserve represents profits of controlled entities within the Group transferred to a separate reserve to preserve their profit character. Such profits are available to enable payment of franked dividends in future years.

30. OPERATING LEASE COMMITMENTS

The Group as lessee

As at each of the reporting dates, the minimum rent payables under non-cancellable operating leases are as follows:

		31 December		31 March
	2015	2016	2017	2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Within one year	3,207	2,667	2,249	2,495
In the second to fifth years inclusive	8,900	6,529	3,942	3,292
After five years	2,309	234	–	–
	14,416	9,430	6,191	5,787

The Group leases a number of properties under operating leases. The leases run for an initial period ranged from one to five years, with an option to renew the lease and renegotiate the terms at the expiry date or at dates as mutually agreed between the Group and respective landlords/lessors. None of the leases include contingent rentals.

31. CAPITAL COMMITMENTS

As at each of the reporting dates, the Group had the following capital commitments:

		31 December		31 March
	2015	2016	2017	2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Contracted, but not provided for				
Property, plant and equipment	817	168	456	1,053
	817	168	456	1,053

32. PERFORMANCE BONDS

As at 31 December 2015, 2016 and 2017 and 31 March 2018, the obligations of the Group under commercial agreements amounted to AUD701,000, AUD550,000, AUD550,000 and AUD550,000, respectively, and is secured by a bank guarantee.

33. RELATED PARTY TRANSACTIONS

(a) Save as disclosed elsewhere in the Historical Financial Information, the Group had the following material related party transactions during the Track Record Period:

Entity	Relationship with the Group	Nature of transactions	Period ended 31 March 2018 *AUD'000*		As at 31 March 2018 *AUD'000*
1010 Printing International Limited	Fellow subsidiary	Outwork	85	Payable	–
C.O.S. Printers Pte. Ltd.	Fellow subsidiary	Outwork	50	Payable	–
Mr. Celarc	Director & shareholder	Rent and outgoings	171	Prepayment	169
		Consulting fees	50		

Entity	Relationship with the Group	Nature of transactions	Period ended 31 March 2017 *AUD'000* *(unaudited)*		As at 31 March 2017 *AUD'000* *(unaudited)*
1010 Printing International Limited	Fellow subsidiary	Outwork	250	Payable	–
C.O.S. Printers Pte. Ltd.	Fellow subsidiary	Outwork	55	Payable	–
Mr. Celarc	Director & shareholder	Rent and outgoings	180	Prepayment	–
		Consulting fees	90		

Entity	Relationship with the Group	Nature of transactions	Year ended 31 December 2017 *AUD'000*		As at 31 December 2017 *AUD'000*
1010 Printing International Limited	Fellow subsidiary	Outwork	1,025	Payable	–
		Sales	10		
C.O.S. Printers Pte. Ltd.	Fellow subsidiary	Outwork	136	Payable	–
Ligare Limited	Related company	Sales	40	Payable	–
Mr Celarc	Director & shareholder	Rent and outgoings	711*	Prepayment	338*
		Consulting fees	267		

Entity	Relationship with the Group	Nature of transactions	Year ended 31 December 2016 *AUD'000*		As at 31 December 2016 *AUD'000*
1010 Printing International Limited	Fellow subsidiary	Outwork	611	Payable	–
		Sales	2,536		
		Purchases	8		
		Interest	10		
C.O.S. Printers Pte. Ltd.	Fellow subsidiary (since 10 May 2016)	Outwork	64	Payable	–
Mr Celarc	Director & shareholder	Rent and outgoings	675	Prepayment	–
		Consulting fees	347		

Entity	Relationship with the Group	Nature of transactions	Year ended 31 December 2015 *AUD'000*		As at 31 December 2015 *AUD'000*
1010 Printing International Limited	Fellow subsidiary	Outwork	605	Payable	700
		Sales	2,923		
		Purchases	269		
		Management fee	695		
Mr. Celarc	Director & shareholder	Rent and outgoings	655	Prepayment	–
		Consulting fees	300		

* During the year ended 31 December 2017, AUD1,049,000 was paid in relation to rent and outgoings, of which AUD711,000 related to 2017. The remaining balance of AUD338,000 relates to 2018 and has been recorded as a prepayment.

(b) Compensation of key management personnel

	Year ended 31 December			Three months ended 31 March	
	2015	2016	2017	2017	2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000* *(unaudited)*	*AUD'000*
Short-term employee benefits	762	616	451	143	104
Post-employment benefits	44	19	17	6	5
Long-term benefits	19	(79)	5	3	2
Total key management personnel compensation	825	556	473	152	111

(c) Disposal of subsidiaries

In May 2016, the Group disposed of C.O.S., a wholly owned subsidiary of the Group incorporated in Singapore, for a consideration of AUD11,300,000 to 1010 Printing Group Limited (now known as Lion Rock Group Limited).

In January 2017, Mr Celarc (a director of OPUS Group Limited) acquired Ligare Limited, a wholly owned subsidiary of the Group incorporated in New Zealand, for a consideration of NZD1. The sale of Ligare Limited resulted in an immaterial loss, which has been recorded in profit or loss.

34. NOTES TO THE COMBINED STATEMENTS OF CASH FLOWS

During the year ended 31 December 2017, the Group entered into finance lease arrangements in respect of property, plant and equipment with a total capital value at the inception of the leases of AUD213,000 (2016: AUD90,000).

During the three months ended 31 March 2018, the Group declared dividend of AUD1,054,000 and not yet paid as at 31 March 2018. Such balance was included in other payables.

Reconciliation of liabilities arising from financing activities:

	Unsecured promissory note	Finance lease liabilities			
	31 December		31 December		31 March
	2015	2015	2016	2017	2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*	*AUD'000*
At opening balance	1,900	2,118	151	90	255
Repayment of bank loan	(1,900)	–	–	–	–
Other borrowing costs paid	(58)	–	–	–	–
Finance lease raised	–	–	90	213	–
Capital element of finance lease liabilities paid	–	(1,967)	(151)	(48)	(13)
Interest element of finance lease liabilities paid	–	(141)	(6)	(14)	(4)
Total changes from financing cash flows	(1,958)	(2,108)	(67)	151	(17)
Other changes:					
Interest expenses	58	141	6	14	4
At closing balance	–	151	90	255	242

35. FINANCIAL RISK MANAGEMENT

The Group is exposed through its operations to financial risks such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

(a) Foreign exchange risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the functional currencies applicable to each entity. The currencies in which transactions are primarily denominated are Australian Dollars ("AUD"), New Zealand Dollars ("NZD") Singapore Dollars ("SGD"), US Dollars ("USD"), Chinese Yuan ("CNY"), Hong Kong Dollars ("HKD") and Pound Sterling ("GBP"). Management evaluates their foreign currency risk using cash flow forecasts with the objective of keeping its exposure to a minimum. The Group may in certain circumstances use forward exchange contracts to hedge its foreign currency risk. When used, the contracts would normally have maturities of less than one year at reporting date. The Group does not hold or issue financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date was as follows

	31 December			31 March
	2015	2016	2017	2018
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Assets				
New Zealand dollars	1,134	662	277	290
Singapore dollars	2,720	–	–	–
US dollars	4,788	1,553	2,474	921
	8,642	2,215	2,751	1,211
Liabilities				
New Zealand dollars	931	502	–	–
Singapore dollars	1,384	–	–	–
US dollars	57	1	–	1
	2,372	503	–	1

Sensitivity Analysis

Based on this exposure above, had the Australian dollar weakened by 10%/strengthened by 5% against these foreign currencies with all other variables held constant, the Group's profit after income tax for the three months ended 31 March 2018 and retained earnings as at 31 March 2018 would have been AUD121,000 higher/AUD61,000 lower (2017: AUD275,000 higher/AUD138,000 lower; 2016: AUD171,000 higher/AUD86,000 lower; 2015: AUD639,000 higher/AUD319,000 lower) as at 31 March 2018. The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 6 months each year and the spot rate at each reporting date.

(b) Interest rate risk

Interest rate risk arises both where payments of floating interest are made and where the Group has fixed interest rate borrowings compared to the market. The Group monitors the current market rates and evaluates on an ongoing basis whether to borrow at fixed or floating rates with the objective of minimising interest payable.

The Group's main interest rate risk arises from cash at bank. Cash at bank at variable rates expose the Group to interest rate risk. Finance leases issued at fixed rates expose the Group to fair value risk. As at each of the reporting period, the Group has no interest bearing liabilities issued at floating rate.

Sensitivity Analysis

In managing interest rate and currency risks the Group aims to reduce the impact of short-term fluctuations on Group's earnings. Over the longer-term, however, permanent changes in foreign exchange and interest rates will have an impact on profit or loss. At 31 March 2018 it is estimated that an increase of one percentage point in interest rates would increase Group's profit before income tax for the period by approximately AUD248,000 (2017: AUD273,000; 2016: AUD175,000; 2015: AUD77,000).

(c) Credit risk

The Group is exposed to credit risk in relation to its cash and cash equivalent and trade and other receivables. The carrying amounts of each class of the above financial assets represent the Group's maximum exposure to credit risk in relation to financial assets.

To manage this risk arising from cash and cash equivalent, the Group only transacts with reputable commercial banks which are all high-credit-quality financial institutions. There has no recent history of default in relation to these financial institutions.

The directors consider the Group does not have a significant concentration of credit risk. The top 5 customers accounted for approximately 40% (Year ended: 2017: 36%; 2016: 28%; 2015: 28%) of total revenue from continuing operations during the period ended 31 March 2018. In this regard, the Group's trade and other receivables are actively monitored to avoid significant concentrations of credit risk.

The Group also continuously evaluates the credit risk of its customers to ensure appropriateness of the amount of credit granted. Credit terms are extended to customers based on the evaluation of individual customer's financial conditions. In addition, the Group reviews the recoverable amount of each individual trade debt at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. The credit policies have been followed by the Group since prior years and are considered to have been effective in limiting the Group's exposure to credit risk to a desirable level.

For other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience. The directors of the Company believe that there is no material credit risk inherent in the Group's outstanding balance of other receivables and deposits.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The ECL on trade receivables is estimated using a provision matrix by reference to past default experience of the debtor, current market condition in relation to each debtor's exposure. The ECL also incorporated forward looking information with reference to general macroeconomic conditions that may affect the ability of the debtors to settle receivables.

The Group recognised lifetime ECL for trade receivables based on individually significant customer or the ageing of customers collectively that are not individually significant as follows:

	Weighted average lifetime expected credit loss	Gross carrying amount	Lifetime expected credit loss	Net carrying amount	Credit impaired
		AUD'000	*AUD'000*	*AUD'000*	
As at 31 December 2015					
Collective assessment					
Not past due	1%	10,154	104	10,050	No
Past due:					
1 – 30 days	3%	4,184	128	4,056	No
31 – 60 days	10%	2,084	210	1,874	No
Over 60 days	20%	1,059	214	845	Yes
		17,481	656	16,825	
Individual assessment	100%	192	192	–	Yes
		17,673	848	16,825	

	Weighted average lifetime expected credit loss	Gross carrying amount	Lifetime expected credit loss	Net carrying amount	Credit impaired
		AUD'000	*AUD'000*	*AUD'000*	
As at 31 December 2016					
Collective assessment					
Not past due	1%	11,331	115	11,216	No
Past due:					
1 – 30 days	3%	1,866	56	1,810	No
31 – 60 days	10%	579	58	521	No
Over 60 days	20%	1,007	202	805	Yes
		14,783	431	14,352	
Individual assessment	100%	169	169	–	Yes
		14,952	600	14,352	
As at 31 December 2017					
Collective assessment					
Not past due	0.1%	7,953	8	7,945	No
Past due:					
1 – 30 days	0.5%	1,259	6	1,253	No
31 – 60 days	1%	1,073	11	1,062	No
Over 60 days	2%	622	12	610	Yes
		10,907	37	10,870	
Individual assessment	100%	77	77	–	Yes
		10,984	114	10,870	
As at 31 March 2018					
Collective assessment					
Not past due	0.1%	8,386	9	8,377	No
Past due:					
1 – 30 days	0.5%	2,180	12	2,168	No
31 – 60 days	1%	434	5	429	No
Over 60 days	2%	129	4	125	Yes
		11,129	30	11,099	
Individual assessment	100%	90	90	–	Yes
		11,219	120	11,099	

(d) Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis using cash flow forecasting. In general, the Group generates sufficient cash flows from its operating activities and holds and retains cash to meet its obligations arising from its financial liabilities.

The following table sets out the contractual cash flows for all financial liabilities at the reporting date:

	Statement of financial position	**Contractual cash flows**	**0-1 year**	**1-5 years**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
31 March 2018				
Finance lease liabilities	242	273	70	203
Trade and other payables	10,157	10,157	10,157	–
Total financial liabilities	10,399	10,430	10,227	203
31 December 2017				
Finance lease liabilities	255	291	71	220
Trade and other payables	10,084	10,084	10,084	–
Total financial liabilities	10,339	10,375	10,155	220
31 December 2016				
Finance lease liabilities	90	107	23	84
Trade and other payables	11,991	11,991	11,991	–
Total financial liabilities	12,081	12,098	12,014	84
31 December 2015				
Finance lease liabilities	151	157	157	–
Amount due to fellow subsidiary	700	700	700	–
Trade and other payables	13,264	13,264	13,264	–
Total financial liabilities	14,115	14,121	14,121	–

(e) Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(f) Capital management

The Group's capital employed includes share capital, reserves and retained earnings and finance lease liabilities.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The Group is not subject to any externally imposed capital requirements.

The allocation of capital between its specific business segments' operations and activities is, to a large extent, driven by optimisation of the return achieved on the capital allocated. The process of allocating capital to specific business segment operations and activities is undertaken independently of those responsible for the operation.

The Group's policies in respect of capital management and allocation are reviewed regularly by the directors and did not change during the Track Record Periods.

The amount of capital employed as at 31 December 2015, 2016 and 2017 and 31 March 2018 amounted to approximately AUD27,800,000, AUD28,820,000, AUD36,245,000 and AUD36,105,000 respectively.

36. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each of the Track Record Period are as follows:

	31 December			31 March
	2015	**2016**	**2017**	**2018**
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
Financial assets				
At amortised cost				
– Trade receivables	16,825	14,352	10,870	11,099
– Other receivables and deposits	1,775	478	358	740
– Cash and cash equivalents	11,459	17,519	25,673	24,850
	30,059	32,349	36,901	36,689
Financial liabilities				
At amortised costs				
– Trade and other payables	13,264	11,991	10,084	10,157
– Finance lease liabilities	151	90	255	242
– Amount due to fellow subsidiary	700	–	–	–
	14,115	12,081	10,339	10,399

37. EVENT AFTER THE REPORTING PERIOD

Except as disclosed elsewhere in this report, the Group has the following subsequent events undertaken by the Company or by the Group after 31 March 2018.

The companies in the Group underwent the Reorganisation in preparation for the listing of shares of the Company on the Stock Exchange. Further details of the Reorganisation are set out in the section headed "History and Corporate Structure" in the prospectus.

38. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Group in respect of any period subsequent to 31 March 2018.

The following is the text of a report, prepared for the sole purpose of inclusion in this prospectus, from the independent reporting accountant, BDO Limited, Certified Public Accountants, Hong Kong.

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2018

TO THE BOARD OF DIRECTORS OF OPUS GROUP LIMITED
(A limited liability company incorporated in Australia)

Introduction

We have reviewed the interim condensed consolidated financial statements of OPUS Group Limited and its subsidiaries set out on pages IB-2 to IB-16, which comprise the condensed consolidated statement of financial position as at 30 June 2018 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended 30 June 2018, and certain explanatory notes. The directors of OPUS Group Limited are responsible for the preparation and fair presentation of the interim condensed consolidated financial statements in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagement 2410 "Review of interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim condensed consolidated financial statements 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 Hong Kong Standards on Auditing 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

BDO Limited
Certified Public Accountants
Yu Tsui Fong
Practising Certificate Number P05440

Hong Kong
20 September 2018

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half-year ended 30 June 2018

	Note	Half-year ended 30 Jun 2018 *AUD'000* (unaudited)	Half-year ended 30 Jun 2017 *AUD'000* (unaudited)
Revenue		38,880	39,692
Direct operating costs		(29,339)	(29,605)
Gross profit		9,541	10,087
Other income	5	5,676	606
Selling and distribution costs		(2,729)	(3,039)
Administrative expenses		(2,930)	(3,125)
Other expenses		(2,674)	–
Finance costs		(27)	(6)
Profit before income tax	6	6,857	4,523
Income tax expense	7	(566)	(1,290)
Profit for the half-year ended		6,291	3,233
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
De-recognition of foreign currency translation reserve		(4,840)	101
Exchange differences on translation of foreign operations		–	3
Other comprehensive income for the half-year ended, net of income tax		(4,840)	104
Total comprehensive income for the half-year ended		1,451	3,337
		AUD Cents	*AUD Cents*
Earnings per share			
Basic earnings per share	3	5.97	3.37
Diluted earnings per share	3	5.97	3.23

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2018

	Note	30 Jun 2018 *AUD'000* (unaudited)	31 Dec 2017 *AUD'000* (audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		6,739	7,003
Deposits for acquisition of property, plant and equipment		1,301	–
Deferred tax assets		3,302	2,460
Total non-current assets		11,342	9,463
Current assets			
Inventories		6,514	5,331
Trade and other receivables		11,792	10,870
Other current assets		1,906	1,262
Current tax receivable		92	226
Cash and cash equivalents		19,338	25,673
Total current assets		39,642	43,362
Current liabilities			
Trade and other payables		8,187	10,607
Dividend payable		13,696	–
Finance lease liabilities	10(c)	58	56
Provisions		3,758	3,611
Total current liabilities		25,699	14,274
Net current assets		13,943	29,088
Total assets less current liabilities		25,285	38,551

	Note	30 Jun 2018 *AUD'000* (unaudited)	31 Dec 2017 *AUD'000* (audited)
Non-current liabilities			
Finance lease liabilities	10(c)	170	199
Provisions		1,997	1,940
Deferred tax liabilities		427	422
Total non-current liabilities		2,594	2,561
Net assets		22,691	35,990
Equity			
Share capital	8	14,491	14,491
Reserves		–	4,840
Retained earnings		8,200	16,659
Total equity		22,691	35,990

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the half-year ended 30 June 2018

	Note	Share capital AUD'000	Reserves AUD'000	Retained earnings AUD'000	Total AUD'000
Unaudited					
Balance at 1 January 2017		6,036	9,591	13,103	28,730
Profit after income tax		–	–	3,233	3,233
Other comprehensive income, net of tax		–	104	–	104
Total comprehensive income for the half-year ended		–	104	3,233	3,337
Transactions with owners					
Dividend paid	9	–	–	(1,067)	(1,067)
Share buy-back, net of transaction costs		(2,699)	–	–	(2,699)
Share options exercised, net of transaction costs		6,984	–	–	6,984
Transfer		4,810	(4,810)	–	–
Total changes in ownership interests		9,095	(4,810)	(1,067)	3,218
Balance at 30 June 2017		15,131	4,885	15,269	35,285

	Note	Share capital AUD'000	Reserves AUD'000	Retained earnings AUD'000	Total AUD'000
Unaudited					
Balance at 1 January 2018		14,491	4,840	16,659	35,990
Profit after income tax		–	–	6,291	6,291
Other comprehensive income, net of tax		–	(4,840)	–	(4,840)
Total comprehensive income for the half-year ended		–	(4,840)	6,291	1,451
Transactions with owners					
Dividend paid	9	–	–	(14,750)	(14,750)
Total changes in ownership interests		–	–	(14,750)	(14,750)
Balance at 30 June 2018		14,491	–	8,200	22,691

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the half-year ended 30 June 2018

	Half-year ended 30 Jun 2018 *AUD'000* (unaudited)	Half-year ended 30 Jun 2017 *AUD'000* (unaudited)
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	41,809	46,096
Payments to suppliers and employees (inclusive of GST)	(41,846)	(41,407)
Net income tax paid	(1,269)	(1,076)
Other income	702	521
Interest received	211	134
Net cash (used in)/provided by operating activities	(393)	4,268
Cash flows from investing activities		
Net cash outflows on disposal of a subsidiary	–	(25)
Payments for purchase of property, plant and equipment	(2,009)	(717)
Proceeds from the disposal of property, plant and equipment	25	25
Net cash used in investing activities	(1,984)	(717)
Cash flows from financing activities		
Payment for share buy-back, including transaction costs	–	(2,699)
Dividends paid	(1,054)	(1,067)
Interest and borrowing costs paid	(8)	(109)
Net proceeds from exercised share options	–	6,984
Payment of finance leases liabilities	(27)	(27)
Payment of re-domiciliation costs	(2,913)	–
Net cash (used in)/provided by financing activities	(4,002)	3,082
Net (decrease)/increase in cash and cash equivalents during the half-year ended	(6,379)	6,633
Cash and cash equivalents at the beginning of the half-year ended	25,673	17,519
Net effect of exchange rate changes on cash and cash equivalents	44	3
Cash and cash equivalents held at the end of the half-year ended	19,338	24,155

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the half-year ended 30 June 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Statement of Compliance

These general purpose unaudited condensed consolidated interim financial statements for the half-year ended 30 June 2018 have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'.

This interim financial report is intended to provide users with an update on the latest annual financial statements of OPUS Group Limited ("OPUS") and its controlled entities (hereinafter collectively referred to as the "OPUS Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the OPUS Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the OPUS Group for the year ended 31 December 2017, together with any public announcements made by OPUS during the following half-year.

(ii) Basis of Preparation

The unaudited condensed consolidated interim financial statements have been prepared on the basis of historical cost. All amounts are presented in Australian dollars, unless otherwise noted; and are rounded off to the nearest thousand dollars, unless otherwise indicated.

Comparative information in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows has been presented for the half-year ended 30 June 2017. When necessary, the comparative figures have been adjusted to conform to changes in presentation in the current period.

(iii) Accounting Policies

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the preparation of Historical Financial Information of Left Field Printing Group Limited for each of the years ended 31 December 2015, 2016, 2017 and three months ended 31 March 2018 as set out in Appendix IA to this prospectus. These accounting policies are consistent with International Financial Reporting Standards.

New, revised or amended Accounting Standards and Interpretations not yet mandatory or early adopted

At the date of this report, the following new/revised IFRSs, have been issued but are not yet effective, and have not been early adopted by the OPUS Group.

Annual Improvements to IFRSs 2015-2017 Cycle	Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs[1]
IFRS 16	Leases[1]
IFRS 17	Insurance Contracts[3]
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement[1]
Amendments to IAS 28	Long-term Interests in Associates and Joint Venture[1]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[2]
Amendments to IFRS 9	Prepayment Features with Negative Compensation[1]
IFRIC-Int 23	Uncertainty over Income Tax Treatments[1]

[1] Effective for annual periods beginning on or after 1 January 2019

[2] The amendments were originally intended to be effective for periods beginning on or after 1 January 2016. The effective date has now been deferred/removed. Early application of the amendments of the amendments continue to be permitted.

[3] Effective for annual periods beginning on or after 1 January 2021

Further information about IFRSs which are expected to be applicable to the OPUS Group is as follows:

Annual Improvements to IFRSs 2015-2017 Cycle - Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to IFRS 3 Business Combinations, remeasurement of an investor's previously held interest in a joint operation that is a business when it obtains control of the business, IFRS 11 Joint Arrangements, remeasurement of an investor's previously held interest in a joint operation that is a business when it obtains joint control of the business, IAS 12 Income Taxes, accounting for the income tax consequences of dividend payments and IAS 23 Borrowing Costs, clarifying which borrowing costs are eligible for capitalisation.

The OPUS Group expects to adopt the amendments on 1 January 2019 and does not expect its adoption will have significant impact on the OPUS Group's financial position and performance.

IFRS 16 – Leases

IFRS 16, which upon the effective date will supersede IAS 17 "Leases" and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under IFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, IAS 17.

In respect of the lessor accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

IFRS 16 will primarily affect the OPUS Group's accounting as a lessee of leases for property, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease. As set out in note 10(b), the future aggregate minimum lease payments under non-cancellable operating lease of the OPUS Group as at 30 June 2018 are AUD5,161,000. Based on current leasing patterns, the OPUS Group does not expect the adoption of IFRS 16 as compared with the current accounting policy would result in significant impact on the OPUS Group's results but it is expected that certain portion of the future aggregate minimum lease payments under non-cancellable operating lease of the OPUS Group will be required to be recognised in the consolidated statement of financial position as right-of-use assets and lease liabilities.

Amendments to IFRS 9 – Prepayment Features with Negative Compensation

The amendment clarifies that a financial asset passes the solely payments of principal and interest on the principal amount outstanding criterion regardless of the event or circumstance that cause the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The OPUS Group expects to adopt the amendments on 1 January 2019 and does not expect its adoption will have significant impact on the OPUS Group's financial position and performance.

IFRIC-Int 23 – Uncertainty over Income Tax Treatments

The Interpretation supports the requirements of IAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes. Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty. The OPUS Group does not expect the adoption of IFRIC-Int 23 will result in a significant impact on the OPUS Group’s financial position.

(iv) Estimates

When preparing the interim financial statements, there are a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in Historical Financial Information of Left Field Printing Group Limited for each of the years ended 31 December 2015, 2016, 2017 and three months ended 31 March 2018.

2. SIGNIFICANT EVENTS AND TRANSACTIONS

There are no significant changes in financial position and performance of the OPUS Group since the end of the last annual financial statements for the year ended 31 December 2017, except for the proposed re-organisation.

On 14 June 2018, OPUS entered into a Scheme Implementation Agreement (“SIA”) under which OPUS shareholders will exchange their securities in OPUS for securities in a newly incorporated Bermudan entity, Left Field Printing Group Limited (“TopCo”) on the basis of three TopCo shares for every one OPUS share. Once the listing approval from The Stock Exchange of Hong Kong Limited (“HKEx”) has become unconditional, and the scheme is approved by OPUS shareholders and the Federal Court, the shares of TopCo will list on the HKEx and the shares of OPUS will be delisted from the Australian Securities Exchange.

3. EARNINGS PER SHARE

	Half-year ended 30 Jun 2018 (unaudited)	**Half-year ended 30 Jun 2017** (unaudited)
Basic earnings per share (AUD cents)	5.97	3.37
Diluted earnings per share (AUD cents)	5.97	3.23

	Half-year ended 30 Jun 2018 *AUD'000* (unaudited)	Half-year ended 30 Jun 2017 *AUD'000* (unaudited)
Earnings used in calculating basic and diluted earnings per share	6,291	3,233
	'000s (unaudited)	*'000s* (unaudited)
Weighted average number of ordinary shares used as the denominator in calculating the basic earnings per share	105,356	95,851
Adjustments for calculation of diluted earnings per share: Share options	–	4,142
Weighted average number of ordinary shares used as the denominator in calculating the diluted earnings per share	105,356	99,993

4. 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, has been identified as the board of directors (the "Board").

(a) Description of the segment

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision Maker as defined above that are used to make strategic decisions.

These individuals review the business primarily from a product and service offering perspective and have identified one distinct operating segment: Printing solutions and services.

Printing solutions and services provides digital and offset printing, and other ancillary business services including digital asset management, content management, back catalogue fulfilment, direct to consumer distribution and warehousing, variable data and intelligent mailing. It has short run, medium and long run production capabilities and in-house finishing.

It also has a business services model that enables the efficient and seamless content creation to consumption for the Federal government, government departments and agencies. This includes webhosting, electronic fulfilment, printing on demand and digital asset management. These capabilities have been extended to the publishing sector as well.

(b) Segment revenue

Sales between segments are carried out on an arm's length basis and are eliminated on consolidation. The revenue from external parties reported is measured in a manner consistent with that in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income.

The revenue by geographic location is not used by the Chief Operating Decision Maker in reviewing the performance of the CGU. The Board considered the cost to develop it would be excessive.

(c) EBITDA as monitored by the Board and Senior Management

The Chief Operating Decision Maker assesses the performance of the operating segments based on a measure of EBITDA as monitored by the Board and Senior Management ("EBITDA"). This measure is consistent with the presentation of financial information internally for management accounting purposes.

A reconciliation of EBITDA to the profit before income tax per the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is as follows:

	Half-year ended 30 Jun 2018 *AUD'000* (unaudited)	**Half-year ended 30 Jun 2017** *AUD'000* (unaudited)
EBITDA on ordinary activities	7,610	5,270
Depreciation and amortisation expense	(953)	(766)
Net finance income	200	19
Profit before income tax	6,857	4,523

(d) Segment Information

Half-year ended 30 Jun 2018	**Printing solutions and services** *AUD'000* (unaudited)	**Other^** *AUD'000* (unaudited)	**Total** *AUD'000* (unaudited)
External revenue	38,880	–	38,880
Other income	678	4,864	5,542
Operating expenses	(33,725)	(3,087)	(36,812)
EBITDA	5,833	1,777	7,610
Depreciation and amortisation expense	(869)	(84)	(953)
Net finance income	(36)	236	200
Profit before income tax	4,928	1,929	6,857

^ Included in "Other" mainly represented income arising from the reclassification of AUD4,840,000 gain from foreign exchange translation reserve to profit or loss as a result of deregistration of a foreign entity and AUD2,674,000 listing expenses charged to profit or loss for the half-year ended 30 June 2018. It also includes the OPUS Group's activities in finance revenue and costs, staff costs and other corporate activities incurred under central corporate and treasury function which are not able to be allocated to Printing solutions and services.

Half-year ended 30 Jun 2017	Printing solutions and services	Other*	Loss on disposal of subsidiary⁺	Total
	AUD'000	*AUD'000*	*AUD'000*	*AUD'000*
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
External revenue	39,692	–	–	39,692
Other income	492	29	–	521
Operating expenses	(34,553)	(257)	(133)	(34,943)
EBITDA	5,631	(228)	(133)	5,270
Depreciation and amortisation expense	(765)	(1)	–	(766)
Net finance income	(14)	33	–	19
Profit before income tax	4,852	(196)	(133)	4,523

* Included in "Other" are the OPUS Group's activities in finance revenue and costs, staff costs and other corporate activities incurred under central corporate and treasury function which are not able to be allocated to Printing solutions and services.

⁺ Loss on disposal of subsidiary during the half-year ended 30 June 2017 represented AUD133,000 from disposal of Ligare Limited in New Zealand.

(e) Segment assets and liabilities

The amounts provided to the Chief Operating Decision Maker with respect to total assets and total liabilities are not reported by operating segment. The Chief Operating Decision Maker does not receive information about the geographical locations of the segment assets and liabilities.

5. OTHER INCOME

	Half-year ended 30 Jun 2018	Half-year ended 30 Jun 2017
	AUD'000	*AUD'000*
	(unaudited)	(unaudited)
Scrap recoveries	299	337
Insurance refund	72	14
Interest received	211	134
Gain on deregistration of a foreign entity *(Note)*	4,840	–
Other	254	121
Total other income	5,676	606

Note: Upon the deregistration of a foreign subsidiary, which had no business activities conducted and did not have any assets and liabilities at the time of deregistration, the corresponding exchange reserve in relation to this foreign subsidiary of AUD4,840,000 was released and recognised in profit or loss for the period. Since then, there is no other foreign subsidiary within the OPUS Group.

6. PROFIT BEFORE INCOME TAX

Profit before income tax includes the following items which require specific disclosure:

	Half-year ended 30 Jun 2018 *AUD'000* (unaudited)	Half-year ended 30 Jun 2017 *AUD'000* (unaudited)
Provision for/(reversal of) impairment of trade receivables	18	(132)
Reversal of obsolete inventories	(55)	(103)
Minimum lease payments related to operating leases	1,505	1,277
Superannuation	889	955
Foreign exchange losses/(gains)	4	(5)

7. INCOME TAX EXPENSE

The OPUS Group calculates the half-year ended income tax expense using the tax rate of 30% (30 June 2017: 30%) on the estimated assessable profits for the period. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the OPUS Group operates.

The major components of income tax expense in the Condensed Consolidated Statements of Profit or Loss are:

	Half-year ended 30 Jun 2018 *AUD'000* (unaudited)	Half-year ended 30 Jun 2017 *AUD'000* (unaudited)
Current tax expense	1,433	1,155
Deferred tax (income)/expense	(838)	197
Over provision of previous periods	(29)	(62)
Total income tax expense	566	1,290

8. SHARE CAPITAL

	note	**30 Jun 2018** *Shares* (unaudited)	**31 Dec 2017** *Shares* (audited)	**30 Jun 2018** *AUD'000* (unaudited)	**31 Dec 2017** *AUD'000* (audited)
Ordinary shares					
Fully paid		105,355,570	92,257,662	14,491	6,036
Share buy-back	(a)	–	(6,902,092)	–	(3,339)
Exercise of share options	(b)	–	20,000,000	–	6,984
Transfer from share option reserve		–	–	–	4,810
Fully paid		105,355,570	105,355,570	14,491	14,491

(a) An extraordinary general meeting was held on 8 December 2016 to approve a maximum of 20 million shares under the on-market share buy-back, which was commenced on 9 December 2016 and remains open until the earlier of 8 December 2017 or when 20 million shares have been bought back. As of 8 December 2017, the share buy-back was closed and OPUS bought back and fully cancelled 11,058,026 shares.

(b) During the year ended 31 December 2017, the ultimate parent Lion Rock Group Limited exercised 20 million of share options amounted to AUD7,000,000 at AUD0.35 each. As of 30 June 2018 and 31 December 2017, there were no outstanding share options.

Ordinary shares entitle the holder to participate in dividends in proportion to the number of and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and there is no limit on the amount of authorised capital.

9. EQUITY – DIVIDENDS

Dividends paid during the half-year ended 30 June 2018 were AUD1,054,000 (30 June 2017: AUD1,067,000).

On 14 Jun 2018, the directors declared 13 cents fully franked special dividend per share with a record date on 8 August 2018 as well as a Dividend Reinvestment Plan (“DRP”). The final issue price for shares of the DRP was determined based on the five-day weighted average trading price of OPUS shares commencing on the second trading day after the record date. The DRP has been accomplished by the date of this report and it resulted in 28,614,371 additional shares issued on 22 August 2018. Payment of AUD1,930,000 was made on 22 August 2018 for those shareholders who didn’t opt to participate in the DRP.

10. CONTRACTUAL COMMITMENTS FOR EXPENDITURE

(a) Capital commitments

	30 Jun 2018	**31 Dec 2017**
	AUD’000	*AUD’000*
	(unaudited)	(audited)
Aggregate capital expenditure contracted for at reporting date, but not provided for:		
Plant and equipment	823	456
Total capital commitments	823	456

(b) Lease commitments

	30 Jun 2018	**31 Dec 2017**
	AUD’000	*AUD’000*
	(unaudited)	(audited)
Non-cancellable operating lease rentals are payable as follows:		
Not later than one year	2,388	2,249
Later than one year but not later than five years	2,773	3,942
Total lease commitments	5,161	6,191

(c) Finance lease commitments

	30 Jun 2018 *AUD'000* (unaudited)	31 Dec 2017 *AUD'000*
Commitments in relation to finance lease payments are payable as follows:		
Not later than one year	58	56
Later than one year but not later than five years	170	199
	228	255
Future finance charges	27	36
Recognised as a liability	255	291
Representing finance leases		
Current	71	71
Non-current	184	220
Total finance leases commitments	255	291

The OPUS Group leases offices, factories, warehouses and plant and machinery under non-cancellable operating leases and finance lease arrangements expiring within one to five years. The leases vary in contract period, escalation clauses and renewal rights depending on the assets involved. On renewal, the terms of the leases are generally re-negotiated.

11. PERFORMANCE BONDS

The obligations of the controlled entities under commercial agreements amount to AUD550,000 in total and are secured by a bank guarantee (31 December 2017: AUD550,000).

12. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The financial assets and liabilities included in the current assets and liabilities in the Condensed Consolidated Statement of Financial Position are carried at amounts that approximate net fair values. As at reporting date there were no financial assets and liabilities recognised in the Condensed Consolidated Statement of Financial Position using fair value measurements.

13. SUBSEQUENT EVENTS

The DRP has been accomplished by the date of this report. Payment of AUD1,930,000 was made on 22 August 2018 for those shareholders who didn't opt to participate in the DRP. 28,614,371 additional shares were issued on 22 August 2018 and it resulted in an increase of share capital by AUD11,766,000 and reduction of dividend payable.

Except for the DRP aforesaid, there was no other matter or circumstance that arose which has significant affected, or may significantly affect OPUS Group's operations, the results of these operations, or OPUS Group's state of affairs in future financial years.

The information set out in this appendix does not form part of the accountants' report prepared by BDO Limited, Certified Public Accountants, Hong Kong, the independent reporting accountant of the Company, as set out in Appendix IA 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" to this prospectus and the "Accountants' Report" set out in Appendix IA to this prospectus.

For illustrative purpose, only the unaudited pro forma financial information prepared in accordance with paragraph 4.29 of the Listing Rules is set out below to provide the prospective investors with further information on how the Share Offer might have affected the net tangible assets of the Group attributable to owners of the Company after the completion of the Share Offer.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED COMBINED NET TANGIBLE ASSETS

The following is an illustrative and unaudited pro forma statement of adjusted combined net tangible assets prepared on the basis of the notes set out below, for the purpose of illustrating the effect of the Share Offer on the combined net tangible assets of the Group attributable to owners of the Company as if the Share Offer had taken place on 31 March 2018. This unaudited pro forma statement of combined net tangible assets has been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the combined net tangible assets of the Group attributable to owners of the Company had the Share Offer been completed as of 31 March 2018 or at any future dates.

	Combined net tangible assets attributable to the owners of the Company as at 31 March 2018	**Estimated net proceeds from the Share Offer**	**Unaudited pro forma adjusted combined net tangible assets attributable to the owners of the Company**	**Unaudited pro forma adjusted combined net tangible assets per Share** *(note 3)*	
	AUD'000	*AUD'000*	*AUD'000*	*AUD*	*HK$*
	(note 1)	*(note 2)*			
Based on an Offer Price of HK$1.00 per Share	35,863	12,863	48,726	0.0961	0.5794
Based on an Offer Price of HK$1.10 per Share	35,863	14,480	50,343	0.0993	0.5986

Notes:

(1) The audited combined net tangible assets attributable to the owners of the Company as at 31 March 2018 is extracted from the Accountant's Report set out in Appendix IA to this prospectus.

(2) The estimated net proceeds from the Share Offer are based on 105,000,000 New Shares and the indicative Offer Price of HK$1.00 and HK$1.10 per Share, being the low end and to the high end of the stated Offer Price range per Share, respectively, after deduction of the underwriting fees and other related expenses (excluding listing related expenses of approximately AUD1,523,000 which have been accounted for prior to 31 March 2018) payable by the Company in connection with the Share Offer subsequent to 31 March 2018. The estimated net proceeds are converted from HK$ into AUD at an exchange rate of HK$1 to AUD0.165904, which was the rate prevailing on 31 March 2018.

(3) The unaudited pro forma adjusted combined net tangible assets per Share is calculated based on 506,909,823 Shares in issue immediately following the completion of the Share Offer, without taking into account of any Share which may be allotted and issued or repurchased by the Company pursuant to the general mandates granted to the Directors for the allotment and issue or repurchases of Shares referred in the paragraph headed "Share Capital – General mandate to issue Shares" or the paragraph headed "Share Capital – General mandate to repurchase shares". The unaudited pro forma adjusted combined net tangible assets per Share is converted from AUD into HK$ at an exchange rate of HK$1 to AUD0.165904, which was the rate prevailing on 31 March 2018.

(4) No adjustment has been made to the unaudited pro forma adjusted combined net tangible assets to reflect any trading results or other transactions of the Group entered into subsequent to 31 March 2018.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for the sole purpose of inclusion in this prospectus, received from the independent reporting accountants of the Company, BDO Limited, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information.

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INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the directors of Left Field Printing Group Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Left Field Printing Group Limited (the "Company") by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of combined net tangible assets of the Company as at 31 March 2018 and related notes as set out on pages II-1 to II-2 of Appendix II of the Company's prospectus dated 20 September 2018 (the "Prospectus") in connection with the proposed public offering of the shares of the Company (the "Share Offer"). The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described on pages II-1 to II-2 of Appendix II of the Prospectus.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Share Offer on the Company's combined financial position as at 31 March 2018 as if the Share Offer had taken place at 31 March 2018. As part of this process, information about the Company's combined financial position has been extracted by the directors of the Company from the Company's financial information for the three months ended 31 March 2018, on which an accountants' report set out in Appendix IA of the Prospectus has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors of the Company 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").

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 HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Control 1 "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements" issued by the HKICPA 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.

Reporting Accountants' 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 accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company 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 Share Offer at 31 March 2018 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 unaudited 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 accountants' judgment, having regard to the reporting accountants' understanding of the nature of the entity, 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 Company; 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.

BDO Limited
Certified Public Accountants
Hong Kong

20 September 2018

Set out below is a summary of certain provisions of the memorandum of association and bye-laws of our Company and of certain aspects of Bermuda company law.

Our Company was incorporated in Bermuda as an exempted company with limited liability on 18 April 2018 under the Bermuda Companies Act 1981 (the "**Companies Act**"). Our Company's constitutional documents consist of our Memorandum of Association ("**Memorandum of Association**") and our Bye-laws ("**Bye-laws**").

1. MEMORANDUM OF ASSOCIATION

Our Memorandum of Association states, inter alia, that the liability of members of our Company is limited to the amount, if any, for the time being unpaid on the shares respectively held by them and that our Company is an exempted company as defined in the Companies Act. Our Memorandum of Association also sets out the objects for which our Company was formed which are unrestricted and that our Company has the capacity, rights, powers and privileges of a natural person. As an exempted company, our Company will be carrying on business outside Bermuda from a place of business within Bermuda.

In accordance with and subject to section 42A of the Companies Act, our Memorandum of Association empowers our Company to purchase our own Shares and pursuant to our Bye-laws, this power is exercisable by our board of Directors (the "**Board**") upon such terms and subject to such conditions as it thinks fit.

2. BYE-LAWS

Our Bye-laws were conditionally adopted on 10 July 2018 to take effect from the Listing Date. The following is a summary of certain provisions of our Bye-laws:

(a) Shares

(i) Classes of shares

The share capital of our Company consists of ordinary shares.

(ii) Variation of rights of existing shares or classes of shares

If at any time the capital is divided into different classes of shares, all or any of the special rights attached to the shares or any class of shares may (unless otherwise provided for by the terms of issue of that class) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths 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 our Bye-laws relating to general meetings will *mutatis mutandis* apply, but so that the necessary quorum (other than at an adjourned meeting) shall be two persons or (in the case of a member being a corporation) its duly authorised representative holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting two holders present in person or (in the case of a member being a corporation) its duly authorised representative or by proxy whatever the number of shares held by them shall be a quorum. Every holder of shares of the class shall be entitled to one vote for every such share held by him.

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.

(iii) Alterations of capital

Our Company may from time to time by ordinary resolution in accordance with the relevant provisions of the Companies Act:

(i) increase its share capital by the creating of new shares;

(ii) consolidate any of its capital into shares of larger amount than its existing shares;

(iii) divide its shares into several classes;

(iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by our Memorandum of Association;

(v) change the currency denomination of its share capital;

(vi) make provision for the issue and allotment of shares which do not carry any voting rights; and

(vii) cancel any shares which, at the date of passing of the resolution, have not been taken by any person, and diminish the amount of its capital by the amount of the shares so cancelled.

Our Company may, by special resolution, subject to any confirmation or consent required by law, reduce its issued share capital or, save for the use of share premium as expressly permitted by the Companies Act, any share premium account or other undistributable reserve.

(iv) Transfer of shares

All transfers of shares may be effected in any manner permitted by and in accordance with the rules of the Stock Exchange by an instrument of transfer in the usual or common form or in a form prescribed by the Stock Exchange or in such other form as our board may approve and which may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as our Board may approve from time to time. The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that our Board may dispense with the execution of the instrument of transfer by the transferee in any case in which it thinks fit, in its discretion, 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 in respect thereof. Our Board may also resolve either generally or in any particular case, upon request by either the transferor or the transferee, to accept mechanically executed transfers.

Our Board in so far as permitted by any applicable law may, in its absolute discretion, at any time and from time to time transfer any share upon the principal register to any branch register or any share on any branch register to the principal register or any other branch register.

Unless our Board otherwise agrees, no shares on the principal register shall be transferred to any branch register nor may shares on any branch register be transferred to the principal register or any other branch register. All transfers and other documents of title shall be lodged for registration and registered, in the case of shares on a branch register, at the relevant registration office and, in the case of shares on the principal register, at the registered office in Bermuda or such other place in Bermuda at which the principal register is kept in accordance with the Companies Act.

Our Board may, in its absolute discretion, and without assigning any reason, refuse 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 incentive scheme for employees 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 our Company has a lien.

Our 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 our Directors may from time to time require is paid to our Company in respect thereof, the instrument of transfer, if applicable, is properly stamped, is in respect of only one class of share and is lodged at the relevant registration office or registered office or such other place at which the principal register is kept accompanied by the relevant share certificate(s) and such other evidence as our 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 registration of transfers may be suspended and the register closed on giving notice by advertisement in any newspaper in accordance with the requirements of any Stock Exchange or by any means in such manner as may be accepted by the Stock Exchange, at such times and for such periods as our Board may determine and either generally or in respect of any class of shares. The register of members shall not be closed for periods exceeding in the whole thirty (30) days in any year.

Subject to the above, fully paid shares are free from any restriction on transfer and our Company has no lien on them.

(v) Power for our Company to purchase its own shares

The power of our Company to purchase its own shares is exercisable by our Board upon such terms and conditions as it thinks fit.

(vi) Power for any subsidiary of our Company to own shares in our Company

There are no provisions in our Bye-laws relating to ownership of shares in our Company by a subsidiary.

(vii) Calls on shares and forfeiture of shares

Our Board may from time to time make such calls 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). A call may be made payable either in one lump 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 twenty per cent. (20%) per annum as our Board may agree to accept from the day appointed for the payment thereof to the time of actual payment, but our Board may waive payment of such interest wholly or in part. Our 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 monies uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the monies so advanced our Company may pay interest at such rate (if any) as our Board may decide.

If a member fails to pay any call on the day appointed for payment thereof, our Board may serve not less than fourteen (14) clear days' notice on him requiring payment of so much of the call as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment and stating 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 our 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, notwithstanding, remain liable to pay to our Company all monies which, at the date of forfeiture, were payable by him to our Company in respect of the shares, together with (if our Board shall in its discretion so require) interest thereon from the date of forfeiture until the date of actual payment at such rate not exceeding twenty per cent. (20%) per annum as our Board determines.

(b) Directors

(i) Appointment, retirement and removal

At each annual general meeting, one third of our Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one third) will retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. Our Directors to retire by rotation shall include any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall those who have been longest in office since their last re-election or appointment but as between persons who became or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

Our Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on our Board or, subject to authorisation by the members in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the members in general meeting. Any Director appointed by our Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and any Director appointed by our Board as an addition to the existing Board shall hold office only until the next following annual general meeting of our Company and shall then be eligible for re-election. Neither a Director nor an alternate Director is required to hold any shares in our Company by way of qualification.

A Director may be removed by an ordinary resolution of our Company before the expiration of his period of office (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and our Company) provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention to do so and be served on such Director fourteen (14) days before the meeting and, at such meeting, such Director shall be entitled to be heard on the motion for his removal. Unless otherwise determined by our Company in general meeting, the number of Directors shall not be less than two. There is no maximum number of Directors unless otherwise determined from time to time by members of our Company.

There is no shareholding qualification for Directors nor is there any provisions relating to retirement of Directors upon reaching any age limit.

Our Board may from time to time 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 our Company for such period (subject to their continuance as Directors) and upon such terms as our Board may determine and our Board may revoke or terminate any of such appointments (but without prejudice to any claim for damages that such Director may have against our Company or vice versa). Our Board may delegate any of its powers, authorities and discretions to committees consisting of such Director or Directors and other persons as our Board thinks fit, and it may from time to time 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, authorities and discretions so delegated, conform to any regulations that may from time to time be imposed upon it by our Board.

(ii) Power to allot and issue shares and warrants

Subject 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 our 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 our Board may determine). Subject to the Companies Act, any preference shares may be issued or converted into shares that are liable to be redeemed, at a determinable date or at the option of our Company or, if so authorised by our Memorandum of Association, at the option of the holder, on such terms and in such manner as our Company before the issue or conversion may by ordinary resolution determine. Our Board may issue warrants conferring the right upon the holders thereof to subscribe for any class of shares or securities in the capital of our Company on such terms as it may from time to time determine.

All unissued shares in our Company shall be at the disposal of our 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.

(iii) Power to dispose of the assets of our Company or any of its subsidiaries

There are no specific provisions in our Bye-laws relating to the disposal of the assets of our Company or any of its subsidiaries. Our Directors may, however, exercise all powers and do all acts and things which may be exercised or done or approved by our Company and which are not required by our Bye-laws or the Companies Act to be exercised or done by our Company in general meeting.

(iv) Borrowing powers

Our Board may from time to time at its discretion exercise all the powers of our Company to raise or borrow money, to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of our Company and, subject to the Companies Act, to issue debentures, bonds and other securities of our Company, whether outright or as collateral security for any debt, liability or obligation of our Company or of any third party.

(v) Remuneration

The ordinary remuneration of our Directors shall from time to time be determined by our Company in general meeting, such remuneration (unless otherwise directed by the resolution by which it is voted) to be divided amongst our Directors in such proportions and in such manner as our Board may agree or, failing agreement, equally, except that any Director holding office for part only 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 held office. Our Directors shall also be entitled to be prepaid or repaid all travelling, hotel and incidental expenses reasonably incurred or expected to be incurred by them in attending any board meetings, committee meetings or general meetings or separate meetings of any class of shares or of debentures of our Company or otherwise in connection with the discharge of their duties as Directors.

Any Director who, by request, goes or resides abroad for any purpose of our Company or who performs services which in the opinion of our Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as our Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Bye-law. A 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 our Board may from time to time decide. Such remuneration may be either in addition to or in lieu of his remuneration as a Director.

Our Board may establish or concur or join with other companies (being subsidiary companies of our Company or companies with which it is associated in business) in establishing and making contributions out of our Company's monies to any 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 ex-Director who may hold or have held any executive office or any office of profit with our Company or any of its subsidiaries) and ex-employees of our Company and their dependants or any class or classes of such persons.

Our Board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as is mentioned in the previous paragraph. Any such pension or benefit may, as our Board considers desirable, be granted to an employee either before and in anticipation of, or upon or at any time after, his actual retirement.

(vi) Compensation or payments for loss of office

Payments to any 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 entitled) must be approved by our Company in general meeting.

(vii) Loans and provision of security for loans to Directors

There are no provisions in our Bye-laws relating to the making of loans to Directors. However, the Companies Act contains restrictions on companies making loans or providing security for loans to their directors, the relevant provisions of which are summarised in the paragraph headed "Bermuda company law" in this Appendix.

(viii) Financial assistance to purchase shares of our Company

Subject to compliance with the rules and regulations of the Stock Exchange and any other relevant regulatory authority, our Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in our Company.

(ix) Disclosure of interests in contracts with our Company or any of its subsidiaries

A Director may hold any other office or place of profit with our Company (except that of auditor of our Company) in conjunction with his office of Director for such period and, subject to the Companies Act, upon such terms as our Board may determine, and may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) in addition to any remuneration provided for by or pursuant to any other Bye-laws. A Director may be or become a director or other officer of, or a member of, any company promoted by our Company or any other company in which our Company may be interested, and shall not be liable to account to our Company or the members for any remuneration, profits or other benefits received by him as a director, officer or member of, or from his interest in, such other company. Subject as otherwise provided by our Bye-laws, our Board may also cause the voting power conferred by the shares in any other company held or owned by our Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing our Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company.

Subject to the Companies Act and to our Bye-laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with our Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, 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 our Company or the members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or the fiduciary relationship thereby established. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with our Company shall declare the nature of his interest at the meeting of our Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case, at the first meeting of our Board after he knows that he is or has become so interested.

A Director shall not vote (nor be counted in the quorum) on any resolution of our Board approving any contract or arrangement or other proposal in which he or any of his close associates is materially interested but this prohibition shall not apply to any of the following matters, namely:

(aa) any contract or arrangement for giving to such Director or his close associate(s) any security or indemnity in respect of money lent by him or any of his close associates or obligations incurred or undertaken by him or any of his close associates at the request of or for the benefit of our Company or any of its subsidiaries;

(bb) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of our Company or any of its subsidiaries for which our Director or his close associate(s) has 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 contract or arrangement concerning an offer of shares or debentures or other securities of or by our Company or any other company which our Company may promote or be interested in for subscription or purchase, where our Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(dd) any contract or arrangement in which our Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of our Company by virtue only of his/their interest in shares or debentures or other securities of our Company; or

(ee) 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 close associates and employees of our Company or of any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not accorded generally to the class of persons to which such scheme or fund relates.

(c) Alterations to constitutional documents and our Company's name

Our Memorandum of Association may, with the consent of the Minister of Finance of Bermuda (if required), be altered by our Company in general meeting. Our Bye-laws may be rescinded, altered or amended by our Directors subject to the confirmation of our Company in general meeting. Our Bye-laws state that a special resolution shall be required to alter the provisions of our Memorandum of Association, to confirm any such rescission, alteration or amendment to our Bye-laws or to change the name of our Company.

(d) Meetings of shareholders

(i) Special resolution

A special resolution of our 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, in the case of such members as are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which notice has been duly given in accordance with our Bye-laws (see paragraph 2(d)(iv) below for further details).

(ii) Voting rights and right to demand a poll

Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with our Bye-laws, at any general meeting on a poll every member present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for every fully paid share of which he is the holder 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 purposes as paid up on the share.

A member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every member present in person (or being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands.

If a recognised clearing house (or its nominee(s)) is a member of our Company it may authorise such persons as it thinks fit to act as its representative(s) at any meeting of our Company or at any meeting of any class of members of our 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 pursuant to this provision shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same powers on behalf of the recognised clearing house (or its nominee(s)) as if such person was the registered holder of the shares held by that clearing house (or its nominee(s)) in respect of the number and class of shares specified in the relevant authorisation including, where a show of hands is allowed, the right to vote individually on a show of hands.

Where our Company has any knowledge that any shareholder is, under the rules of the Stock Exchange, required to abstain from voting on any particular resolution of our Company or restricted to voting only for or only against any particular resolution of our Company, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

(iii) Annual general meetings

An annual general meeting of our Company must be held in each year and within a period of not more than 15 months after the holding of the last preceding annual general meeting unless a longer period would not infringe the rules of any Stock Exchange.

(iv) Notices of meetings and business to be conducted thereat

An annual general meeting must be called by notice of not less than twenty-one (21) clear days and not less than twenty (20) clear business days. All other general meetings (including a special general meeting) must be called by notice of at least fourteen (14) clear days and not less than ten (10) clear business days. The notice must specify the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in the case of special business, the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such.

Any notice to be given to or by any person pursuant to our Bye-laws may be served on or delivered to any member of our Company personally, by post to such member's registered address or by advertisement in appointed newspapers or in newspapers published daily and circulating generally in Hong Kong and in accordance with the requirements of the Stock Exchange. Subject to compliance with Bermuda law and the rules of the Stock Exchange, notice may also be served or delivered by our Company to any member by electronic means.

(v) Quorum for meetings and separate class meetings

For all purposes 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.

(vi) Proxies

Any member of our Company entitled to attend and vote at a meeting of our 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 our Company or at a class meeting. A proxy need not be a member of our Company. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.

(e) Accounts and audit

Our Board shall cause true accounts to be kept of the sums of money received and expended by our Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of our Company and of all other matters required by the provisions of the Companies Act or necessary to give a true and fair view of our Company's affairs and to explain its transactions.

The accounting records shall be kept at the registered office or, subject to the Companies Act, at such other place or places as our Board decides and shall always be open to inspection by any Director. No member (other than a Director) shall have any right of inspecting any accounting record or book or document of our Company except as conferred by law or authorised by our Board or our Company in general meeting.

Subject to the Companies Act, a printed copy of the Directors' report, accompanied by the balance sheet and profit and loss account, including every document required by law to be annexed thereto, made up to the end of the applicable financial year and containing a summary of the assets and liabilities of our Company under convenient heads and a statement of income and expenditure, together with a copy of the auditors' report, shall be sent to each person entitled thereto at least twenty-one (21) days before the date of the general meeting and at the same time as the notice of annual general meeting and laid before our Company at the annual general meeting in accordance with the requirements of the Companies Act provided that this provision shall not require a copy of those documents to be sent to any person whose address our Company is not aware or to more than one of the joint holders of any shares or debentures; however, to the extent permitted by and subject to compliance with all applicable laws, including the rules of the Stock Exchange, our Company may send to such persons summarised financial statements derived from our Company's annual accounts and the directors' report instead provided that any such person may by notice in writing served on our Company, demand that our Company sends to him, in addition to summarised financial statements, a complete printed copy of our Company's annual financial statement and the directors' report thereon.

Subject to the Companies Act, at the annual general meeting or at a subsequent special general meeting in each year, the members shall appoint an auditor to audit the accounts of our Company and such auditor shall hold office until the members appoint another auditor. Such auditor may be a member but no Director or officer or employee of our Company shall, during his continuance in office, be eligible to act as an auditor of our Company. The remuneration of the auditor shall be fixed by our Company in general meeting or in such manner as the members may determine.

(f) Dividends and other methods of distribution

Our 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 our Board. Our Company in general meeting may also make a distribution to its members out of contributed surplus (as ascertained in accordance with the Companies Act). No dividend shall be paid or distribution made out of contributed surplus if to do so would render our Company unable to pay its liabilities as they become due or the realisable value of its assets would thereby become less than its liabilities.

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 but 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 according to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. Our Directors may deduct from any dividend or other monies payable to a member by our Company on or in respect of any shares all sums of money (if any) presently payable by him to our Company on account of calls or otherwise.

Whenever our Board or our Company in general meeting has resolved that a dividend be paid or declared on the share capital of our Company, our Board may further resolve either (a) 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 shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment, or (b) that shareholders 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 our Board may think fit. Our Company may also upon the recommendation of our Board by an ordinary resolution resolve in respect of any one particular dividend of our Company that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

Whenever our Board or our Company in general meeting has resolved that a dividend be paid or declared our Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by our Board for the benefit of our Company until claimed and our Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by our Board and shall revert to our Company.

(g) Inspection of register of members

The register and branch register of members shall be open to inspection between 10:00 a.m. and 12:00 noon during business hours by members of the public without charge at the registered office or such other place in Bermuda at which the register is kept in accordance with the Companies Act, unless the register is closed in accordance with the Companies Act.

(h) Rights of the minorities in relation to fraud or oppression

There are no provisions in our Bye-laws relating to rights of minority shareholders in relation to fraud or oppression. However, certain remedies are available to shareholders of our Company under Bermuda law, as summarised in paragraph 3(o) of this Appendix.

(i) Procedures on liquidation

A resolution that our Company be wound up by the court or be wound up voluntarily shall be a special resolution (see paragraph 2(d)(i) above for details of a "special resolution").

If our Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Companies Act, divide among the members in specie or kind the whole or any part of the assets of our 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. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

(j) Other provisions

Our Bye-laws provide that to the extent that it is not prohibited by and is in compliance with the Companies Act, if warrants to subscribe for shares have been issued by our Company and our 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 a share, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the par value of a share on any exercise of the warrants.

Our Bye-laws also provide that our Company is required to maintain at its registered office a register of directors and officers in accordance with the provisions of the Companies Act and such register is open to inspection by members of the public without charge between 10:00 a.m. and 12:00 noon during business hours.

3. BERMUDA COMPANY LAW

Our Company is incorporated in Bermuda and, therefore, operates subject to Bermuda law. Set out below is a summary of certain provisions of Bermuda company law, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of Bermuda company law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar:

(a) Incorporation

Our Company was incorporated by registration as an exempted company under the Companies Act on 18 April 2018. Our Company was brought into existence by depositing its Memorandum with the Registrar of Companies in Bermuda (the "**Registrar**").

(b) Constitution

The business activities of a Bermudian company are governed by the provisions of its memorandum of association which sets out its specific business objects and the powers that may be exercised in support of its principal business objects. Bermuda law distinguishes between objects and powers, the latter being regarded as supplemental to the principal business objects.

The objects set out or included by reference in the different paragraphs of the objects clause in a company's memorandum of association shall not, unless otherwise stated, be limited or restricted in any way by reference to or inference from the terms of any other paragraph in the memorandum of association and such objects may be carried out in as full and ample a manner and construed in such a manner as if each paragraph defined the objects of a separate and independent company and each is construed as a primary object.

A company may, by resolution passed at a general meeting of members of which due notice has been given, alter its memorandum of association. After approval of the alteration by the members in general meeting, certain filings must be made with the Registrar. It is also necessary to obtain the Minister's consent to the alteration if the company carries on any "restricted business activity" as defined in the Companies Act.

The bye-laws govern a company's administration and the relationship between its members and its board of directors, and are required to make provision for certain limited matters.

The members of a company are entitled to receive copies of the company's memorandum of association and bye-laws upon request. Each person who agrees to become a member of a company and whose name is entered in the register of members is deemed to be a member of the company.

(c) Taxation

Under present Bermuda law, no Bermuda withholding tax on dividends or other distributions, nor any Bermuda tax computed on profits or income or on any capital asset, gain or appreciation will be payable by an exempted company or its operations, and there is no Bermuda tax in the nature of estate duty or inheritance tax applicable to shares, debentures or other obligations of the company held by non-residents of Bermuda. Furthermore, a company may apply to the Minister of Finance of Bermuda for an assurance, under the Exempted Undertakings Tax Protection Act 1966 of Bermuda, that no such taxes shall be so applicable to it or any of its operations until 31st March 2035, although this assurance will not prevent the imposition of any Bermuda tax payable in relation to any land in Bermuda leased or let to the company or to persons ordinarily resident in Bermuda.

(d) Stamp duty

An exempted company is exempt from all stamp duties except on transactions involving "Bermuda property". This term relates, essentially, to real and personal property physically situated in Bermuda, including shares in local companies (as opposed to exempted companies). Transfers of shares and warrants in all exempted companies are exempt from Bermuda stamp duty.

(e) Prospectus issues and public offers

Where a company proposes to make an offer of its shares to the public, it may be subject to the requirement of the Companies Act to publish in writing a prospectus prior to the offer and file a prospectus prior to or as soon as reasonably practicable after publication of such a prospectus. Under the Companies Act, the "public" is broadly defined. However, certain types of offers may be treated as not being made to the public. Amongst these is an offer to existing holders of the same class of shares without any right of renunciation and an offer which is not calculated to result, directly or indirectly, in shares becoming available to either more than 35 persons or persons whose ordinary business involves the acquisition, disposal or holding of shares, whether as principal or agent. The Companies Act expressly provides that it is not necessary to publish and file a prospectus, at any time or in any circumstances, where:

(i) the shares of the company are listed on an appointed stock exchange or an application has been made for the shares to be so listed and the rules of the appointed stock exchange do not require the company to publish and file a prospectus at such time or in such circumstances;

(ii) the company is subject to the rules or regulations of a competent regulatory authority and such rules or regulations do not require the company to publish and file a prospectus at such time or in such circumstances, except where exemption from publication and filing of a prospectus is given by reason of the offer being made only to persons who are resident outside the jurisdiction of the authority; or

(iii) an appointed stock exchange or any competent regulatory authority has received or otherwise accepted a prospectus or other document in connection with the offer of shares to the public.

The contents provisions of the Companies Act require disclosure of certain matters relating to a company including the names of its officers, its business, the rights and restrictions attaching to its shares, a report of its auditors and a statement on the minimum amount of subscription which, in the opinion of the directors, must be raised in order for the offer to become effective. If the minimum subscription is not raised within 120 days of the publication of the prospectus, no shares may be allotted and the subscription monies must be returned to applicants. It should also be noted that the auditors' report must relate to a period ended not more than eighteen months prior to the date of the prospectus, provided that where the relevant period ended more than six months prior to the issue of the prospectus, there must also be included unaudited financial statements for a fiscal quarter which ended not more than four months prior to the date of the prospectus.

(f) Exchange control

An exempted company is usually designated as "non-resident" for Bermuda exchange control purposes by the Bermuda Monetary Authority ("**BMA**"). Where a company is so designated, it is free to deal in currencies of countries outside the Bermuda exchange control area which are freely convertible into currencies of any other country. The permission of the BMA is required for the issue of shares and securities by the company and the subsequent transfer of such shares and securities. In granting such permission, the BMA accepts no responsibility for the financial soundness of any proposals or for the correctness of any statements made or opinions expressed in any document with regard to such issue. Before the company can issue or transfer any further shares and securities in excess of the amounts already approved, it must obtain the prior consent of the BMA.

The BMA has granted general permission for the issue and transfer of shares and securities to and between persons regarded as resident outside Bermuda for exchange control purposes without specific consent for so long as any equity securities, including shares, are listed on an appointed stock exchange (as defined in the Companies Act). Issues to and transfers involving persons regarded as "resident" for exchange control purposes in Bermuda will be subject to specific exchange control authorisation.

In granting such permission, the BMA accepts no responsibility for the financial soundness of any proposals or for the correctness of any statements made or opinions expressed in this document with regard to them.

(g) Share capital

The Companies Act provides that where a company issues shares at a premium (i.. for a price in excess of the par value thereof), whether for cash or otherwise, a sum equal to the aggregate amount or value of the premiums on those shares must be transferred to an account, to be called the "share premium account", to which the provisions of the Companies Act relating to a reduction of share capital of a company shall apply as if the share premium account was paid up share capital of the company except that the share premium account may be applied by the company:

(i) in paying up unissued shares of the company to be issued to members of the company as fully paid bonus shares;

(ii) in writing off:

(aa) the preliminary expenses of the company; or

(bb) the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company; or

(iii) in providing for the premiums payable on redemption of any shares or of any debentures of the company.

In the case of an exchange of shares the excess value of the shares acquired over the nominal value of the shares being issued may be credited to a contributed surplus account of the issuing company.

The Companies Act permits a company to issue preference shares and subject to the conditions stipulated therein to convert those preference shares into redeemable preference shares.

The Companies Act includes certain protections for holders of special classes of shares, requiring their consent to be obtained before their rights may be varied. Where provision is made by the memorandum of association or bye-laws for authorising the variation of rights attached to any class of shares in the company, 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, and where no provision for varying such rights is made in the memorandum of association or bye-laws and nothing therein precludes a variation of such rights, the written consent of the holders of three-fourths of the issued shares of that class or the sanction of a resolution passed as aforesaid is required.

(h) Alteration of share capital

A company may, if authorised by a general meeting of its members and by its bye-laws, alter the conditions of its memorandum of association to increase its share capital, divide its shares into several classes and attach to those shares any preferential, deferred, qualified or special rights, privileges or conditions, consolidate all or any of its share capital into shares of a larger amount than its existing shares, subdivide its shares or any of them into shares of a smaller amount than is fixed by the memorandum of association, make provision for the issue and allotment of shares which do not carry any voting rights, cancel shares which have not been taken or agreed to be taken by any person, diminish the amount of its share capital by the amount of the shares so cancelled and change the currency denomination of its share capital. With the exception of an increase of capital, cancellation of shares and redenomination of currency of capital, there are no filing requirements for any such alterations.

Furthermore a company may, if authorised by a general meeting of its members, reduce its share capital. There are certain requirements, including a requirement before the reduction to publish a notice in an appointed newspaper stating the amount of the share capital as last determined by the company, the amount to which the share capital is to be reduced and the date on which the reduction is to have effect. A company is not permitted to reduce the amount of its share capital if on the date the reduction is to be effected there are reasonable grounds for believing that the company is, or after the reduction would be, unable to pay its liabilities as they become due.

(i) Purchase by a company of its own shares

A company may, if authorised by its memorandum of association or bye-laws, purchase its own shares. Such purchases may only be effected out of the capital paid up on the purchased shares or out of the funds of the company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose. Any premium payable on a purchase over the par value of the shares to be purchased must be provided for out of funds of the company otherwise available for dividend or distribution or out of the company's share premium account. Any amount due to a shareholder on a purchase by a company of its own shares may (i) be paid in cash; (ii) be satisfied by the transfer of any part of the undertaking or property of the company having the same value; or (iii) be satisfied partly under (i) and partly under (ii). Any purchase by a company of its own shares may be authorised by its board of directors or otherwise by or in accordance with the provisions of its bye-laws. Such purchase may not be made if, on the date on which the purchase is to be effected, there are reasonable grounds for believing that the company is, or after the purchase would be, unable to pay its liabilities as they become due. The shares so purchased may either be cancelled or held as treasury shares. Any purchased shares that are cancelled will, in effect, revert to the status of authorised but unissued shares. If shares of the company are held as treasury shares, the company is prohibited to exercise any rights in respect of those shares, including any right to attend and vote at meetings, including a meeting under a scheme of arrangement, and any purported exercise of such a right is void. No dividend shall be paid to the company in respect of shares held by the company as treasury shares; 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) shall be made to the company in respect of shares held by the company as treasury shares. Any shares allotted by the company as fully paid bonus shares in respect of shares held by the company as treasury shares shall be treated for the purposes of the Companies Act as if they had been acquired by the company at the time they were allotted.

A company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under Bermuda law that a company's memorandum of association or its bye-laws contains a specific provision enabling such purchases.

Under Bermuda law, a subsidiary may hold shares in its holding company and in certain circumstances, may acquire such shares. A company, whether a subsidiary or a holding company, may only purchase its own shares if it is authorised to do so in its memorandum of association or bye-laws pursuant to section 42A of the Companies Act.

(j) Transfer of securities

Under Bermuda law, a company may only register a transfer of shares in or debentures of the company where a proper instrument of transfer has been delivered to the company unless the transfer is by operation of law or the transfer is made in accordance with the rules or regulations of an appointed stock exchange on which the shares or debentures of the company are listed or admitted to trading.

(k) Dividends and distributions

A company may not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that (i) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of the company's assets would thereby be less than its liabilities. Contributed surplus is defined for purposes of section 54 of the Companies Act to include the proceeds arising from donated shares, credits resulting from the redemption or conversion of shares at less than the amount set up as nominal capital and donations of cash and other assets to the company.

(l) Charges on assets of a company

The Registrar maintains a register of charges in respect of a company. Every charge over the assets of a company may be submitted to the Registrar for registration against the company.

Registration constitutes notice to the public of the interest of the chargee in or over the charged assets. Any registered charge will have priority over any subsequently registered charge and any unregistered charge. Where charges are created after 1 July, 1983, priority is based upon the date of registration and not the date of creation of the charge. There is no time within which a charge must be registered in order to be effective.

(m) Management and administration

The Companies Act contains no specific restrictions 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 interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Furthermore, the Companies Act requires that every officer should comply with the Companies Act, regulations passed pursuant to the Companies Act and the bye-laws of the company. The directors of a company may, subject to the bye-laws of the company, exercise all the powers of the company except those powers that are required by the Companies Act or the bye-laws to be exercised by the members of the company.

(n) Loans to directors

Bermuda law prohibits a company from (i) making loans to any of its directors (or any directors of its holding company) or to their spouse or children or to companies (other than a company which is a holding company or a subsidiary of the company making the loan, or as the case may be, of the company entering into guarantee or providing security in connection with a loan made to such director his spouse or children by any other person) in which they own or control directly or indirectly more than a twenty per cent. (20%) interest, or (ii) entering into any guarantee or providing any security in connection with a loan made to such persons as aforesaid by any other person, without the consent of any member or members holding in aggregate not less than nine-tenths of the total voting rights of all members having the right to vote at any meeting of the members of the company.

These prohibitions do not apply to (a) anything done to provide a director with funds to meet the expenditure incurred or to be incurred by him for the purposes of the company, provided that the company gives its prior approval at a general meeting or, if not, the loan is made on condition that it will be repaid within six months of the next following annual general meeting or in the case of a company that has made an election to dispense with annual general meetings in accordance with the Companies Act, at or before the next following general meeting which shall be convened within 12 months of the authorisation of the making of the loan, if the loan is not approved at or before such meeting, (b) in the case of a company whose ordinary business includes the lending of money or the giving of guarantees in connection with loans made by other persons, anything done by the company in the ordinary course of that business, or (c) any advance of moneys by the company to any officer or auditor under Section 98(2)(c) of the Companies Act which allows the company to advance moneys to an officer or auditor of the company for the costs incurred in defending any civil or criminal proceedings against them, on condition that the officer or auditor shall repay the advance if any allegation of fraud or dishonesty is proved against them. If the approval of the company is not given for a loan, the directors who authorised it will be jointly and severally liable for any loss arising therefrom.

(o) The investigation of the affairs of a company and protection of minorities

Under the Companies Act, the Minister of Finance may at any time of his own volition or on the application of such proportion of the members of the company as in his opinion warrants the application based on their shareholding, appoint one or more inspectors to investigate the affairs of a company and to report thereon in such manner as he may direct.

Class actions and derivative actions are generally not available to shareholders under the laws of Bermuda. The Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong done to the company where the act complained of is alleged to be beyond the corporate power of the company or is illegal or would result in the violation of the company's memorandum of association and bye-laws. Furthermore, consideration would be given by the court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company's shareholders than actually approved it.

Any member of a company who complains that the affairs of the company are being conducted or have been conducted in a manner oppressive or prejudicial to the interests of some part of the members, including himself, may petition the court which may, if it is of the opinion that to wind up the company would unfairly prejudice that part of the members but that otherwise the facts would justify the making of a winding up order on just and equitable grounds, make such order as it thinks fit, whether for regulating the conduct of the company's affairs in future or for the purchase of shares of any members of the company by other members of the company or by the company itself and in the case of a purchase by the company itself, for the reduction accordingly of the company's capital, or otherwise. Bermuda law also provides that the company may be wound up by the Bermuda court, if the court is of the opinion that it is just and equitable to do so. Both these provisions are available to minority shareholders seeking relief from the oppressive conduct of the majority, and the court has wide discretion to make such orders as it thinks fit.

Except as mentioned above, claims against a company by its shareholders must be based on the general laws of contract or tort applicable in Bermuda.

A statutory right of action is conferred on subscribers of shares in a company against persons, including directors and officers, responsible for the issue of a prospectus in respect of damage suffered by reason of an untrue statement therein, but this confers no right of action against the company itself. In addition, such company, as opposed to its shareholders, may take action against its officers including directors, for breach of their statutory and fiduciary duty to act honestly and in good faith with a view to the best interests of the company.

(p) Inspection of corporate records

Members of the general public have the right to inspect the public documents of a company available at the office of the Registrar which will include the company's certificate of incorporation, its memorandum of association (including its objects and powers) and any alteration to the company's memorandum of association. The members of the company have the additional right to inspect the bye-laws of a company, minutes of general meetings and the company's audited financial statements. Minutes of general meetings of a company are also open for inspection by directors of the company without charge for not less than two (2) hours during business hours each day. The register of members of a company is open for inspection by members of the public without charge. The company is required to maintain its share register in Bermuda but may, subject to the provisions of the Companies Act, establish a branch register outside Bermuda. Any branch register of members established by the company is subject to the same rights of inspection as the principal register of members of the company in Bermuda. Any person may on payment of a fee prescribed by the Companies Act require a copy of the register of members or any part thereof which must be provided within fourteen (14) days of a request. Bermuda law does not, however, provide a general right for members to inspect or obtain copies of any other corporate records.

A company is required to maintain a register of directors and officers at its registered office and such register must be made available for inspection for not less than two (2) hours in each day by members of the public without charge. If summarised financial statements are sent by a company to its members pursuant to section 87A of the Companies Act, a copy of the summarised financial statements must be made available for inspection by the public at the registered office of the company in Bermuda.

(q) Restrictions on the activities of exempted companies

Unless specially authorised by the Companies Act, a company is not permitted to: (i) acquire or hold land in Bermuda except land required for its business held by way of lease or tenancy agreement for a term not exceeding fifty years or with the Minister's consent, land by way of lease or tenancy agreement for a term not exceeding twenty-one years in order to provide accommodation or recreational facilities for its officers and employees, (ii) except as specifically authorised, take any mortgage of land in Bermuda, (iii) acquire any bonds or debentures secured on any land in Bermuda except bonds or debentures issued by the Government or a public authority in Bermuda, and (iv) to carry on business in Bermuda save for certain exceptions which include (aa) carrying on business with persons outside Bermuda, (bb) carry on business in Bermuda with another exempted company in furtherance only of the business of the company outside Bermuda, (cc) carry on business in Bermuda as manager or agent for, or consultant or adviser to any exempted company or permit company which is affiliated, whether or not incorporated in Bermuda, with the exempted company, and (dd) carry on such business in relation to an exempted partnership or an overseas partnership in which the exempted company is a partner.

(r) Accounting and auditing requirements

The Companies Act requires a company to 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 in respect of 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.

Furthermore, it requires that a company keeps its records of account at the registered office of the company or at such other place as the directors think fit and that such records must at all times be open to inspection by the directors or the resident representative of the company. If the records of account are kept at some place outside Bermuda, there must be kept at the office of the company in Bermuda such records as will enable the directors or the resident representative of the company to ascertain with reasonable accuracy the financial position of the company at the end of each three month period, except that where the company is listed on an appointed stock exchange, there must be kept such records as will enable the directors or the resident representative of the company to ascertain with reasonable accuracy the financial position of the company at the end of each six month period.

The Companies Act requires that the directors of the company must, at least once a year, lay before the company in general meeting financial statements for the relevant accounting period. Further, the company's auditor must audit the financial statements so as to enable him to report to the members. Based on the results of his audit, which must be made in accordance with generally accepted auditing standards, the auditor must then make a report to the members. The generally accepted auditing standards may be those of a country or jurisdiction other than Bermuda or such other generally accepted auditing standards as may be appointed by the Minister of Finance of Bermuda under the Companies Act; and where the generally accepted auditing standards used are other than those of Bermuda, the report of the auditor shall identify the generally accepted auditing standards used. All members of the company are entitled to receive a copy of every financial statement prepared in accordance with these requirements, at least five (5) days before the general meeting of the company at which the financial statements are to be tabled. A company the shares of which are listed on an appointed stock exchange may send to its members summarised financial statements instead. The summarised financial statements must be derived from the company's financial statements for the relevant period and contain the information set out in the Companies Act. The summarised financial statements sent to the company's members must be accompanied by an auditor's report on the summarised financial statements and a notice stating how a member may notify the company of his election to receive financial statements for the relevant period and/or for subsequent periods.

The summarised financial statements together with the auditor's report thereon and the accompanied notice must be sent to the members of the company not less than twenty-one (21) days before the general meeting at which the financial statements are laid. Copies of the financial statements must be sent to a member who elects to receive the same within seven (7) days of receipt by the company of the member's notice of election.

(s) Continuation and discontinuation of companies

(i) A company incorporated outside Bermuda may be continued in Bermuda as an exempted company to which the provisions of the Companies Act and any other relevant laws of Bermuda may apply. The consent of the Minister will be required if the company's memorandum of continuance includes special objects enabling it to carry on any "restricted business activity" as defined in the Companies Act; and

(ii) an exempted company may be continued in a country or jurisdiction outside Bermuda as if it had been incorporated under the laws of that other jurisdiction and be discontinued under the Companies Act, provided that, inter alia, it is an appointed jurisdiction pursuant to the Companies Act, or has been approved by the Minister, upon application by the company for the purpose of the discontinuance of the company out of Bermuda.

(t) Winding-up and liquidation

(i) Introduction:

The winding-up of a Bermuda company is governed by the provisions of the Companies Act and by the Companies (Winding-Up) Rules 1982 (the "**Rules**") and may be categorised as either a voluntary winding-up or a compulsory winding-up.

(ii) Voluntary Winding-Up:

(aa) **Members' Voluntary Winding-up** – A members' voluntary winding-up is only possible if a company is solvent. A statutory declaration of solvency to the effect that a company is able to meet its debts within 12 months from the date of the commencement of its winding-up is sworn by a majority of the company's directors and filed with the Registrar.

A general meeting of members is then convened which resolves that the company be wound-up voluntarily and that a liquidator be appointed.

Once the affairs of the company are fully wound-up, the liquidator prepares a full account of the liquidation which he then presents to the company's members at a special general meeting called for that purpose. This special general meeting must be advertised in an appointed newspaper in Bermuda at least one month before it is held. Within one week after this special general meeting is held, the liquidator shall notify the Registrar that the company has been dissolved.

(bb) **Creditors' Voluntary Winding-up** – A creditors' voluntary winding-up may occur where a company is insolvent and a statutory declaration of solvency cannot be sworn.

A board meeting is convened which resolves to recommend to the members of the company that the company be placed into a creditors' voluntary winding-up. This recommendation is then considered and, if thought fit, approved at a special general meeting of the company's members and, subsequently, at a meeting of the company's creditors.

Notice of the creditors' meeting must appear in an appointed newspaper on at least two occasions and the directors must provide this meeting with a list of the company's creditors and a full report of the position of the company's affairs.

At their respective meetings, the creditors and members are entitled to nominate a person or persons to serve as liquidator(s). In addition, the creditors are entitled to appoint a committee of inspection which, under Bermuda law, is a representative body of creditors who assist the liquidator during the liquidation.

As soon as the affairs of the company are fully wound-up, the liquidator prepares his final account explaining the liquidation of the company and the distribution of its assets which he then presents to the company's members in a special general meeting and to the company's creditors in a meeting. Within one week after the last of these meetings, the liquidator sends a copy of the account to the Registrar who proceeds to register it in the appropriate public records and the company is deemed dissolved three months after the registration of this account.

(iii) Compulsory Winding-Up:

The courts of Bermuda may wind-up a Bermuda company on a petition presented by persons specified in the Companies Act, which include the company itself and any creditor or creditors of the company (including contingent or prospective creditors) and any member or members of the company.

Any such petition must state the grounds upon which the Bermuda court has been asked to wind-up the company and may include any of the following:

(aa) that the company has by resolution resolved that it be wound-up by the Bermuda court;

(bb) that the company is unable to pay its debts; and

(cc) that the Bermuda court is of the opinion that it is just and equitable that the company be wound-up.

The winding-up petition seeks a winding-up order and may include a request for the appointment of a provisional liquidator.

Prior to the winding-up order being granted and the appointment of the provisional liquidator, an interim provisional liquidator may be appointed to administer the affairs of the company with a view to its winding-up until he is relieved of these duties by the appointment of the provisional liquidator.

As soon as the winding-up order has been made, the provisional liquidator summons separate meetings of the company's creditors and members in order to determine whether or not he should serve as the permanent liquidator or be replaced by some other person who will serve as the permanent liquidator and also to determine whether or not a committee of inspection should be appointed and, if appointed, the members of that committee. The provisional liquidator notifies the court of the decisions made at these meetings and the court makes the appropriate orders.

A permanent liquidator's powers are prescribed by the Companies Act. His primary role and duties are the same as a liquidator in a creditors' voluntary winding-up, namely to distribute the company's assets ratably amongst its creditors whose debts have been admitted.

As soon as the affairs have been completely wound-up, the liquidator applies to the courts of Bermuda for an order that the company be dissolved and the company is deemed dissolved from the date of this order being made.

4. GENERAL

Conyers Dill & Pearman, our Company's legal advisers on Bermuda law, have sent to our Company a letter of advice summarising certain aspects of Bermuda company law. This letter, together with a copy of the Companies Act, is available for inspection as referred to in the paragraph headed "Documents Delivered to the Registrar of Companies in Hong Kong and Available for Inspection – Documents available for inspection" in Appendix V to this prospectus. Any person wishing to have a detailed summary of Bermuda 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.

A. FURTHER INFORMATION ABOUT OUR COMPANY AND OUR GROUP

1. Incorporation of our Company

Our Company was incorporated as an exempted company in Bermuda under the Companies Act with limited liability on 18 April 2018. Our Company's registered office is located at Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda.

We have been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance on 28 May 2018 and our principal place of business in Hong Kong is at 26/F, 625 King's Road, North Point, Hong Kong. Mr. Lau and Ms. Tang have been appointed as the authorised representatives of our Company for the acceptance of service of process and notices in Hong Kong.

As our Company is incorporated in Bermuda, its operations are subject to Bermuda law and its constitutive documents comprising the Memorandum of Association and the Bye-laws. A summary of certain provisions of our constitution and relevant aspects of the Companies Act is set out in Appendix III to this prospectus.

2. Changes in share capital of our Company

As at the date of incorporation of our Company, the authorised share capital of our Company was HK$100,000 divided into 10,000,000 Shares of HK$0.01 each. The following alterations in the share capital of our Company have taken place since its date of incorporation:

(i) One fully paid Share was issued to an independent nominee Shareholder, for cash at par on 20 April 2018 and one fully paid Share was issued to another independent nominee Shareholder, for cash at par on 20 April 2018.

(ii) On 3 September 2018, the authorised share capital of our Company was increased from HK$100,000 to HK$100,000,000 by the creation of an additional 9,990,000,000 Shares.

(iii) On 14 June 2018, OPUS and our Company entered into the Scheme Implementation Agreement which outlined the agreed steps to be taken for the implementation of the Scheme of Arrangement. On 13 September 2018, the second court hearing was held to approve the Scheme of Arrangement, which became effective on 14 September 2018 and trading in OPUS Shares has been suspended since close of trading on 14 September 2018. Upon implementation of the Scheme of Arrangement and in accordance with the orders of the Federal Court of Australia, on the Listing Date, our Company will issue 401,909,823 Shares credited as fully paid to the then existing OPUS Shareholders (excluding the ineligible foreign OPUS Shareholders) and the designated sale agent under the share sale facility (as the case may be) in consideration for which, the entire issued share capital of OPUS held by the OPUS Shareholders will be transferred to our Company on the basis that one OPUS Share will be swapped for three Shares. Immediately after the share swap, (i) Bookbuilders BVI, (ii) Mr. Celarc and his associates, (iii) Clapsy Pty Ltd and (iv) the public OPUS Shareholders (other than the ineligible foreign OPUS Shareholders) and the designated sale agent will respectively hold approximately 78.26%, 6.22%, 0.72% and 14.80% of the enlarged issued share capital of our Company.

(iv) Immediately after the Share Offer, (i) Bookbuilders BVI, (ii) Mr. Celarc and his associates, (iii) Clapsy Pty Ltd, (iv) the public OPUS Shareholders (excluding the ineligible foreign OPUS Shareholders) and the designated sale agent and (v) the New Public Shareholders will respectively hold approximately 62.05%, 4.93%, 0.57%, 11.73% and 20.71% of the enlarged issued share capital of our Company.

(v) Save as disclosed in the paragraph headed "3. Written resolutions of our Shareholders" in this Appendix, there has been no alteration in the share capital of our Company since the date of incorporation.

3. Written resolutions of our Shareholders

Pursuant to the written resolutions of our Shareholders passed on 10 July 2018, the Bye-laws were conditionally adopted in substitution for and to the exclusion of the existing Bye-laws to take effect on the Listing Date.

Pursuant to the written resolutions of our Shareholders passed on 3 September 2018, among other things, the authorised share capital of our Company was increased from HK$100,000 divided into 10,000,000 Shares to HK$100,000,000 divided into 10,000,000,000 Shares by the creation of an additional 9,990,000,000 Shares.

Pursuant to the written resolutions of our Shareholders passed on 7 September 2018, among other things:

(i) conditional upon (a) the Listing Committee granting listing of, and permission to deal, in the Shares to be issued pursuant to the Scheme of Arrangement and the Share Offer; and (b) the obligations of the Public Offer Underwriter under the Public Offer Underwriting Agreement relating to the Public Offer and the obligations of the Placing Underwriters under the Placing Underwriting Agreement relating to the Placing both becoming unconditional and such underwriting agreements not having been terminated in accordance with their respective terms, the Share Offer was approved and our Board was authorised and directed to (1) implement the Share Offer; (2) to allot and issue the Offer Shares pursuant to the Share Offer and such number of Shares as may be required to be allotted and issued on and subject to the terms and conditions stated in the prospectus and the relevant Application Forms; and (3) to do all things and execute all documents in connection with or incidental to the Share Offer with such modifications, amendments, variations or otherwise (if any) as may be made by our Board (or any committee of the Board thereof established by our Board) in its absolute discretion;

(ii) a general unconditional mandate was granted to our Directors to exercise all the powers of our Company to allot, issue and deal with the Shares (otherwise than pursuant to or in consequence of, the Share Offer, a rights issue, the exercise of any subscription rights which may be granted under any scrip dividend scheme or similar arrangements, any adjustments of rights to subscribe for Shares under options and warrants or a special authority granted by our Shareholders) with an aggregate nominal amount not exceeding the sum of 20.0% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of the Share Offer, such mandate to remain in effect until the earlier of the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next annual general meeting of our Company is required by the Bye-laws or any applicable laws of Bermuda to be held, or the passing of an ordinary resolution of the Shareholders in a general meeting revoking, varying or renewing such mandate;

(iii) a general unconditional mandate was granted to our Directors to exercise all powers of our Company to repurchase Shares on the Stock Exchange, or on any other recognised stock exchange on which the securities of our Company may be listed, representing up to 10.0% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of the Share Offer, such mandate to remain in effect until the earlier of the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next annual general meeting of our Company is required by the Bye-laws or any applicable laws of Bermuda to be held, or the passing of an ordinary resolution of the Shareholders in a general meeting revoking, varying or renewing such mandate;

(iv) the general unconditional mandate granted to the Directors pursuant to (ii) above was extended by the addition to the aggregate nominal value of the Shares which may be allotted and issued or agreed to be allotted or issued by our Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the Shares repurchased by our Company (if any) under the mandate granted to the Directors to repurchase Shares pursuant to sub-paragraph (iii) above;

Immediately following the Share Offer becoming unconditional and the issue of Shares as mentioned herein being made, the authorised share capital of our Company will be HK$100,000,000.00 divided into 10,000,000,000 Shares and the issued share capital will be HK$5,069,098.23 divided into 506,909,823 Shares, all fully paid or credited as fully paid and 9,493,090,177 Shares will remain unissued. There is no present intention to issue any of the authorised but unissued share capital of our Company and no issue of Shares which would effectively alter the control of our Company will be made without the prior approval of our Shareholders in a general meeting.

4. Reorganisation

In preparation for the Listing, the companies comprising our Group will undergo the Reorganisation as a result of which our Company will become the holding company of our Group. For information with regard to the Reorganisation, please refer to the paragraph headed "History and Corporate Structure – Reorganisation" in this prospectus.

5. Changes in share capital of our subsidiaries

Our Company's subsidiaries are referred to in the "Accountants' Report", the text of which is set out in Appendix IA to this prospectus. Save for the subsidiaries mentioned in Appendix IA to this prospectus, our Company has no other subsidiaries. Save as disclosed in the paragraph headed "History and Corporate Structure — Our subsidiaries" in this prospectus, there has been no alteration in the share capital of any of our subsidiaries within the two years immediately preceding the date of this prospectus.

6. Repurchase by our Company of its own securities

This section includes information required by the Stock Exchange to be included in this prospectus concerning the repurchase by our Company of its own securities.

(i) Relevant legal and regulatory requirements

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their own shares on the Stock Exchange subject to certain restrictions, amongst which it is provided that:

(a) Shareholders' approval

All proposed repurchases of securities (which must be fully-paid up in the case of shares) on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of its shareholders, either by way of a general mandate or by specific approval of a particular transaction.

Pursuant to the written resolutions of our Shareholders passed on 7 September 2018, the Repurchase Mandate was given to our Directors to exercise all the powers of our Company to repurchase, on the Stock Exchange or any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, Shares with an aggregate nominal amount not exceeding 10.0% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of the Reorganisation and the Share Offer. The Repurchase Mandate will remain in effect until (1) the conclusion of the next annual general meeting of our Company, (2) the expiration of the period within which the next annual general meeting of our Company is required by any applicable laws or the Bye-laws to be held or (3) the passing of an ordinary resolution by Shareholders in general meeting revoking, varying or renewing the Repurchase Mandate, whichever is the earliest.

(b) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with the Memorandum of Association and the Bye-laws of our Company, the Listing Rules and the applicable laws of Bermuda. 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.

Any repurchases by our Company may be made out of the capital paid up on the repurchased shares or out of the funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose. Any premium payable on a repurchase over the par value of the shares must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account.

(ii) Reasons for repurchases

Our Directors believed that it is in the best interests of our Company and our Shareholders for our Directors to have a general authority from our Shareholders to enable our Company to repurchase Shares in the market. Repurchases of Shares will only be made when and to the extent that our Directors believed that such repurchases will benefit our Company and our Shareholders. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or the earnings per Share.

(iii) Funding of repurchases

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Memorandum of Association and the Bye-laws, the Listing Rules and the applicable laws of Bermuda.

There could be a material adverse impact on the working capital or gearing position of our Company (as compared with the position disclosed in this prospectus) in the event that the Repurchase Mandate was to be carried out in full at any time during the share repurchase period. However, our Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company or the gearing levels which in the opinion of our Directors are from time to time appropriate for our Company.

(iv) Number of Shares which may be repurchased

On the basis of 506,909,823 Shares in issue immediately following the completion of the Reorganisation and the Share Offer, our Directors would be authorised under the Repurchase Mandate to repurchase up to 50,690,982 Shares during the period in which the Repurchase Mandate remains in force.

(v) General

None of our Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their respective associates, have any present intention, if the Repurchase Mandate is exercised, to sell any Shares to our Company or its subsidiaries.

Our 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 Memorandum of Association, the Bye-laws and the applicable laws of Bermuda.

If as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases of Shares pursuant to the Repurchase Mandate.

Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than the prescribed percentage of the Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding public shareholding. However, our Directors do not propose to exercise the Repurchase Mandate to such an extent that in the circumstances, there is insufficient public float as prescribed under the Listing Rules.

No connected person of our Company has notified our Company that he/she/it has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

B. FURTHER INFORMATION ABOUT THE BUSINESS

1. Summary of material contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of our business) within the two years immediately preceding the date of this prospectus which are or may be material:

(i) the share transfer dated 1 January 2017 and entered into between OPUS Group NZ Holdings Limited as transferor and Richard Francis Celarc as transferee, pursuant to which Richard Francis Celarc acquired 10,000 ordinary shares of Ligare Limited from OPUS Group NZ Holdings Limited for a consideration of One New Zealand Dollar (NZD1.00);

(ii) the deed poll dated 14 June 2018 and entered into by Left Field Printing Group Limited in favour of each registered holder of OPUS Shares as at the record date, pursuant to which Left Field Printing Group Limited covenanted in favour of scheme participants to perform its obligations in relation to the scheme;

(iii) the scheme implementation agreement dated 14 June 2018 and entered into between OPUS Group Limited and Left Field Printing Group Limited, pursuant to which OPUS Group Limited and Left Field Printing Group Limited have agreed to implement the scheme;

(iv) the cornerstone investment agreement dated 18 September 2018 and entered into among Left Field Printing Group Limited, Zen Wei Peu, VMS Securities Limited and Optima Capital Limited, pursuant to which Zen Wei Peu agreed to subscribe for such number of Offer Shares (rounded down to the nearest whole board lot of 3,000 Shares) which may be purchased with an aggregate amount of HK$30,000,000 (exclusive of brokerage fee, Hong Kong Stock Exchange trading fee and SFC transaction levy) at the final Offer Price;

(v) the Deed of Indemnity; and

(vi) the Public Offer Underwriting Agreement.

2. Our intellectual property rights

As of the Latest Practicable Date, our Group had registered or had applied for the registration of the following intellectual property rights which are material to our Group's business.

(i) Trademarks

As of the Latest Practicable Date, we have registered the following trademark which is material to our business:

Trademark	Registered owner	Place of registration	Registration number	Class	Registration date	Expiry date
IPALM	OPUS Australia	Australia	1376476	42	5 August 2010	5 August 2020

As at the Latest Practicable Date, we have submitted applications for the following trademarks pending for registration:

Trademark	Name of applicant	Place of application	Application number	Class	Application Date
	the Company	Hong Kong	304508451AA	16, 35, 40	27 April 2018
LEFT FIELD Printing Group Limited LEFT FIELD Printing Group Limited	the Company	Hong Kong	304508451AB	16, 35, 40	27 April 2018
LEFT FIELD Printing Group Limited LEFT FIELD Printing Group Limited	the Company	Hong Kong	304508442AA	16, 35, 40	27 April 2018
LEFT FIELD LEFT FIELD	the Company	Hong Kong	304508442AB	16, 35, 40	27 April 2018

(ii) Domain names

As of the Latest Practicable Date, members of our Group have registered the following domain names which are material to our business:

Domain Name	Registrant	Expiry Date
canmail.com.au	OPUS Australia	8 May 2020
canprint.com.au	CanPrint Communications	9 July 2020
gallopingpress.com	OPUS	5 August 2019
infoservices.com.au	CanPrint Communications	23 March 2019

Domain Name	Registrant	Expiry Date
Ipalm.com	OPUS	8 December 2022
Ipalm.com.au	Integrated Print	7 September 2020
Ipalm.net.au	Integrated Print	24 February 2020
leftfieldprinting.com	the Company	9 April 2020
ligare.com	OPUS	1 November 2022
ligare.com.au	Ligare	23 March 2019
mcphersonsprinting.com.au	MPG	30 May 2020
opgn.net	OPUS	15 March 2021
opusgroup.co	OPUS	30 April 2019
opusgroup.com.au	OPUS Australia	3 May 2019
opusprintgroup.co.nz	OPUS	26 October 2020
opusprintgroup.com.au	Ligare	26 September 2020
unionoffset.com.au	Union Offset	9 July 2020

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Disclosure of interests or short positions of Directors and chief executive of our Company in the Shares, underlying Shares or debentures of our Company and its associated corporations

Immediately following completion of the Reorganisation and the Share Offer, the interests or short positions of our Directors and chief executives of our Company in the Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions 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 recorded in the register referred to therein or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules, to be notified to our Company and the Stock Exchange, will be as follows:

Long positions

Name of Director	Capacity	Total number of Shares/ underlying Shares held immediately following the completion of the Reorganisation and Share Offer	Approximate percentage
Mr. Lau *(Note 1)*	Interest held by controlled corporations	314,521,734	62.05%
Mr. Celarc *(Note 2)*	Trustee of a trust, interest held by controlled corporations, and beneficial owner	25,011,987	4.93%
Mr. Young *(Note 3)*	Interest held by controlled corporation	2,903,967	0.57%

Notes:

(1) Bookbuilders BVI is a wholly-owned subsidiary of 1010 Group. 1010 Group is a wholly-owned subsidiary of Lion Rock. Lion Rock is held directly by City Apex, ER2 Holdings and Mr. Lau as to 33.52%, 1.08% and 6.54% respectively. City Apex is an investment holding company and is owned as to 77.00% by ER2 Holdings. ER2 Holdings is an investment holding company and is owned as to 68.76% by Mr. Lau. Mr. Lau is deemed to be interested in all the Shares and underlying Shares held by Bookbuilders BVI by virtue of the SFO.

(2) Mr. Celarc will be deemed to be interested in 25,011,987 Shares, which comprises (i) 33,117 Shares held by Navigator Australia Limited (as the custodian for the Richard Celarc Family Trust); (ii) 11,523,168 Shares held by D.M.R.A. Property; (iii) 7,533,039 Shares held by the Richard Celarc Family Trust by virtue of Mr. Celarc being the trustee; and (iv) 5,922,663 Shares held by Ligare Superannuation Nominees Pty Ltd (as the trustee for Ligare Staff Superannuation Fund) of which both Mr. Celarc and his wife are the only members of the superannuation fund.

(3) Clapsy Pty Ltd, a company owned as to 50.00% and 50.00% by Mr. Young and his wife, Mrs. Lorraine Young, will hold 2,903,967 Shares.

2. Disclosure of interests and short positions of the substantial shareholders in the Shares and underlying Shares of our Group

So far as is known to any Director or chief executive of our Company, immediately following completion of the Reorganisation and the Share Offer, the following persons (other than a Director or chief executive of our Company) will have an interest or short position in the Shares or the underlying Shares which must be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or 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:

Name	Capacity/ Nature of interest	Total number of Shares/ underlying Shares held immediately following the completion of the Reorganisation and Share Offer	Approximate percentage
ER2 Holdings *(Note)*	Interest held by controlled corporations	314,521,734	62.05%
City Apex *(Note)*	Interest held by controlled corporations	314,521,734	62.05%
Lion Rock *(Note)*	Interest held by controlled corporations	314,521,734	62.05%
1010 Group *(Note)*	Interest held by controlled corporation	314,521,734	62.05%
Bookbuilders BVI *(Note)*	Beneficial owner	314,521,734	62.05%

Note: Bookbuilders BVI is a wholly-owned subsidiary of 1010 Group. 1010 Group is a wholly-owned subsidiary of Lion Rock. Lion Rock is held directly by City Apex, ER2 Holdings and Mr. Lau as to 33.52%, 1.08% and 6.54% respectively. City Apex is an investment holding company and is owned as to 77.00% by ER2 Holdings. ER2 Holdings is an investment holding company and is owned as to 68.76% by Mr. Lau. each of 1010 Group, Lion Rock City Apex, ER2 Holdings and Mr. Lau is deemed to be interested in all the Shares and underlying Shares held by Bookbuilders BVI by virtue of the SFO.

3. Particulars of service contracts and letters of appointment

(i) Executive Directors

Each of our executive Directors has entered into a service contract with our Company for an initial term of three years with effect from the date of appointment and thereafter be continuous unless and until terminated by not less than three months' advance notice in writing served by either party on the other.

(ii) Non-executive Director

Our non-executive Director has entered into a service contract with our Company for an initial term of three years with effect from the date of appointment and thereafter be continuous unless and until terminated by not less than three months' advance notice in writing served by either party on the other.

(iii) Independent non-executive Directors

Each of our independent non-executive Directors has entered into a letter of appointment with our Company for a period of three years, in each case commencing from the date of appointment subject to the provision of retirement and rotation of Directors under the Bye-laws. Such appointment may be terminated by not less than one month's advance notice in writing served by either party on the other.

Our independent non-executive Directors are not contractually entitled to any bonus and/or other remuneration for holding their office as a Director.

4. Directors' Remuneration

(i) The aggregate sums of approximately AUD0.4 million, AUD0.5 million, AUD0.5 million and AUD0.1 million were paid to our Directors as remuneration for each of the three financial years ended 31 December 2017 and the three months ended 31 March 2018 (being such part of the remuneration paid by the Lion Rock Group to our Directors which was allocated to our Group as expenses by reference to their involvement in the operations of our Group). Further information in respect of our Directors' and chief executive's emoluments and employees' remuneration is set out in the "Accountants' Report" in Appendix IA to this prospectus.

(ii) Under the arrangements currently in force, it is estimated that an aggregate of approximately HK$700,000 is payable by our Group to our Directors as remuneration (including benefits in kind but excluding any discretionary bonus which may be paid to any executive Director) for the financial year ending 31 December 2018.

(iii) None of our Directors or past directors of any member of our Group has been paid any sum of money for each of the three financial years ended 31 December 2017 and the three months ended 31 March 2018 for (a) loss of office as director of any member of our Group or any other office in connection with the management affairs of any member of our Group or (b) as an inducement to join or upon joining any member of our Group.

(iv) There has been no arrangement under which a Director has waived or agreed to waive any emoluments in each of the three financial years ended 31 December 2017 and the three months ended 31 March 2018.

(v) None of our Directors has been or is interested in the promotion of, or in the property proposed to be acquired by, our Company, and no sum has been paid or agreed to be paid to any of them in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a Director, or otherwise for services rendered by him in connection with the promotion or formation of our Company.

5. Disclaimer

Save as disclosed in this Appendix,

(i) none of our Directors or chief executive of our Company has any interest or short position in the Shares, underlying Shares or debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) immediately following completion of the Share Offer, which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have taken under such provision 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 will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules, to be notified to our Company and the Stock Exchange, in each case once the Shares are listed on the Stock Exchange;

(ii) save as disclosed in the section headed "Substantial Shareholders" in this prospectus, so far as is known to any of our Directors, no person (other than our Directors or chief executive of our Company) has an interest or short position in the Shares and underlying Shares of our Company immediately following completion of the Share Offer which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or is directly or indirectly interested in 10.0% 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 our Group, once the Shares are listed on the Stock Exchange;

(iii) none of our Directors nor experts referred to in the paragraph headed "E. Other information – 9. Qualification and consent of experts" in this Appendix has any direct or indirect interest in the promotion of our Company, or in any assets which have, within the two years immediately preceding the date of this prospectus, been acquired or disposed of by, or leased to, any member of our Group, or are proposed to be acquired or disposed of by, or leased to, any member of our Group;

(iv) none of our Directors nor experts referred to in the paragraph headed "E. Other information – 9. Qualification and consent of experts" in this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole;

(v) none of our Directors has any existing or proposed service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)); and

(vi) none of our Directors nor experts referred to in the paragraph headed "E. Other information – 9. Qualification and consent of experts" in this Appendix has received any agency fee, commissions, discounts, brokerages or other special terms from our Group within the two years immediately preceding the date of this prospectus in connection with the issue or sale of any capital of any member of our Group.

E. OTHER INFORMATION

1. Indemnities

Our Controlling Shareholders, as indemnifiers (the "**Indemnifiers**" and each an "**Indemnifier**") have entered into the Deed of Indemnity with our Company (for ourselves and as trustee for each of our subsidiaries) (being the contract referred to in paragraph (v) of the paragraph headed "B. Further information about the business – 1. Summary of material contracts" in this Appendix).

Under the Deed of Indemnity, the Indemnifiers will indemnify and keep indemnified our Company (on our own behalf and as trustee for each of our subsidiaries) against, among other things, (i) all taxation falling on any member of our Group resulting from, or relating to, or in consequence of, or by reference to any income, profits or gains earned, accrued or received (or deemed to be so earned, accrued or received) and/or assets acquired by any member of our Group on or before the date on which the Share Offer becomes unconditional (the "**Effective Date**"); (ii) any estate duty which is or becomes payable by any member of our Group by virtue of Section 35 or under the provisions of Section 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) by reason of the death of any person and by reason of the assets of members of our Group or any of them being deemed for the purpose of estate duty to be included in the property passing on his or her death by reason of that person making or having made a relevant transfer to members of our Group or any of them on or before the Effective Date; and (iii) all costs and expenses of any relocation of all or any part of our depot from the Land and all losses and damages which may be incurred or suffered by any member of our Group as a result of any of the issues relating to the Land as described in the paragraph headed "Business – Properties" in this prospectus.

The Indemnifiers will, however, not be liable under the Deed of Indemnity where, among other things, (i) specific provision or reserve has been made for such liability in the audited combined accounts of our Group for the three years ended 31 December 2017 and the three months ended 31 March 2018 as set out in Appendix IA to this prospectus; or (ii) the liability arises or is increased as a result only of a retrospective change in law or a retrospective increase in tax rates coming in force after the Effective Date; or (iii) the liability would not have arisen but for any voluntary act of any member of our Group after the Effective Date which the relevant member of our Group ought reasonably to have known would give rise to such liability.

2. Litigation

As at the Latest Practicable Date, no member of our Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against any member of our Group, that would have a material adverse effect on the results of operations or financial position of our Group as a whole.

3. Sole Sponsor and Sole Sponsor's fee

The Sole Sponsor has made an application on behalf of our Company to the Listing Committee for listing of, and permission to deal in, all the Shares to be issued as mentioned in this prospectus.

All necessary arrangements have been made to enable the Shares to be admitted into the CCASS.

The Sole Sponsor is independent from our Company pursuant to Rule 3A.07 of the Listing Rules. The fee payable by our Company to the Sole Sponsor to act as sponsor to our Company in connection with the Share Offer is approximately HK$6,500,000.

4. Registration procedures

The principal register of members of our Company will be maintained in Bermuda by Conyers Corporate Services (Bermuda) Limited and a branch register of members of our Company will be maintained in Hong Kong by our Hong Kong Branch Share Registrar, Boardroom Share Registrars (HK) Limited. Save where our Directors otherwise agree, all transfers and other documents of title to Shares must be lodged for registration with, and registered by, our Hong Kong Branch Share Registrar and may not be lodged in Bermuda.

5. Taxation of holders of Shares

(i) Bermuda

Under the present laws of Bermuda, there is no stamp duty payable in Bermuda on transfers of Shares.

(ii) Hong Kong

Dealings in Shares registered on our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

(iii) General

Potential holders of Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of applying for, purchasing, holding or disposing of, or dealing in, Shares. It is emphasised that none of our Company, our Directors, the Sole Sponsor, the Underwriters and all of their respective directors, agents or advisers nor any other parties involved in the Share Offer accepts responsibility for any tax effect on, or liabilities of, persons resulting from the subscription for, holding, purchase or disposal of or dealing in the Shares.

6. Agency fees and commissions received

The Underwriters will receive an underwriting commission as referred to in the paragraph headed "Underwriting – Underwriting arrangements and expenses – Total commission and expenses and the Sole Sponsor's Fee" in this prospectus.

7. Preliminary expenses

The preliminary expenses of our Company are estimated to be approximately HK$46,200 and have been paid by our Company.

8. Promoter

Our Company has no promoter for the purpose of the Listing Rules.

9. Qualification and consent of experts

The following are the qualifications of the experts which have given their reports, letters, opinions or advice which are contained in, or referred to in, this prospectus:

Expert	Qualification
BDO Limited	Certified public accountants
Conyers Dill & Pearman	Legal adviser to our Company as to Bermuda law
Frost & Sullivan International Limited	Independent industry consultant
King & Wood Mallesons	Legal adviser to our Company as to Australian law
Optima Capital Limited	a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO
SHINEWING Risk Services Limited	Internal control consultant

Each of the experts referred to above has given and has not withdrawn its written consent to the issue of this prospectus with inclusion of its report and/or letter and/or opinion and/or references to its name included herein in the form and context in which it is respectively included.

10. Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

11. Miscellaneous

(i) Save as disclosed in this Appendix and the section headed "History and Corporate Structure" in this prospectus, within the two years immediately preceding the date of this prospectus:

(a) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;

(b) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

(c) no founders or management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued;

(d) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and

(e) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries.

(ii) Our Directors confirmed that:

(a) there has been no material adverse change in the financial or trading position or prospects of our Group since 31 March 2018 (being the date to which the latest audited consolidated financial statements of our Group were prepared); and

(b) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial condition of our Group in the 12 months preceding the date of this prospectus.

(iii) All necessary arrangements have been made to enable our Shares to be admitted into CCASS for clearing and settlement.

(iv) Except for the OPUS Shares which were listed on the ASX and will be delisted on or shortly after the Listing Date, no company within our Group is presently listed on any stock exchange or traded on any trading system.

(v) We have no outstanding convertible debt securities.

(vi) There is no arrangement under which future dividends are waived or agreed to be waived.

(vii) None of the experts referred to in the paragraph headed "E. Other information – 9. Qualification and consent of experts" in this Appendix:

(a) is interested legally or beneficially in any securities of any member of our Group; or

(b) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

12. Bilingual prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided in Section 4 of the Companies Ordinance (Exemption of Companies and Prospectus from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were (i) copies of the **WHITE**, **YELLOW** and **GREEN** Application Forms; (ii) the written consents referred to in the paragraph headed "E. Other information – 9. Qualification and consent of experts" in Appendix IV to this prospectus; and (iii) copies of the material contracts referred to in the paragraph headed "B. Further information about the business – 1. Summary of material contracts" in Appendix IV to this prospectus.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the office of King & Wood Mallesons at 13th Floor, Gloucester Tower, the Landmark, 15 Queen's Road Central, Central, Hong Kong during normal business hours up to and including the date which is 14 days from the date of this prospectus:

(i) the Memorandum of Association and the Bye-laws;

(ii) the audited combined financial statements of the companies comprising our Group for the three years ended 31 December 2017 and the three months ended 31 March 2018;

(iii) the Accountants' Report of our Group for the three years ended 31 December 2017 and the three months ended 31 March 2018 prepared by BDO Limited, the text of which is set out in Appendix IA to this prospectus;

(iv) the report on review of interim condensed consolidated financial statements of OPUS for the half-year ended 30 June 2018 prepared by BDO Limited, the text of which is set out in Appendix IB to this prospectus;

(v) the report on the unaudited pro forma financial information of our Group prepared by BDO Limited, the text of which is set out in Appendix II to this prospectus;

(vi) the material contracts referred to in the paragraph headed "B. Further information about the business – 1. Summary of material contracts" in Appendix IV to this prospectus;

(vii) the service contracts with the executive Directors and non-executive Director and the letters of appointment with the independent non-executive Directors referred to in the paragraph headed "C. Further information about our Directors and substantial Shareholders – 3. Particulars of service contracts and letters of appointment" in Appendix IV to this prospectus;

(viii) the written consents referred to in the paragraph headed "E. Other information – 9. Qualification and consent of experts" in Appendix IV to this prospectus;

(ix) the legal opinion prepared by King & Wood Mallesons, the legal adviser to our Company as to Australian law, in respect of our subsidiaries in Australia;

(x) the letter of advice prepared by Conyers Dill & Pearman, the legal adviser to our Company as to Bermuda law, summarising certain aspects of Bermuda company law referred to in Appendix III to this prospectus;

(xi) the Companies Act;

(xii) the Frost & Sullivan Report; and

(xiii) the internal control review report commissioned by our Company and prepared by SHINEWING Risk Services Limited, the internal control consultant to our Company, in respect of the internal control measures of our Company and our subsidiaries.

Left Field Printing Group Limited
澳獅環球集團有限公司*